

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*



**HDB FINANCIAL SERVICES LIMITED**  
**CIN: U65993GJ2007PLC051028**  
**RBI Registration Number: N.01.00477**  
**PAN Number: AABCH8761M**

(Incorporated on June 4, 2007, in Ahmedabad, in the name of HDB Financial Services Limited a company within the meaning of the Companies Act, 1956 and registered with the Reserve Bank of India as a Non-Banking Financial Company)

**Registered Office:** Radhika, 2<sup>nd</sup> Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009 **Tel:** + 917045054829

**Corporate Office:** HDB House, Tukaram Sandam Marg, A-Subhash Road, Vile Parle (E) Mumbai - 400057;  
**Tel:** 022- 49116300;

**Fax:** 022-49116666; **Website:** www.hdbfs.com;

**Compliance Officer:** Ms. Dipti Khandelwal, **Contact details of Compliance Officer:** 022-49116368  
**e-mail:** compliance@hdbfs.com

#### **General Information Document**

**Date: October 10, 2024**

#### **Type of Information Document: Private Placement**

**THIS GENERAL INFORMATION DOCUMENT CONTAINS RELEVANT INFORMATION AND DISCLOSURES *INTER ALIA* REQUIRED UNDER THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER, SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, EACH AS AMENDED FROM TIME TO TIME, FOR THE PURPOSE OF ISSUE OF THE FOLLOWING NON-CONVERTIBLE SECURITIES BY HDB FINANCIAL SERVICES LIMITED (THE “ISSUER” / “COMPANY”), ON A PRIVATE PLACEMENT BASIS, WHICH NON-CONVERTIBLE SECURITIES MAY BE ISSUED / OFFERED BY THE COMPANY DURING THE VALIDITY OF THIS GENERAL INFORMATION DOCUMENT, IN ONE OR MORE SERIES:**

- 1. ISSUE OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (“SECURED DEBENTURES”);**
- 2. ISSUE OF UNSECURED, RATED, LISTED, PERPETUAL DEBT INSTRUMENTS IN THE NATURE OF NON-CONVERTIBLE DEBENTURES (“PDIs”);**
- 3. ISSUE OF UNSECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE SUBORDINATED (TIER II) BONDS (“SUBORDINATED BONDS”); AND**
- 4. ISSUE OF UNSECURED, RATED, LISTED, COMMERCIAL PAPERS WHICH SHALL BE ISSUED / OFFERED BY THE COMPANY DURING THE VALIDITY OF THIS GENERAL INFORMATION DOCUMENT, IN ACCORDANCE WITH THE MASTER DIRECTIONS – RESERVE BANK OF INDIA (COMMERCIAL PAPER AND NON-CONVERTIBLE DEBENTURES OF ORIGINAL OR INITIAL MATURITY UPTO ONE YEAR) DIRECTIONS, 2024 and SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 (“CPs”).**

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**IT IS HEREBY CLARIFIED THAT: (A) ALL TERMS SET OUT UNDER THIS GENERAL INFORMATION DOCUMENT WHICH ARE SPECIFIC TO AND / OR APPLICABLE TO NON-CONVERTIBLE SECURITIES WILL NOT BE APPLICABLE TO THE COMMERCIAL PAPERS, UNLESS SPECIFIED OTHERWISE HEREIN OR WHICH MAY BE APPLICABLE PURSUANT TO APPLICABLE LAW; (B) ALL TERMS IN RELATION TO COMMERCIAL PAPERS PROPOSED TO BE ISSUED UNDER THIS GENERAL INFORMATION DOCUMENT SHALL BE CAPTURED UNDER THE RELEVANT KEY INFORMATION DOCUMENT TO BE ISSUED BY THE COMPANY FOR EACH ISSUANCE OF THE COMMERCIAL PAPERS.**

Details of Compliance Officer	Details of Company Secretary	Details of Chief Financial Officer	Details of Promoters
<b>Name:</b> Ms. Dipti Khandelwal <b>Telephone:</b> 022-49116368 <b>E-mail:</b> <a href="mailto:compliance@hdbfs.com">compliance@hdbfs.com</a>	<b>Name:</b> Ms. Dipti Khandelwal <b>Telephone:</b> 022-49116368 <b>E-mail:</b> <a href="mailto:compliance@hdbfs.com">compliance@hdbfs.com</a>	<b>Name:</b> Mr. Jaykumar Shah <b>Telephone:</b> 022-49116300 <b>E-mail:</b> <a href="mailto:jaykumar.shah@hdbfs.com">jaykumar.shah@hdbfs.com</a>	<b>Name:</b> HDFC Bank Limited <b>Telephone:</b> 022-39760000 <b>E-mail:</b> <a href="mailto:shareholder.grievances@hdfcbank.com">shareholder.grievances@hdfcbank.com</a>

**PERIOD OF VALIDITY OF GENERAL INFORMATION DOCUMENT:** This General Information Document shall be valid for a period of one (1) year from the Issue Opening Date of the first Series of Secured Debentures/PDIs/Subordinated Bonds/Commercial Papers issued by the Company by way of a Key Information Document, whichever is first, and in respect of each offer of Debentures/PDIs/Subordinated Bonds/Commercial Papers during the period of validity of this General Information Document, the Company shall file with the Stock Exchange, a Key Information Document with respect to each Series, containing details of the private placement and material changes, if any, in the information including the financial information provided in this General Information Document or the earlier Key Information Document, as applicable. Please refer pages 1-9 for all information required to be placed on the front page of a General Information Document as per Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time.

**CHAPTER V NON-APPLICABILITY DISCLAIMER:** As per Key Information Document for each issuance.



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## SECTION A

### ISSUE OVERVIEW

Details of Debenture Trustee	Details of Registrar to Issue	Details of Credit Rating Agency	Details of Statutory Auditors	Details of Arranger
<b>Name:</b> As per the relevant Key Information Document <b>Logo:</b> As per the relevant Key Information Document <b>Registered Address:</b> As per the relevant Key Information Document <b>Corporate Address:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Fax No.:</b> As per the relevant Key Information Document <b>Contact Person:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Email:</b> As per the relevant Key Information Document <b>Website:</b> As per the relevant Key Information Document	<b>Name:</b> As per the relevant Key Information Document <b>Logo:</b> As per the relevant Key Information Document <b>Registered Address:</b> As per the relevant Key Information Document <b>Corporate Address:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Fax No.:</b> As per the relevant Key Information Document <b>Contact Person:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Email:</b> As per the relevant Key Information Document <b>Website:</b> As per the relevant Key Information Document	<b>Name:</b> As per the relevant Key Information Document <b>Logo:</b> As per the relevant Key Information Document <b>Registered Address:</b> As per the relevant Key Information Document <b>Corporate Address:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Fax No.:</b> As per the relevant Key Information Document <b>Contact Person:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Email:</b> As per the relevant Key Information Document <b>Website:</b> As per the relevant Key Information Document	<b>Name:</b> As per the relevant Key Information Document <b>Logo:</b> As per the relevant Key Information Document <b>Registered Address:</b> As per the relevant Key Information Document <b>Corporate Address:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Fax No.:</b> As per the relevant Key Information Document <b>Contact Person:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Email:</b> As per the relevant Key Information Document <b>Website:</b> As per the relevant Key Information Document	<b>Name:</b> As per the relevant Key Information Document <b>Logo:</b> As per the relevant Key Information Document <b>Registered Address:</b> As per the relevant Key Information Document <b>Corporate Address:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Fax No.:</b> As per the relevant Key Information Document <b>Contact Person:</b> As per the relevant Key Information Document <b>Tel No.:</b> As per the relevant Key Information Document <b>Email:</b> As per the relevant Key Information Document <b>Website:</b> As per the relevant Key Information Document

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## **ISSUE SCHEDULE**

The Issue Opening Date, the Issue Closing Date and the Deemed Date of Allotment for each Series will be informed to the Trustee separately and shall be incorporated in the Key Information Document. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, subject to the timelines of the EBP. The Issue Schedule in respect of Secured Debentures/PDIs/Subordinated Bonds/Commercial Papers shall be set out in the Key Information Document.

Each Series of Secured Debentures/PDIs/Subordinated Debentures/Commercial Papers offered pursuant to this General Information Document shall be subject to the terms and conditions pertaining to the Secured Debentures/PDIs/Subordinated Debentures/Commercial Papers outlined hereunder as modified/ supplemented by the terms of the respective Key Information Documents filed with the Stock Exchange in relation to such Series and other documents in relation to such issuance including the Private Placement Offer cum Application Letter(s). The terms and conditions contained in this General Information Document shall be read in conjunction with the provisions (as may be mutually agreed between the Issuer and respective Debenture Holders/PDI Holders/Subordinated Bond Holders/CP Holders from time to time) contained in the respective Key Information Documents, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the respective Key Information Documents on one hand, and the terms and conditions in the General Information Document on the other, the provisions contained in the Key Information Documents shall prevail over and override the provisions of this General Information Documents for all intents and purposes.

All references to the term 'Shelf Placement Memorandum' and 'Tranche Placement Memorandum' under the Transaction Documents shall be construed to mean 'General Information Document' and 'Key Information Document', respectively.

A copy of the Disclosure Document(s) has been/shall be delivered for filing to the Registrar of Companies if required under sub-section (4) of Section 26 of Companies Act, 2013

<b>ISSUE/ BID OPENING DATE</b>	As per the relevant Key Information Document
<b>ISSUE/ BID CLOSING DATE</b>	As per the relevant Key Information Document
<b>PAY-IN DATE</b>	As per the relevant Key Information Document
<b>DEEMED DATE OF ALLOTMENT</b>	As per the relevant Key Information Document
<b>DATE OF EARLIEST CLOSING OF THE ISSUE, IF ANY.</b>	As per the relevant Key Information Document

The Issuer reserves the right to change the Issue program, including the Deemed Date of Allotment, at its sole discretion, without giving any reasons or prior notice. Secured Debentures/PDIs/Subordinated Bonds will be open for subscription at the commencement of banking hours and close at the close of banking hours on the dates specified in the Key Information Document.

## **CREDIT RATING**

**Details of credit rating, along with the latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue:**

As per the relevant Key Information Document

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**Date of Rating Letters:** As per relevant Key Information Document  
**Date of Press Release of Ratings:** As per relevant Key Information Document  
**Press Release and Rating Rationale:** As per relevant Key Information Document  
**Declaration:** As per relevant Key Information Document

## LISTING

The Secured Debentures/Subordinated Bonds/PDIs are proposed to be listed on the Wholesale Debt Market Segment of the BSE and Commercial Papers are proposed to be listed with the NSE. The in-principle approval obtained by the Issuer from BSE has been disclosed in Annexure V. The Issuer has maintained the Recovery Expense Fund with the BSE (Please refer to the **'Summary Term Sheet'** for more details).

## ELIGIBLE INVESTORS

### For Secured Debentures/Subordinated Bonds/PDIs

Notwithstanding the below, the Disclosure Documents and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Secured Debentures/Subordinated Bonds/PDIs.

#### Subject to applicable law:

1. the categories of investors eligible to subscribe to the Secured Debentures/Subordinated Bonds, when addressed directly, are all Qualified Institutional Buyers, as defined under Section 2(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("QIBs"), and any non-QIB Investors specifically mapped by the Issuer on the EBP Platform; and
2. the categories of investors eligible to subscribe to the PDIs, when addressed directly, are all Qualified Institutional Buyers, as defined under Section 2(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("QIBs"),

**shall be considered to be eligible investors in respect of Secured Debentures/ Subordinated Bonds/ PDIs, as the case may be.**

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them. Please also refer to the Section on **'Who Can Apply'** below.

### For Commercial Papers

Notwithstanding the below, the Disclosure Documents and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Commercial Papers.

#### Subject to applicable law:

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1. All residents of India are eligible to invest in CPs.
2. Non-residents are eligible to invest in CPs to the extent permitted under Foreign Exchange Management Act (FEMA), 1999 or the rules/regulations framed thereunder.

The aforementioned entities shall be considered to be eligible investors in respect of CPs. Provided that if the person, whether resident or non-resident, is a related party of the Issuer, then such person is ineligible to invest in the CPs whether in the primary or through the secondary market. Further, investment by regulated financial sector entities will be subject to such conditions as the concerned regulator may impose.

#### ISSUE HIGHLIGHTS\*

Coupon Rate	As per the Key Information Document
Coupon Payment Frequency	As per the Key Information Document
Redemption Date	As per the Key Information Document
Redemption Amount	As per the Key Information Document
Details of Debenture Trustee	As per the Key Information Document
Nature and Issue Size	<b>Nature:</b> (a) Secured Debentures – Secured, rated, listed, redeemable non-convertible debentures, to be issued in one or more Series. (b) PDIs – Unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible debentures to be issued in one or more Series. (c) Subordinated Bonds - Unsecured rated redeemable non-convertible Subordinated Bonds to be issued in one or more Series. (d) Commercial Papers - Rated, Listed, Unsecured, Commercial Papers to be issued in one or more offers / issuances under this General Information Document.  <b>Issue Size:</b> As per the Key Information Document
Base Issue and Green Shoe Option	As per the Key Information Document
Shelf/ Series Size	As per the Key Information Document
Details about Underwriting of the Issue including the Amount Undertaken to be Underwritten by the Underwriters.	As per the Key Information Document
Anchor Portion and Anchor Investors	As per the Key Information Document
<b>*For further details on the terms of the Issue, please also refer the Section on 'Summary Term Sheet'</b>	

#### ELECTRONIC BOOK MECHANISM AND DETAILS PERTAINING TO THE UPLOADING THE INFORMATION DOCUMENT ON THE ELECTRONIC BOOK PROVIDER PLATFORM.

The Issue shall be open for bidding and subscribed to in accordance with the guidelines issued by SEBI and BSE pertaining to the procedure of electronic book mechanism set out in the terms specified by the Master Circular, and the related operational guidelines issued by the concerned Electronic Book Provider,

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as may be amended, clarified or updated from time to time (collectively, “Electronic Book Mechanism Guidelines”).

<b>Issue Composition - Details of size of the issue and green shoe portion, if any</b>	As per the relevant Key Information Document
<b>Interest Rate Parameter</b>	As per the relevant Key Information Document
<b>Bid opening and closing date</b>	As per the relevant Key Information Document
<b>Manner of bidding:</b>	As per the relevant Key Information Document
<b>Manner of Allotment:</b>	As per the relevant Key Information Document
<b>Allotment Size</b>	As per the relevant Key Information Document
<b>Manner of Settlement:</b>	As per the process prescribed by the Electronic Book Mechanism Guidelines
<b>Minimum Bid Lot and Multiple of Single Bid:</b>	As per the relevant Key Information Document
<b>Trading Lot Size</b>	As per the relevant Key Information Document
<b>Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day</b>	As per the relevant Key Information Document

## APPLICATION PROCESS

### For Secured Debentures/Subordinated Bonds/PDIs

#### A. HOW TO APPLY

Only eligible investors as given hereunder to whom the Disclosure Document is addressed may apply for the Secured Debentures/Subordinated Bonds/PDIs. Eligible investors are required to register on the EBP platform the link for which shall be available at [https://bond.bseindia.com/Investor\\_Registration.aspx](https://bond.bseindia.com/Investor_Registration.aspx). All the registered and eligible investors are required to update the necessary bank account details and demat details before participating in the bidding process on the EBP platform.

Each Series of the Issue will open on the ‘Issue Opening Date’ and close on the ‘Issue Closing Date’ (both days inclusive) as stated herein below (“**Issue Period**”). Potential investors who wish to invest in the Issue shall submit an application for the Secured Debentures/Subordinated Bonds/PDIs with all the accompanying documents and the application money at any time starting from the Issue Opening Date and upto the Issue Closing Date. The subscription to the Secured Debentures/Subordinated Bonds/PDIs shall be made by the potential investors through the electronic book mechanism as prescribed by SEBI during the Issue Period in the manner as set out in the section on ‘**Issue Procedure**’ below.

Applications for the Secured Debentures/Subordinated Bonds/PDIs must be made in the Application Form and must be completed in block letters in English by the Eligible investors. Application Forms must be accompanied by payment details. The full amount of the Face Value applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant’s bank, type of account and account number must be duly completed by the applicant. This is required for the applicant’s own safety and these details will be printed on the refund orders and /or redemptions warrants. **All Application forms duly completed shall be submitted at the Corporate Office of the Issuer being HDB House, Tukaram Sandam Marg, A-Subhash Road, Vile Parle (E) Mumbai - 400057.**

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The funds have to be credited to the designated bank accounts of Indian Clearing Corporation Ltd (ICCL), the details of which shall be provided on the Electronic Bidding Platform, within the prescribed timelines, as per the Electronic Book mechanism Guidelines. It may be noted that payment by any other means shall not be accepted. The Issuer assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer.

The Issuer will not be responsible in any manner for any delayed receipts / non-receipt of payments or applications lost in mail.

## **B. WHO CAN APPLY?**

Nothing in the Disclosure Documents shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through the Disclosure Documents, and the Disclosure Documents and its contents should not be construed to be a prospectus under the Companies Act. Subject to applicable law, the categories of investors eligible to subscribe to the Secured Debentures/Subordinated Bonds/PDIs, when addressed directly, are those as set out in the section for 'Eligible Investors' hereinabove.

Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the electronic platform called "EBP Platform" or any successive arrangement/platform mandated by SEBI under the Electronic Book Mechanism guidelines, only those Persons:

1. who have been named in the "List of Eligible Investors" as placed before and approved by the Board; and/or
2. who are registered on the EBP Platform and eligible to make bids for Secured Debentures/Subordinated Bonds/PDIs of the Issuer (considered as 'deemed identified');
3. to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers,

shall be considered as "identified persons" to whom the Issuer shall make private placement of the Secured Debentures/Subordinated Bonds/PDIs and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Secured Debentures/Subordinated Bonds/PDIs and only such "identified persons" shall be entitled to subscribe to the Secured Debentures/Subordinated Bonds/PDIs (or any Series thereof).

**Notwithstanding anything stated in this document or otherwise, all eligible investors are required to check and comply with applicable laws including the relevant rules / regulations / guidelines / directions applicable to them for investing in this issue of Secured Debentures/Subordinated Bonds/PDIs, including all eligibility and registration formalities under the Electronic Book Mechanism Guidelines and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory or procedural breaches by any investor, neither is the Issuer required to check or confirm the same.**

The Disclosure Documents and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Issuer and only such recipients are eligible to apply for the Secured Debentures/Subordinated Bonds/PDIs.

Eligible investors who fall in any of the aforementioned categories, shall accompany their Application Forms with the following documents:

**PAN / GIR No:**

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All applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such non-allotment should be mentioned in the Application Form. Applications without this will be considered incomplete and are liable to be rejected.

### **Application by Banks/ Corporate Bodies/ Mutual Funds/ Financial Institutions/ Trusts/ Statutory Corporations**

The applications must be accompanied by certified true copies of (i) memorandum and articles of association/constitution/by-laws/trust deed; (ii) resolution authorizing investment and containing operating instructions; (iii) specimen signatures of authorized signatories; and (iv) necessary form for claiming exemption from on interest on application money.

In case of applications by Mutual Funds registered with SEBI, a separate application must be made in respect of each scheme of the Mutual Fund and such applications will not be treated as multiple applications, provided that the application made by the asset management company/ trustee/ custodian clearly indicate their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (a) SEBI registration certificate;
- (b) Resolution authorizing investment and containing operating instructions;
- (c) Specimen signature of authorized signatories.

### **Application by Partnership Firm**

The applications must be accompanied by certified copies of (i) the PAN Card of the partnership firm; (ii) copy of the partnership deed; (iii) the photo identity proof like Passport / PAN Card / Driving License, etc. of the partner(s) signing the Application Form and specimen signatures of authorised signatories; and (iv) an authority letter from all partners authorizing such investment.

### **Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of authorised signatories must be lodged along with the submission of the completed Application Form. Further, modifications/additions in the power of attorney or authority should be delivered to the Company at its Registered Office.

### **Application by Insurance Companies**

The applications must be accompanied by certified true copies of (i) memorandum and articles of association; (ii) resolution authorizing investment and containing operating instructions; (iii) specimen signatures of authorized signatories; (iv) necessary form for claiming exemption from on interest on application money; and certificate of registration issued by Insurance Regulatory and Development Authority of India.

### **Application by Provident Funds, Superannuation Funds and Gratuity Funds**

The applications must be accompanied by certified true copies of (i) trust deed/bye-laws/resolutions; (ii) resolution authorizing investment; (iii) specimen signatures of the authorized signatories; and (iv) necessary forms.



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## C. ISSUE PROCEDURE

The Issue setup shall be done by the Issuer in accordance with the operating guidelines of the relevant EBP platform. The final subscription to the Secured Debentures/Subordinated Bonds/PDIs shall be made by the eligible investors through the Electronic Book Mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the EBP during the Issue period. An Issuer, at its discretion, may withdraw from the Issue process in accordance with the conditions enlisted in the operating guidelines of the EBP platform. Eligible investors should note that disclosure of estimated cut off yield by the EBP platform to the eligible participants, pursuant to closure of Issue, shall be at the discretion of the Issuer. The Issuer may choose to disclose the estimated cut-off yield to all the eligible participants before the bidding.

The minimum number of Secured Debentures/Subordinated Bonds/PDIs that can be applied for and the multiples thereof shall be as set out in the Disclosure Documents. No application can be made for a fraction of a Secured Debenture/Subordinated Debenture/PDI.

Potential investors whose bids have been accepted by the Issuer and to whom a signed copy of the Disclosure Documents have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make pay-in of subscription monies in respect of the Secured Debentures/Subordinated Bonds/PDIs towards the allocation made to them, into the bank account of ICCL, on or prior to the Deemed Date of Allotment and before the Pay-In Cut-Off Time, the details of which will be displayed on the EBP Platform.

The pay-in by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by the Successful Bidders in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Further, pay-in received from any other bank account may lead to cancellation of bid and consequent debarment of the bidder from accessing the EBP platform for 30 days. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Secured Debentures/Subordinated Bonds/PDIs in favour of the Successful Bidders to the clearing corporation, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Secured Debentures/Subordinated Bonds/PDIs and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Secured Debentures/Subordinated Bonds/PDIs and the credit of the Secured Debentures/Subordinated Bonds/PDIs into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Secured Debentures/Subordinated Bonds/PDIs from the aforesaid account of the clearing corporation shall be released into the Issuer's bank account, as intimated by the Issuer to the EBP.

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties may be applicable as specified by the Electronic Book Mechanism Guidelines.

It may be noted that payment by any other means shall not be accepted. The Company assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer.

The Company will not be responsible in any manner for any delayed receipts / non-receipt of RTGS payments or applications lost in mail.

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

All transfers/RTGS must be made payable to the designated bank accounts of ICCL, details whereof shall be specified in the Electronic Bidding Platform.

## UNDERTAKINGS OF THE ISSUER

### ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Disclosure Documents contain all information with regard to the Issuer and the Issue (including the issuance for CPs) which is material in the context of the Issue (including the Issuance for CPs), that the information contained in the Disclosure Documents is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make the said documents as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**GENERAL RISK:** Investors are advised to read the Risk Factors carefully before taking an investment decision in the Issue (including the issuance for CPs). For taking an investment decision, eligible investors must rely on their own examination of the Issuer, Issue (including the issuance for CPs), the Disclosure Documents and the risk involved. The Secured Debentures/Subordinated Bonds/PDIs have not been recommended or approved by any regulatory authority in India, including SEBI nor does any regulatory authority including SEBI, guarantee the accuracy or adequacy of the Disclosure Documents. Eligible investors should carefully read and note the contents of the Disclosure Documents. Each potential investor should make its own independent assessment of the merit of the investment in Secured Debentures/Subordinated Bonds/PDIs and the Issuer. Eligible investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Secured Debentures/Subordinated Bonds/PDIs and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Potential investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments. **Specific attention of investors is invited to the statement of 'Risk Factors' given in Section N of this document.**

**NO SIDE LETTERS:** The Issuer has no side letter with any Secured Debenture Holders / Subordinated Bond Holders / PDI Holders/ CP Holders other than the one(s) as may have been disclosed in the Disclosure Documents. Any covenants later added shall be disclosed on the stock exchange website where the Secured Debentures/Subordinated Bonds/PDIs/ Commercial Papers are listed.

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## SECTION B

### DEFINITIONS

Term	Meaning
Act/ Companies Act	Companies Act, 2013 as may be amended from time to time
AGM	Annual General Meeting
Allotment/Allot/Allotted	Unless the context otherwise requires or implies, the allotment of the Secured Debentures/Subordinated Bonds/PDIs pursuant to the Issue.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof in relation to issuance of Secured Debentures/Subordinated Bonds/PDIs/ the Commercial Papers.
Application Form	The form in which an investor can apply for subscription to the Secured Debentures/Subordinated Bonds/PDIs as annexed to the Key Information Document.
Articles of Association /AoA	Articles of Association of HDB Financial Services Limited
Beneficial Owner(s)	Holder(s) of the Secured Debentures/Subordinated Bonds/PDIs in dematerialized form as defined under Section 2 of the Depositories Act.
Board	Board of Directors of HDB Financial Services Limited
BSE	BSE Ltd.
Business Day	means any day of the week (excluding Sundays, non-working Saturdays, and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and “ <b>Business Days</b> ” shall be construed accordingly.
CDSL	Central Depository Services Limited
Capital Adequacy Ratio	means the minimum capital adequacy ratio prescribed by the RBI, from time to time
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Company / Issuer / HDB	HDB Financial Services Limited
Commercial Paper / CPs	means commercial paper to be issued by the Company, in accordance with the Master Directions – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of Original or Initial Maturity upto One Year) directions, 2024 and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 in terms of this General Information Document, the relevant Key Information Document(s) and the other Transaction Documents, from time to time, in one or more Series, to the CP Holder(s).
CP Holder(s)	The holder(s) of the Commercial Paper (or any Series of Commercial Paper) issued by the Issuer and shall include the registered transferees of the Commercial Paper from time to time.
Commercial Paper Disclosure Documents	Collectively, this General Information Document and the relevant Key Information Document for each offer of Commercial Papers.
Coupon	In relation to any Series, means the coupon payable on the Secured Debentures/Subordinated Bonds/PDIs constituting that Series, on the Coupon Payment Dates, at the Coupon Rate.

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Coupon Payment Date	In respect of any Series, means the date(s) as specified in the Key Information Document issued in respect of that Series, on which Coupon is payable.
CoR	Certificate of Registration. The Certificate of Registration obtained from the Reserve Bank of India under Section 45 IA of Reserve Bank of India Act, 1934
Credit Rating Agency(ies)/ Rating Agency(ies)	Shall mean the rating agencies appointed in respect of issue of non-convertible securities and commercial papers as per the relevant Key Information Document.
Date of Allotment / Deemed Date of Allotment	The date on which allotment for the relevant Series is made, as specified in the relevant Key Information Document.
Deed(s) of Hypothecation	The deed(s) of hypothecation executed/ to be executed by the Company in favour of the Trustee, from time to time, for the purposes of creating <i>pari passu</i> charge by way of hypothecation over the Hypothecated Assets in favour of the Trustee (acting for and on behalf of the Secured Debenture Holders) as may be amended / supplemented from time to time, and as specified in the Key Information Document.
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended from time to time, in this case being NSDL and CDSL.
Disclosure Documents	Shall mean the Secured Debenture Disclosure Documents and/or the Subordinated Bond Disclosure Documents and/or the PDI Disclosure Documents and/or the Commercial Papers Disclosure Documents, as the context may require.
DP	Depository Participant.
DP-ID	Depository Participant Identification Number.
DNBS	Department of Non-Banking Supervision (of RBI).
DRR	Debenture Redemption Reserve required to be maintained in accordance with the provisions of the Companies Act.
DT Master Circular	Means the Securities and Exchange Board of India's Master Circular for Debenture Trustees dated May 16, 2024 (bearing reference no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46) , as may be further amended/ updated from time to time.
EBP/ Electronic Book Provider	Shall have the meaning assigned to such term under the Electronic Book Mechanism Guidelines.
Electronic Book Mechanism Guidelines	Shall mean Chapter VI of the SEBI Master Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024 (bearing reference no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54) as may be amended/ updated from time to time and the related operational guidelines issued by the relevant EBP, as may be amended, clarified or updated from time to time.
Face Value	Shall mean the face value of each Secured Debenture / Subordinated Bond / PDI / Commercial Paper issued under any Series of Debentures / Subordinated Bonds / PDIs / Commercial Papers, issued by the Company, which amount shall be as specified in the Key Information Document.
FY/ Financial Year	12 (Twelve) months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year.
Governmental Authority	The President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by Applicable Law and any court, tribunal or other judicial or quasi-judicial body and shall include, without limitation, a stock exchange and any

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	regulatory body.
GOI	Government of India.
Hypothecated Assets	shall mean the property comprising of the Receivables hypothecated/to be hypothecated in favour of the Trustee acting on behalf of and for the benefit of the Debenture Holder(s) holding the Debentures.
INR / Rs.	Indian National Rupees (Currency of Republic of India).
Interest Rate / Coupon Rate	The rate of interest payable on the Secured Debentures/Subordinated Bonds/PDIs/CPs for the period shall be specified in the relevant Key Information Document issued for each Series.
Investors	Those persons who fall under the category of eligibility to whom this General Information Document along with the Key Information Document may be sent with a view to offering the Secured Debentures/Subordinated Bonds/PDIs/Commercial Papers for sale on private placement basis through this General Information Document.
Issue	Shall mean to include the issue of Secured Debentures and / or Subordinated Bonds and / or PDIs and/or CPs, as the context may require.
IPA	means Issuing and Paying Agent, which shall be identified in the relevant Key Information Document to be issued in relation to such Series of Commercial Papers.
IPA Agreement	means the Agreement entered/to be entered into by and between the Company and the IPA, from time to time, in relation to the issuance of relevant Series of CPs.
Key Information Document	means a document supplementing the General Information Document, in accordance with the SEBI Debt Listing Regulations whereby future subscription to the Secured Debentures/Subordinated Bonds/PDIs/Commercial Papers shall be invited by the Issuer on a private placement basis until the validity of this General Information Document.
Master Circular	Means the Securities and Exchange Board of India's Master Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024 (bearing reference no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54), as may be further amended/ updated from time to time.
Material Adverse Effect	The effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could cause a material and adverse effect on: (i) the business activities, financial condition and credit standing of the Company; or (ii) the ability of the Company to perform its obligations under the Transaction Documents; or (iii) the validity or enforceability of, or the effectiveness of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
NA	Not Applicable
NBFC	Non-Banking Financial Company.
NEFT	National Electronic Funds Transfer Service.
NPA	Non-Performing Asset (as defined in RBI guidelines).
NSE	National Stock Exchange of India Ltd.
NSDL	National Securities Depository Limited.
Outstanding Principal Amount	In respect of any Series, means, at any date, the principal amount outstanding

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	under the Debentures/PDIs/Subordinated Bonds of that Series.
PAN	Permanent Account Number.
PDI Disclosure Documents	Collectively, this General Information Document and the relevant Key Information Document for the issue of relevant Series of PDIs.
PDI Holders	Shall mean with respect to each Series, the persons who are for the time being holders of the PDIs including their successors and assigns and whose name is listed in the list of beneficial owners as prepared, held and given by the Depositories on each Record Date.
PDI Trustee	Trustee appointed for the PDI Holders, in terms of the PDI Trustee Agreement.
PDI Trustee Agreement	Agreement executed/ to be executed by and between the Trustee and the Company, from time to time, for the purposes of appointment of the Trustee to act as trustee in connection with the issuance of the relevant Series of PDIs as disclosed in the Key Information Document and as may be amended/ supplemented from time to time.
PDI Trust Deed	The PDI trust deed entered/ to be entered into by and between the Company and the Trustee, from time to time, in relation to the issuance of relevant Series of PDIs, setting out the terms on which the PDIs shall be issued, as may be amended / supplemented from time to time, as disclosed in the Key Information Document.
Perpetual Debt Instruments / PDIs	means unsecured, rated, listed, non-convertible perpetual debt instruments in the nature of debentures to be issued by the Company, in terms of this General Information Document, the relevant Key Information Document(s) and the other Transaction Documents, from time to time, in one or more Series, to the PDI Holder(s).
Private Placement Offer cum Application Letter	Shall mean the offer cum application letter prepared in compliance with section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, which shall be issued with respect to each Series issued under the Issue.
RBI	Reserve Bank of India.
Register of Debenture Holder(s)	means the register maintained by the Company as per the provisions of Companies Act, 2013 or the register and index of beneficial owners of the dematerialized Debentures/Subordinated Bonds/PDIs as maintained by the Depositories containing the name(s) of the Secured Debenture Holder(s)/ Subordinated Bond Holder(s)/PDI Holder(s).
Registrar to the Issue/ R&T Agent/ Registrar and Transfer Agent	Registrar to the Issue.
ROC	Registrar of Companies.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Debt Listing Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI, as amended from time to time, Master Circular and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular dated July 11, 2023 (bearing reference number: SEBI/HO/CFD/PoD2/CIR/P/2023/120), as amended from time to time.
Secured Debentures	means secured, rated, listed, redeemable non-convertible debentures to be issued by the Company in terms of this General Information Document, the relevant Key Information Document(s) and the other Transaction Documents,

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	from time to time, in one or more Series, to the Secured Debenture Holder(s).
Secured Debenture Disclosure Documents	Collectively, this General Information Document and the relevant Key Information Document for the issue of Secured Debentures constituting a particular Series of Secured Debentures.
Secured Debenture Holder(s)	The holder(s) of the Secured Debentures (or any Series of Secured Debentures) issued by the Issuer and shall include the registered transferees of the Secured Debentures from time to time.
Secured Debenture Trustee	Trustee appointed for the Secured Debenture Holders in terms of the Secured Debenture Trustee Agreement.
Secured Debenture Trustee Agreement	Agreement(s) executed/to be executed by and between the Trustee and the Company, from time to time, for the purposes of appointment of the Trustee to act as trustee in connection with the issuance of the relevant Series of Secured Debentures and as may be amended/ supplemented from time to time as disclosed in the Key Information Document.
Secured Debenture Trust Deed	The debenture trust deed entered/to be entered into by and between the Company and the Trustee, from time to time, in relation to the issuance of the relevant Series of Secured Debentures, setting out the terms on which the Secured Debentures shall be issued, as may be amended / supplemented from time to time.
Subordinated Bonds	means unsecured, rated, listed, redeemable non-convertible subordinated debentures to be issued by the Company, in terms of this General Information Document, the relevant Key Information Document(s), and the other Transaction Documents, from time to time, in one or more Series, to the Subordinate Bond Holder(s).
Subordinated Bond Disclosure Documents	Collectively, this General Information Document of Subordinated Bonds and the relevant Key Information Document for the issue of Subordinated Bonds constituting a particular Series of Subordinated Bonds.
Subordinated Bond Holders	Shall mean the persons who subscribe to the Subordinated Bonds and are the initial holders of the Subordinated Bonds and whose names are registered as beneficial owners of the Subordinated Bonds in the applicable Depository and entered in the register of Subordinated Bond Holder(s) and shall include transferees of the Subordinate Bonds from time to time, registered with the Company and the Depository.
Subordinated Bond Trust Deed	The debenture trust deed entered/ to be entered into by and between the Company and the Trustee, from time to time, in relation to the issuance of relevant Series of Subordinated Bonds, setting out the terms on which the Subordinated Bonds shall be issued, as may be amended / supplemented from time to time as disclosed in the Key Information Document.
Subordinated Bond Trustee	Trustee appointed for the Subordinated Bond Holders in terms of the Subordinated Bond Trustee Agreement.
Subordinated Bond Trustee Agreement	Agreement executed/ to be executed by and between the Trustee and the Company, from time to time, for the purposes of appointment of the Trustee to act as trustee in connection with the issuance of the Subordinated Bonds and as may be amended/ supplemented from time to time as disclosed in the Key Information Document.
Subordinated Bond Trust Deed	The debenture trust deed entered/ to be entered into by and between the Company and the Trustee, from time to time, in relation to the issuance of relevant Series of Subordinated Bonds, setting out the terms on which the Subordinated Bonds shall be issued, as may be amended / supplemented from time to time as disclosed in the Key Information Document.



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Subordinated Bond Disclosure Documents	Collectively, this General Information Document of Subordinated Bonds and the relevant Key Information Document for the issue of Subordinated Bonds constituting a particular Series of Subordinated Bonds.
Series	shall mean any series of Secured Debentures and/or Subordinated Bonds and/or PDIs and/or CPs issued pursuant to the issue of a Key Information Document and Private Placement Offer cum Application Letter or offer letter.
Security	Means the security created or to be created by the Company to secure its secured obligations in respect of the secured Debentures. It is hereby clarified that the terms “Secure”, “Secured”, “Security”, “Securing”, “Security Cover”, “Asset Cover” as used in this General Information Document, shall only be in context of Secured Debentures.
Stock Exchange	BSE Limited and / or NSE Limited, as particularly identified in the relevant Key Information Document
TDS	Tax Deducted at Source.
Transaction Documents	<p>The documents executed or to be executed in relation to the Issue of any Series of Secured Debentures/ Subordinated Bonds/ PDIs/ CPs –</p> <p>(i) Secured Debentures - shall include the relevant Secured Debenture Trust Deed(s), Secured Debenture Trustee Agreement(s), this General Information Document, Key Information Document(s), the Private Placement Offer cum Application Letter(s), the Deed(s) of Hypothecation and any other document that may be executed by and between the Company and the Trustee in respect of any issuance of a Series of Secured Debentures under this General Information Document as specified in the Key Information Document or as may be designated by the Trustee as a Transaction Document.</p> <p>(ii) Subordinated Bonds - shall include the relevant Subordinated Bond Trust Deed(s), Subordinated Bond Trustee Agreement(s), this General Information Document, Key Information Document(s), Private Placement Offer Cum Application Letter(s) and any other document that may be executed by and between the Company and the Trustee in respect of any issuance of a Series of Subordinated Bonds under this General Information Document as specified in the Key Information Document that may be designated by the Trustee as a Transaction Document.</p> <p>(iii) PDIs – shall include the PDI Trust Deed(s), PDI Trustee Agreement(s), this General Information Document, Key Information Document(s), Private Placement Offer Cum Application Letter(s) and any other document that may be executed by and between the Company and the Trustee in respect of any issuance of Series of PDIs under this General Information Document as specified in the Key Information Document or as may be designated by the Trustee as a Transaction Document.</p> <p>(iv) Commercial Papers – shall include the Issuing and Paying Agent Agreement, this General Information Document, Key Information Document(s) and any other document that may be executed by the Company in respect of any issuance of Commercial Papers under this General Information Document as specified in the Key Information Document or as may be designated as a Transaction Document.</p>
Trustee	means Secured Debenture Trustee and/or Subordinated Debenture Trustee

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	and/or PDI Debenture Trustee, as the context may require, and as particularly identified in the Key Information Document.
Trustee Agreement	means Secured Debenture Trustee Agreement and/or Subordinated Debenture Trustee Agreement and / or PDI Trustee Agreement and / or such other trustee agreement entered /to be entered into by the Company and the Trustee from time to time, in respect of the relevant Issue, as the context may require.
WDM	Wholesale Debt Market Segment of the Stock Exchange.
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(ss) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Undefined terms if any, in the Disclosure Documents shall have the same meaning as provided to the term in the Transaction Documents.

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## SECTION C

### DISCLAIMERS

#### GENERAL DISCLAIMER

The Disclosure Documents are neither a “Prospectus” nor a “Statement in Lieu of Prospectus” but a “General Information Document” or “Key Information Document” (as applicable) prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The Disclosure Documents do not constitute an offer to the public generally to subscribe for or otherwise acquire the Secured Debentures/Subordinated Bonds/PDIs/ Commercial Papers to be issued by HDB Financial Services Ltd. (the “**Issuer**”/ the “**Company**”/ “**HDB**”). The Disclosure Documents are for the exclusive use of the prospective investors to whom it is delivered, and it should not be circulated or distributed to any third parties. The Issuer certifies that the disclosures made in the Disclosure Documents are generally adequate and are in conformity with the SEBI Debt Listing Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue. The Company can, at its sole and absolute discretion change the terms of the offer. The Company reserves the right to close the Issue earlier from the dates specified in the Disclosure Documents or change the Issue timetable including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription at the commencement of banking hours of the Issue Opening Date and the Issue Closing Date at the close of banking hours. The Issue shall be subject to the terms and conditions of Disclosure Documents and other documents in relation to the Issue.

The Issuer is seeking offer for subscription of Secured Debentures, Subordinated Bonds, PDIs and Commercial Papers. The Disclosure Documents do not however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Disclosure Documents come, is required to inform himself about and to observe any such restrictions.

**PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THE DISCLOSURE DOCUMENTS HAVE BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXISTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXISTANT RULES/REGULATIONS/GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.**

#### DISCLAIMER OF THE RESERVE BANK OF INDIA

The securities / instruments have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of the documents. It is to be distinctly understood that the documents should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the securities being issued by the

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Issuer or for the correctness of the statements made or opinions expressed in the documents. Potential investors may make investment decision in the securities offered in terms of the Disclosure Documents solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

## **DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE GENERAL INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT.**

The Disclosure Documents have not been filed with SEBI. The securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. The issue of Secured Debentures/Subordinated Bonds/PDIs being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this document. The issue of Commercial Papers being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this document.

## **DISCLAIMER OF THE ARRANGERS**

It is advised that the Issuer has exercised self-due-diligence to ensure complete compliance of prescribed disclosure norms in the Disclosure Documents. The role of the Arrangers in the assignment is confined to marketing and placement of the Secured Debentures/Subordinated Bonds/PDIs on the basis of the Disclosure Documents as prepared by the Issuer and in accordance applicable SEBI regulations on the EBP mechanism. The Arrangers shall use this document for the purpose of soliciting subscription from qualified institutional investors in the Secured Debentures/Subordinated Bonds/PDIs to be issued by the Issuer on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Arrangers, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents, nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. The Arrangers or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in the Disclosure Documents.

## **DISCLAIMER OF THE TRUSTEE**

The Trustees are neither the borrowers nor principal debtors or guarantors of the monies paid/invested by eligible investors for the Secured Debentures/Subordinated Bonds/PDIs.

## **DISCLAIMER OF THE ISSUER**

The Issuer confirms that the information contained in the Disclosure Documents is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has made available in the Disclosure Documents for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Issuer accepts no responsibility for statements made otherwise than in the Disclosure Documents

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or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

## **DISCLAIMER OF THE STOCK EXCHANGE**

As required, a copy of the Disclosure Documents has been/ shall be submitted to Stock Exchange for hosting the same on its website. It is to be distinctly understood that such submission of the document with Stock Exchange or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by Stock Exchange, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents, nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange, nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

## **DISCLAIMER IN RESPECT OF RATING AGENCIES**

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agencies have based their ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is made in India to Investors as specified under the clause titled "Eligible Investors" of the Disclosure Documents, who shall be/have been identified upfront by the Issuer. The Disclosure Documents and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Secured Debentures/Subordinated Bonds/PDIs offered hereby to any person to whom it is not specifically addressed. The Disclosure Documents and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Secured Debentures/Subordinated Bonds/PDIs herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

## **FORCE MAJEURE**

The Company reserves the right to withdraw the Issue at any time prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected without assigning any reason.

## **ISSUE OF SECURED DEBENTURES/SUBORDINATED BONDS/PDIS IN DEMATERIALISED FORM**

The Secured Debentures/Subordinated Bonds/PDIs/CPs will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Secured Debentures/Subordinated Bonds/PDIs/CPs in dematerialised form. Investors will have to hold the Secured Debentures/Subordinated Bonds/PDIs/CPs in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Secured Debentures/Subordinated Bonds/PDIs/CPs allotted to the beneficiary account maintained by the

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Investor with its Depository Participant. The Issuer will make the allotment to eligible investors on the Deemed Date(s) of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

**EACH PERSON RECEIVING THE DISCLOSURE DOCUMENTS ACKNOWLEDGES THAT:**

1. Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein;
2. Such person has not relied on any intermediary that may be associated with issuance of Secured Debentures or Subordinated Bonds or PDIs or Commercial Papers in connection with its investigation of the accuracy of such information or its investment decision.
3. The Issuer does not undertake to update the information in the Disclosure Documents to reflect subsequent events after the date of the Disclosure Documents and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Neither the delivery of the Disclosure Documents nor any sale of Secured Debentures or Subordinated Bonds or PDIs or Commercial Papers made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. However, the Company shall in each Key Information Document highlight the material changes, if any, in the information about the Company contained in the General Information Document.

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## SECTION D

<b>DETAILS OF PROMOTERS OF THE ISSUER NAME</b>	HDFC Bank Limited
<b>Date of Birth/ Date of Incorporation</b>	August 30, 1994
<b>Age</b>	Not Applicable
<b>Registered Address</b>	HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013
<b>Educational Qualification</b>	Not Applicable
<b>Experience in the business or employment</b>	Not Applicable However, the Bank has completed 30 years of operation.
<b>positions/posts held in the past</b>	Not Applicable
<b>Directorships held</b>	Not Applicable
<b>Other ventures of each promoter</b>	The Bank has 11 subsidiaries and 3 step-down subsidiaries as follows: <ul style="list-style-type: none"> <li>i. HDB Financial Services Limited</li> <li>ii. HDFC Securities Limited</li> <li>iii. HDFC Asset Management Co. Limited</li> <li>iv. HDFC Capital Advisors Limited</li> <li>v. HDFC ERGO General Insurance Co. Limited</li> <li>vi. HDFC Life Insurance Co. Limited</li> <li>vii. Griha Investments Mauritius</li> <li>viii. Griha Pte Ltd. Singapore</li> <li>ix. HDFC Sales Private Limited</li> <li>x. HDFC Education and Development Services Private Limited</li> <li>xi. HDFC Trustee Co. Limited</li> <li>xii. HDFC AMC International (IFSC) Limited (subsidiary of HDFC Asset Management Co. Limited)</li> <li>xiii. HDFC Pension Management Co. Limited (subsidiary of HDFC Life Insurance Co. Limited)</li> <li>xiv. HDFC International Life &amp; Re Co. Limited (subsidiary of HDFC Life Insurance Co. Limited)</li> </ul>
<b>Special Achievements</b>	Amongst many accolades, in the past year, the Bank was awarded following: <ul style="list-style-type: none"> <li>i. The Economic Times Awards for Corporate Excellence 2023 (Conscious Corporate of the Year)</li> <li>ii. Asiamoney Best Bank Awards 2023 (India's Best Domestic Corporate Bank India's Best Bank for SMEs)</li> <li>iii. Great Place To Work Institute (Certified as 'Great Place To Work' for FY 2023-24)</li> <li>iv. BT-KPMG Best Banks Awards (Best Bank of the Year (Joint Winner) Best Large Indian Bank)</li> <li>v. Business Today – Taggd Survey - Best Companies to Work for In India (HDFC Bank Ranked in Top 10)</li> <li>vi. The Asian Banker Leadership Achievement Awards 2024 (Mr. Sashidhar Jagdishan - CEO of the Year in Asia Pacific)</li> <li>vii. The Global Private Banking Awards 2023 (Best Private Bank for Education and Training of Private Bankers (Asia) Best Private Bank for Growth Strategy (Asia))</li> </ul>



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	viii. Indian Banks Association's (IBA) Annual Banking Technology Awards 2023 (Best Digital Engagement (Private Sector Bank)) ix. Financial Express Best Banks Awards 2023 (Best Private Sector Bank) x. World Food India 2023 (Outstanding Performer in the Category of Private Sector Bank under PMFME Scheme)
<b>Business and financial activities of the Promoter</b>	The Bank is a publicly held banking company engaged in providing a range of banking and financial services including retail banking, wholesale banking and treasury operations.
<b>Photograph</b>	Not Applicable

#### DETAILS OF LEGAL COUNSEL, MERCHANT BANKER, CO-MANAGERS GUARANTOR AND ARRANGERS

<b>Legal Counsel</b>	NA
<b>Merchant banker and co-managers to the Issue (Not applicable for private placement. however, if appointed, to be disclosed)</b>	As per the relevant Key Information Document
<b>Guarantor, if applicable</b>	As per the relevant Key Information Document
<b>Arrangers, if any</b>	As per the relevant Key Information Document

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## SECTION E

### ABOUT THE ISSUER

(i) **Overview and a brief summary of the business activities of the Issuer:**

The Issuer was incorporated in Ahmedabad on June 4, 2007, as a non-deposit taking Non-Banking Financial Company (NBFC) as defined under section 45-IA of the Reserve Bank of India Act, 1934 and is engaged in the business of financing. The Company has achieved a total income of Rs. 3,884 Crore and a net profit of Rs. 582 Crore for the period ended June 30, 2024 with total net worth of Rs. 13,298 Crore as at June 30, 2024. The Company is promoted by HDFC Bank Ltd. which has 94.64% shareholding in the Company as on June 30, 2024. The Company has been rated AAA/Stable by CARE and CRISIL for long term loans from banks. The Company's capital adequacy ratio as on June 30, 2024 was 18.84%, as against minimum regulatory requirement of 15% for non-deposit accepting NBFCs. The asset quality of the Company remains healthy with Gross Stage 3 ratio at 1.93% and Net Stage 3 ratio at 0.77% as on June 30, 2024. Till June 30, 2024, the Company has disbursed loans amounting to Rs. 16,507 Crore.

The Company has 1,727 branches in 1,145 cities in India as on June 30, 2024. The Company caters to the needs of India's increasingly affluent middle market. The requirements of medium, small and micro business enterprises which may be too small to be serviced by corporate lending institutions are also addressed by the Company through suitable products and services.

#### **Business Activity:**

HDB offers a comprehensive bouquet of products and service offerings that are tailor-made to suit its customers' requirements, including first-time borrowers and the underserved segments. HDBFS is engaged in the business of Loans, Fee based products and BPO services.

**LOANS:** HDB's loan offerings span Consumer Loans, Enterprise Loans, Asset Finance and Micro-Lending.

1. **Consumer Loans:** The Company has a diverse set of loan options to individuals to meet their personal or household short-to medium-term financial needs. The Consumer Loans portfolio of HDBFS includes:
  - A. **Consumer Durable Loans** - These loans are designed to help individuals purchase consumer durables and household appliances such as air conditioners, washing machines, televisions, refrigerators, and more. These loans allow customers to make such purchases without straining their finances.
  - B. **Digital Products Loans**- The Company provides loans for a wide range of digital products, encompassing everything from essential gadgets to premium devices. Through these loans, customers have the opportunity to buy smartphones, laptops, tablets, and various electronic gadgets. These loans empower individuals to access the newest technological advancements without the burden of significant upfront investment.
  - C. **Lifestyle Product Loans** – The Company's lifestyle product loans provide its customers the opportunity to upgrade their lifestyle by purchasing high-end furniture, premium home appliances, luxury items, and more. These loans allow customers to enhance their living standards without compromising their financial goals.
  - D. **Personal Loans** - The Company provides personal loans to salaried and self-employed individuals for various needs. Whether it is funding a wedding, taking an unplanned vacation, or renovating a home, these loans offer financial assistance for urgent/immediate needs. The amount of the loan, the duration for repayment, and the interest rates are tailored according to the borrower's financial situation.

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- E. **Auto Loans** - The Company provides tailored auto loans that help customers make informed decisions when purchasing a new or used car. These loans cover a wide range of vehicles. The loan terms are flexible, with competitive interest rates and repayment options to suit the borrowers' budget.
- F. **Two-Wheeler Loans** - The Company provides loans for individuals looking to purchase two-wheelers. These loans offer a convenient and affordable way to own a bike or scooter, with flexible repayment options and competitive interest rates.
- G. **Gold Loans** - The Company offers quick loans against the security of gold jewellery. It gives borrowers the ability to fulfil their immediate financial needs by pledging their gold assets. These loans are processed quickly, with minimal documentation, making them ideal for emergencies or urgent financial requirements.

## 2. Enterprise Loans:

The Company provides loans to Small and Micro Enterprises for their growth and working capital requirements. Various Loans offered to Enterprises include:

- 1. **Unsecured Business loans** – This loan is tailored for small businesses and does not require any collateral. It helps businesses meet various financial needs, such as purchasing new machinery, stocking up inventory, procuring working capital, or renovating business premises. The loan amount and terms are customized based on the business's financial standing and requirements.
- 2. **Enterprise Business Loan** – The Company offers enterprise business loans designed for self-employed individuals, professionals, private companies, and partnership firms. These loans are aimed at boosting business operations and facilitating growth. It provides the necessary funds for business expansion, equipment purchase, working capital, or any other business-related expenses. The loan terms are flexible, with competitive interest rates and repayment options.
- 3. **Loan against Property** - This loan allows businesses to leverage their property to obtain funds for expansion or working capital needs. The loan amount is determined based on the value of the property being pledged. The funds can be used for various purposes, including business expansion, debt consolidation, or meeting other financial obligations. These loans generally have interest rates lower than unsecured loans due to the collateral involved.
- 4. **Loan against Lease Rental** - Businesses can benefit from this loan by pledging their rental income from leased properties. The loan amount is determined based on the rental income and is provided to meet immediate financial needs. This type of loan offers businesses the flexibility to use their rental income to address cash flow challenges or fund business expansion plans.
- 5. **Loan against securities** - This loan allows customers to meet their immediate cash requirements by pledging their investments or securities, such as insurance policies, debt instruments, and bonds, without having to liquidate them. The loan amount is determined based on the value of the securities pledged. This type of loan provides businesses with quick access to funds while allowing them to retain ownership of their investments.

**(C) Asset Finance:** The Company provides specialised loans under Asset Finance to help customers acquire new and used vehicles and equipment, enhancing their income generation capabilities. These offerings include:

- 1. **Commercial Vehicle Loans:** The Company offers financing solutions for purchasing new and used commercial vehicles. Customers can also opt for refinancing options to leverage their vehicles for working capital needs. These loans cater to businesses looking to expand their fleet or replace existing vehicles.
- 2. **Construction Equipment Loans:** Designed for the construction industry, these loans facilitate the acquisition of new and used construction equipment. Customers can also opt for refinancing options for their existing equipment. This offering supports construction businesses in acquiring the necessary

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machinery for their projects.

3. **Tractor Loans:** The Company provides customised loans to purchase tractors or tractor-related implements. These loans cater to agricultural and commercial needs, enabling customers to acquire essential equipment for their farming or commercial operations.

- (D) **Micro-Lending:** The Company provides micro-loans to borrowers through the Joint Liability Groups (JLG) framework, aiming to empower and promote financial inclusion for sustainable development. These loans were initiated in 2019 and are currently available in seven states including Maharashtra, Bihar, Rajasthan, Gujarat, Madhya Pradesh, Uttar Pradesh and Odisha, covering 114 districts with more than 200 operational branches.

#### **Fee-Based Products / Insurance Services:**

The Company holds a license from the Insurance Regulatory & Development Authority of India (IRDAI) and is a registered Corporate Insurance Agent authorised to sell both Life and General (Non-Life) insurance products. The Company has tie-ups with HDFC Life Insurance Co. Limited and Aditya Birla Sun Life Insurance Co. Limited for life insurance products. For general insurance products, the Company has partnered with HDFC Ergo General Insurance Co. Limited and Tata AIG General Insurance Co. Limited

**BPO SERVICES:** The Company provides a range of BPO services, including collection call centres, sales support services, back-office operations, and processing support services. Here's a detailed breakdown of its offerings:

- A. **Collection Services:** The Company runs collection call centres for HDFC Bank, providing collection services for the bank's entire range of retail lending products. These services are offered across 700 locations through on-call and field support teams. The Company has established 18 call centres with a capacity of 5,500 seats nationwide, ensuring comprehensive end-to-end collection services.
- B. **Back office and Sales Support -** The Company offers sales support and back-office services to HDFC Bank. These include services such as forms processing, document verification, finance and accounting operations, and processing support. The services help HDFC Bank streamline its operations and enhance customer service.

#### **Brief Particulars of the management of the Company and the corporate structure**

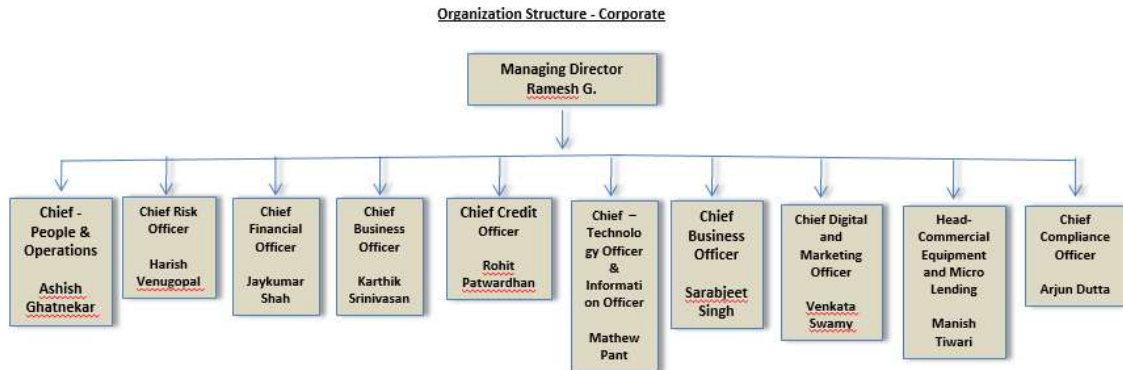
The Company is professionally managed by its Board of Directors, headed by Mr. G. Ramesh, Managing Director and Chief Executive Officer (MD & CEO). Following are the Key Senior Management:

- Mr. Ashish Ghatnekar, Chief - People & Operations
- Mr. Harish Venugopal, Chief Risk Officer
- Mr. Jaykumar Shah, Chief Financial Officer
- Mr. Karthik Srinivasan, Chief Business Officer
- Mr. Rohit Patwardhan, Chief Credit Officer
- Mr. Mathew Pant, Chief Technology Officer
- Mr. Sarabjeet Singh, Chief Business Officer
- Mr. Venkata Swamy, Chief Digital and Marketing Officer
- Mr. Manish Tiwari, Head - CE and Micro Lending
- Mr. Arjun Dutta, Chief Compliance Officer

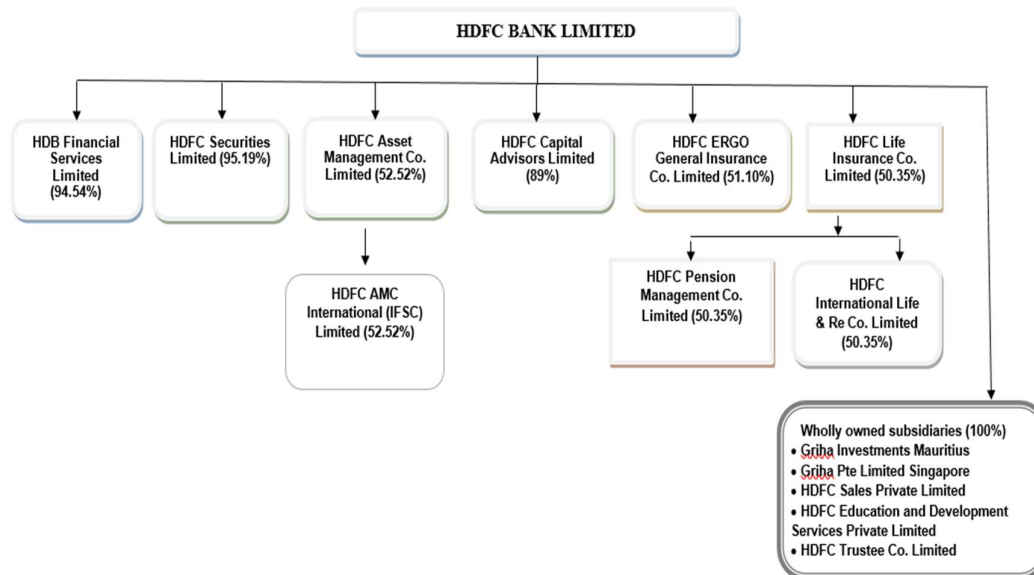
The Company has a qualified pool of employees.

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The organizational chart of the Company is as set out below:



(ii) **Structure of the group:**



(iii) **A brief summary of the business activities of the subsidiaries of the Issuer:**

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The Company does not have any subsidiaries as on date.

- (iv) **Details of branches or units where the Issuer carries on its business activities, if any may be provided in the form of a static Quick Response (QR) code and web link. If the Issuer provides the details of branches or units in the form of a static QR code and web link, the details of the said branches or units shall be provided to the Debenture Trustee as well and kept available for inspection as specified in clause (g) of paragraph 3.3.41 of Schedule I under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) regulations, 2021. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing information about branches or units of the issuer to the Debenture Trustee and confirmation of the same by the Debenture Trustee;**

As on June 30, 2024, the Company has 1727 branches pan-India, the details in this regard are attached as Annexure VIII below.

- (v) **Use of proceeds (in the order of priority for which the said proceeds will be utilized): (i) purpose of the placement; (ii) break-up of the cost of the project for which the money is being raised; (iii) means of financing for the project; (iv) proposed deployment status of the proceeds at each stage of the project."**

Nil

- (vi) **Expense of the Issue:**

Expenses	Fees Amount (in Rs.)	Fees as a percentage of total issue expenses (%)	Fees as a percentage of total issue size (%)
Lead manager(s) fees	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
Underwriting commission	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
Brokerage, selling, commission and upload fees	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
Fees payable to the registrars to the Issue	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
Fees payable to the legal advisors	N.A	N.A	N.A
Advertising and marketing expenses	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
Fees payable to the regulators	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document

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including Stock Exchanges			
Expenses incurred on printing and distribution of Issue stationary	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
Any other fees, commission or payments under whatever nomenclature	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document
<b>Total</b>	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document



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## SECTION F

### FINANCIAL INFORMATION

**[The disclosures under (i) and (ii) hereunder shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.]**

#### A. Financial Information

- (i) The audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the draft offer document or offer document or issue opening date, as applicable. Such financial statements shall be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").

However, if the issuer, being a listed REIT/listed InvIT, has been in existence for a period of less than three completed years, and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and the interim period, the combined financial statements shall be disclosed for the periods for which such historical financial statements are not available.

Provided that, issuers whose non-convertible securities are listed as on the date of filing of the offer document or placement memorandum, may provide only a web-link and a static quick response code of the audited financial statements in the offer document or placement memorandum subject to the following conditions: (i) Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in the offer document. (ii) The scanning of such static quick response code or clicking on the web-link, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.

#### Standalone Audited Financial Statement

Balance Sheet (Currency: Indian Rupees in Crore)	March 31, 2024	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	647.85	395.90	477.20
(b) Bank balances other than cash and cash equivalents	54.66	257.92	206.77
(c) Derivative financial instruments	1.91	165.34	132.44
(c) Trade receivables	124.61	65.76	141.82
(d) Loans	86,721.26	66,382.67	57,162.45
(e) Investments	3,380.33	1,243.25	2,233.51

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(f) Other financial assets	39.50	34.87	32.91
<b>Sub total</b>	<b>90,970.12</b>	<b>68,545.71</b>	<b>60,387.10</b>
<b>Non-financial Assets</b>			
(a) Current tax assets (Net)	41.29	25.11	13.34
(b) Deferred tax assets (Net)	939.95	1,000.87	1,051.17
(c) Property, plant and equipment	162.53	122.37	78.14
(d) Capital work-in-progress	-	-	-
(e) Other intangible assets	22.15	20.41	12.01
(f) Right of Use Assets	326.51	244.27	202.49
(g) Other non financial assets	93.96	91.65	281.69
<b>Sub total</b>	<b>1,586.39</b>	<b>1,504.68</b>	<b>1,638.84</b>
<b>TOTAL ASSETS</b>	<b>92,556.51</b>	<b>70,050.39</b>	<b>62,025.94</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
(a) Derivative financial instruments	4.77	-	-
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	509.00	291.84	246.91
(b) Debt securities	34,851.12	27,096.41	25,332.31
(c) Borrowings (other than debt securities)	33,831.38	24,227.80	19,501.72
(d) Subordinated liabilities	5,648.17	3,541.10	4,139.05
(e) Other financial liabilities	2,955.27	2,778.43	2,708.72
<b>Sub total</b>	<b>77,799.71</b>	<b>57,935.58</b>	<b>51,928.71</b>
<b>Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	58.65	41.97	59.73
(b) Provisions	502.94	368.96	314.75
(c) Other non-financial liabilities	452.50	266.91	183.02
	<b>1,014.09</b>	<b>677.84</b>	<b>557.50</b>
<b>Equity</b>			
(a) Equity share capital	793.08	791.40	790.44
(b) Other equity	12,949.63	10,645.57	8,749.29
	<b>13,742.71</b>	<b>11,436.97</b>	<b>9,539.73</b>

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

<b>TOTAL LIABILITIES AND EQUITY</b>	<b>92,556.51</b>	<b>70,050.39</b>	<b>62,025.94</b>
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<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Revenue from operations</b>			
(a) Interest income	11,156.72	8,927.78	8,362.97
(b) Sale of services	1,949.55	2,633.93	2,363.41
(c) Other financial charges	953.11	756.41	569.01
(d) Net gain on fair value changes	113.69	85.07	16.48
(e) Net gain on de-recognition of financial instruments under amortised cost category	(1.95)	(0.31)	(5.58)
<b>Total Revenue from operations</b>	<b>14,171.12</b>	<b>12,402.88</b>	<b>11,306.29</b>
<b>Expenses</b>			
(a) Finance Costs	4,864.32	3,511.92	3,325.50
(b) Impairment on financial instruments	1,067.39	1,330.40	2,465.73
(c) Employee Benefits Expenses	3,850.75	4,057.57	3,500.41
(d) Depreciation, amortization and impairment	145.14	111.84	98.94
(e) Others expenses	938.85	763.75	568.15
<b>Total Expenses</b>	<b>10,866.45</b>	<b>9,775.48</b>	<b>9,958.73</b>
<b>Profit before tax</b>	<b>3,304.67</b>	<b>2,627.40</b>	<b>1,347.56</b>
<b>Tax Expense:</b>			
(a) Current tax	770.67	621.30	663.40
(b) Deferred tax (credit)	73.16	46.75	(327.24)
<b>Total Tax expense</b>	<b>843.83</b>	<b>668.05</b>	<b>336.16</b>
<b>Profit after tax from continuing operations</b>	<b>2,460.84</b>	<b>1,959.35</b>	<b>1,011.40</b>
<b>Profit for the year</b>	<b>2,460.84</b>	<b>1,959.35</b>	<b>1,011.40</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss - Re-measurement gain/(loss) on defined benefit plan	(31.54)	(5.48)	(13.15)
(b) Income tax relating to items that will not be reclassified to profit or loss	7.94	1.38	2.25
(c) Items that will be reclassified to profit or loss	(17.10)	19.59	33.00

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<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
(d) Income tax relating to items that will be reclassified to profit or loss	4.30	(4.93)	(8.31)
<b>Other Comprehensive Income</b>	<b>(36.40)</b>	<b>10.56</b>	<b>13.79</b>
<b>Total Comprehensive Income for the period</b>	<b>2,424.44</b>	<b>1,969.91</b>	<b>1,025.19</b>
<b>A Cash flow from operating activities</b>			
Profit/(loss) before tax	3,304.67	2,627.40	1,347.56
Adjustments for			
Interest Income	(11,156.72)	(8,927.78)	(8,362.97)
Interest Expenses	4,771.63	3,502.92	3,316.64
(Profit)/loss on sale of asset	(0.85)	(1.01)	(0.06)
Realised net (gain)/ loss on FVTPL investments	(89.91)	(90.67)	39.29
Unrealised (gain)/loss on FVTPL investments	(23.78)	5.60	(22.81)
Discount on commercial paper	77.01	9.00	8.86
Provision for compensated absence and gratuity	29.87	6.59	3.52
Employee share based payment expenses	55.24	43.64	30.42
Depreciation, amortization and impairment	145.14	111.84	98.94
Impairment on financial instruments	1,067.39	1,330.40	2,465.73
Operating cash flow before working capital changes	(1,820.31)	(1,382.07)	(1,074.88)
Adjustments for working capital changes:			
(Increase)/decrease in Loans	(21,405.98)	(10,462.68)	(1,016.51)
(Increase)/ decrease in trade receivables	(58.85)	76.06	(24.50)
(Increase)/decrease in other financial assets and others	291.32	(0.19)	(17.69)
Increase/(decrease) in other financial and non-financial liabilities & provision	(44.60)	506.53	(960.09)
Increase/(decrease) in trade payables	217.16	44.93	(87.34)
Cash generated from/(Used in) operations before adjustments for interest received and interest paid	(22,821.26)	(11,217.42)	(3,181.01)
Interest Paid	(4,110.50)	(3,842.14)	(3,699.47)
Interest Received	10,946.14	8,841.36	8,353.15
Cash generated from/(Used in) operations	(15,985.62)	(6,218.20)	1,472.67
Direct taxes (paid)/ net of refunds	(750.42)	(632.41)	514.43

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<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Net cash flow generated from/(used in) operating activities (A)	(16,736.04)	(6,850.61)	1,987.10
<b>B Cash flow from investing activities</b>			
Purchase of investments	(52,917.26)	(49,267.66)	(24,583.62)
Proceeds of investments	50,893.87	50,350.80	23,920.20
Purchase of fixed assets	(123.35)	(111.32)	(41.13)
Proceeds from sale of fixed assets	1.18	1.50	1.27
Net cash generated from/(used in) investing activities (B)	(2,145.56)	973.32	(703.28)
<b>C Cash flow from financing activities</b>			
Debt securities issued	22,167.71	10,099.18	8,876.00
Debt securities repaid	(14,490.01)	(8,210.60)	(7,274.50)
Borrowings other than debt securities issued	29,910.87	17,207.75	8,800.35
Borrowings other than debt securities repaid	(20,307.29)	(12,507.21)	(12,026.41)
Subordinated debt issued	2,337.07	-	150.00
Subordinated debt repaid	(230.00)	(600.00)	-
Proceeds from issue of shares and security premium	71.45	33.93	37.89
Repayment of lease liabilities	(80.87)	(76.81)	(62.87)
Dividend & Tax paid on dividend	(245.38)	(150.25)	-
Net cash generated from/(used in) financing activities (C)	19,133.55	5,795.99	(1,499.54)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	251.95	(81.30)	(215.72)
Add : Cash and cash equivalents as at the beginning of the year	395.90	477.20	692.92
Add : Cash and cash equivalents acquired pursuant to Scheme of Amalgamation	-	-	-
Cash and cash equivalents as at the end of the year	647.85	395.90	477.20

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### **Consolidated Audited Financial Statements**

<b>Balance Sheet (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	647.85	395.90	477.20
(b) Bank balances other than cash and cash equivalents	54.66	257.92	206.77
(c) Derivative financial instruments	1.91	165.34	132.44
(c) Trade receivables	124.61	65.76	141.82
(d) Loans	86,721.26	66,382.67	57,162.45
(e) Investments	3,380.33	1,243.25	2,233.51
(f) Other financial assets	39.50	34.87	32.91
<b>Sub total</b>	<b>90,970.12</b>	<b>68,545.71</b>	<b>60,387.10</b>
<b>Non-financial Assets</b>			
(a) Current tax assets (Net)	41.29	25.11	13.34
(b) Deferred tax assets (Net)	939.95	1,000.87	1,051.17
(c) Property, plant and equipment	162.53	122.37	78.14
(d) Capital work-in-progress	-	-	-
(e) Other intangible assets	22.15	20.41	12.01
(f) Right of Use Assets	326.51	244.27	202.49
(g) Other non financial assets	93.96	91.65	281.69
<b>Sub total</b>	<b>1,586.39</b>	<b>1,504.68</b>	<b>1,638.84</b>
<b>TOTAL ASSETS</b>	<b>92,556.51</b>	<b>70,050.39</b>	<b>62,025.94</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
(a) Derivative financial instruments	4.77	-	-
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	509.00	291.84	246.91
(b) Debt securities	34,851.12	27,096.41	25,332.31

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

(c) Borrowings (other than debt securities)	33,831.38	24,227.80	19,501.72
(d) Subordinated liabilities	5,648.17	3,541.10	4,139.05
(e) Other financial liabilities	2,955.27	2,778.43	2,708.72
Sub total	<b>77,799.71</b>	<b>57,935.58</b>	<b>51,928.71</b>
<b>Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	58.65	41.97	59.73
(b) Provisions	502.94	368.96	314.75
(c) Other non-financial liabilities	452.50	266.91	183.02
	<b>1,014.09</b>	<b>677.84</b>	<b>557.50</b>
<b>Equity</b>			
(a) Equity share capital	793.08	791.40	790.44
(b) Other equity	12,949.63	10,645.57	8,749.29
	<b>13,742.71</b>	<b>11,436.97</b>	<b>9,539.73</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>92,556.51</b>	<b>70,050.39</b>	<b>62,025.94</b>

<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Revenue from operations</b>			
(a) Interest income	11,156.72	8,927.78	8,362.97
(b) Sale of services	1,949.55	2,633.93	2,363.41
(c) Other financial charges	953.11	756.41	569.01
(d) Net gain on fair value changes	113.69	85.07	16.48
(e) Net gain on de-recognition of financial instruments under amortised cost category	(1.95)	(0.31)	(5.58)
<b>Total Revenue from operations</b>	<b>14,171.12</b>	<b>12,402.88</b>	<b>11,306.29</b>
<b>Expenses</b>			
(a) Finance Costs	4,864.32	3,511.92	3,325.50
(b) Impairment on financial instruments	1,067.39	1,330.40	2,465.73
(c) Employee Benefits Expenses	3,850.75	4,057.57	3,500.41
(d) Depreciation, amortization and impairment	145.14	111.84	98.94
(e) Others expenses	938.85	763.75	568.15
<b>Total Expenses</b>	<b>10,866.45</b>	<b>9,775.48</b>	<b>9,958.73</b>
<b>Profit before tax</b>	<b>3,304.67</b>	<b>2,627.40</b>	<b>1,347.56</b>
<b>Tax Expense:</b>			
(a) Current tax	770.67	621.30	663.40
(b) Deferred tax (credit)	73.16	46.75	(327.24)

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Total Tax expense</b>	<b>843.83</b>	<b>668.05</b>	<b>336.16</b>
<b>Profit after tax from continuing operations</b>	<b>2,460.84</b>	<b>1,959.35</b>	<b>1,011.40</b>
<b>Profit for the year</b>	<b>2,460.84</b>	<b>1,959.35</b>	<b>1,011.40</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss - Re-measurement gain/(loss) on defined benefit plan	(31.54)	(5.48)	(13.15)
(b) Income tax relating to items that will not be reclassified to profit or loss	7.94	1.38	2.25
(c) Items that will be reclassified to profit or loss	(17.10)	19.59	33.00
(d) Income tax relating to items that will be reclassified to profit or loss	4.30	(4.93)	(8.31)
<b>Other Comprehensive Income</b>	<b>(36.40)</b>	<b>10.56</b>	<b>13.79</b>
<b>Total Comprehensive Income for the period</b>	<b>2,424.44</b>	<b>1,969.91</b>	<b>1,025.19</b>
<b>A Cash flow from operating activities</b>			
Profit/(loss) before tax	3,304.67	2,627.40	1,347.56
Adjustments for			
Interest Income	(11,156.72)	(8,927.78)	(8,362.97)
Interest Expenses	4,771.63	3,502.92	3,316.64
(Profit)/loss on sale of asset	(0.85)	(1.01)	(0.06)
Realised net (gain)/ loss on FVTPL investments	(89.91)	(90.67)	39.29
Unrealised (gain)/loss on FVTPL investments	(23.78)	5.60	(22.81)
Discount on commercial paper	77.01	9.00	8.86
Provision for compensated absence and gratuity	29.87	6.59	3.52
Employee share based payment expenses	55.24	43.64	30.42
Depreciation, amortization and impairment	145.14	111.84	98.94
Impairment on financial instruments	1,067.39	1,330.40	2,465.73
Operating cash flow before working capital changes	(1,820.31)	(1,382.07)	(1,074.88)
Adjustments for working capital changes:			
(Increase)/decrease in Loans	(21,405.98)	(10,462.68)	(1,016.51)



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<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
(Increase)/ decrease in trade receivables	(58.85)	76.06	(24.50)
(Increase)/decrease in other financial assets and others	291.32	(0.19)	(17.69)
Increase/(decrease) in other financial and non-financial liabilities & provision	(44.60)	506.53	(960.09)
Increase/(decrease) in trade payables	217.16	44.93	(87.34)
Cash generated from/(Used in) operations before adjustments for interest received and interest paid	(22,821.26)	(11,217.42)	(3,181.01)
Interest Paid	(4,110.50)	(3,842.14)	(3,699.47)
Interest Received	10,946.14	8,841.36	8,353.15
Cash generated from/(Used in) operations	(15,985.62)	(6,218.20)	1,472.67
Direct taxes (paid)/ net of refunds	(750.42)	(632.41)	514.43
Net cash flow generated from/(used in) operating activities (A)	(16,736.04)	(6,850.61)	1,987.10
<b>B Cash flow from investing activities</b>			
Purchase of investments	(52,917.26)	(49,267.66)	(24,583.62)
Proceeds of investments	50,893.87	50,350.80	23,920.20
Purchase of fixed assets	(123.35)	(111.32)	(41.13)
Proceeds from sale of fixed assets	1.18	1.50	1.27
Net cash generated from/(used in) investing activities (B)	(2,145.56)	973.32	(703.28)
<b>C Cash flow from financing activities</b>			
Debt securities issued	22,167.71	10,099.18	8,876.00
Debt securities repaid	(14,490.01)	(8,210.60)	(7,274.50)
Borrowings other than debt securities issued	29,910.87	17,207.75	8,800.35
Borrowings other than debt securities repaid	(20,307.29)	(12,507.21)	(12,026.41)
Subordinated debt issued	2,337.07	-	150.00
Subordinated debt repaid	(230.00)	(600.00)	-
Proceeds from issue of shares and security premium	71.45	33.93	37.89
Repayment of lease liabilities	(80.87)	(76.81)	(62.87)
Dividend & Tax paid on dividend	(245.38)	(150.25)	-
Net cash generated from/(used in) financing activities (C)	19,133.55	5,795.99	(1,499.54)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	251.95	(81.30)	(215.72)
Add : Cash and cash equivalents as at the beginning of the year	395.90	477.20	692.92

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<b>Profit and Loss statement (Currency: Indian Rupees in Crore)</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Add : Cash and cash equivalents acquired pursuant to Scheme of Amalgamation	-	-	-
Cash and cash equivalents as at the end of the year	647.85	395.90	477.20

Note: There was no auditor's qualification. Auditor's Report can be accessed at:

FY 2023-24: <https://www.hdbfs.com/sites/default/files/reports/Annual-Report-2023-24.pdf>

FY 2022-23: <https://www.hdbfs.com/sites/default/files/reports/Annual-Report-2022-23.pdf>

FY 2021-22: [https://www.hdbfs.com/sites/default/files/reports/HDB\\_Annual-Report-2021-22.pdf](https://www.hdbfs.com/sites/default/files/reports/HDB_Annual-Report-2021-22.pdf)

Note: The Ministry of Corporate Affairs, in its press release dated January 18, 2016, had issued a roadmap for implementation of Indian Accounting Standards (Ind-AS) for scheduled commercial banks, insurers / insurance companies and non-banking financial companies. This roadmap required these institutions to prepare Ind-AS based financial statements for the accounting periods beginning from April 1, 2018 onwards with comparatives for the periods beginning April 1, 2017 and thereafter. On March 30, 2016, the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 for implementation of Indian Accounting Standards by Non-Banking Financial Companies were notified. Accordingly, the Company has adopted IND-AS effective April 1, 2018 with comparatives for the periods beginning April 1, 2017.

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**(ii) The unaudited financial information with limited review report (for the interim period).  
Standalone Un-Audited Financial Statement**

<b>Balance Sheet</b> <b>(Currency: Indian Rupees in Crore)</b>		<b>As at June 30, 2024</b> <b>(Reviewed)</b>
<b>ASSETS</b>		
<b>Financial Assets</b>		
(a)	Cash and cash equivalents	571.73
(b)	Bank balances other than cash and cash equivalents	50.68
(c)	Derivative financial instruments	2.75
(d)	Trade receivables	279.04
(e)	Loans	92,137.35
(f)	Investments	3,031.30
(g)	Other financial assets	41.84
<b>Sub total</b>		<b>96,114.69</b>
<b>Non-financial Assets</b>		
(a)	Current tax assets (Net)	42.15
(b)	Deferred tax assets (Net)	957.86
(c)	Property, plant and equipment	171.25
(d)	Capital work-in-progress	-
(e)	Other intangible assets	22.49
(f)	Right of Use Assets	362.16
(g)	Other non-financial assets	108.26
<b>Sub total</b>		<b>1,664.17</b>
<b>TOTAL ASSETS</b>		<b>97,778.86</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
(a)	Derivative financial instruments	10.03
(b)	Trade payables	
(i)	Total outstanding dues of micro enterprises and small enterprises	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	395.85
(c)	Debt securities	38,735.96

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(d)	Borrowings (other than debt securities)	34,258.42
(e)	Subordinated liabilities	5,596.71
(f)	Other financial liabilities	3,572.39
Sub total		<b>82,569.36</b>
<b>Non-Financial Liabilities</b>		
(a)	Current tax liabilities (net)	95.66
(b)	Provisions	389.55
(c)	Other non-financial liabilities	468.55
<b>Subtotal</b>		<b>953.76</b>
<b>Equity</b>		
(a)	Equity share capital	793.08
(b)	Other equity	13,462.66
<b>Subtotal</b>		<b>14,255.74</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>97,778.86</b>

Profit and Loss statement (Currency: Indian Rupees in Crore)		Quarter ended June 30, 2024 (Reviewed)
<b>I</b>	<b>Revenue from operations</b>	
	Interest income	3,264.59
	Sale of services	313.00
	Other financial charges	286.22
	Net gain on fair value changes	20.20
	Net gain/(loss) on derecognized financial instruments	(0.19)
	<b>Total Revenue from operations</b>	<b>3,883.82</b>
<b>II</b>	<b>Expenses</b>	
	Finance Costs	1,496.44
	Impairment on financial instruments	412.46
	Employee Benefits Expenses	905.53
	Depreciation, amortization and impairment	43.84
	Others expenses	241.93
	<b>Total Expenses</b>	<b>3,100.20</b>
<b>III</b>	<b>Profit before tax (I-II)</b>	<b>783.62</b>
<b>IV</b>	<b>Tax Expense:</b>	
A	Current tax	218.59

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

	B	Deferred tax		(16.60)
		<b>Total Tax expense</b>		<b>201.99</b>
<b>V</b>		<b>Net Profit for the period (III-IV)</b>		<b>581.63</b>
<b>VI</b>		<b>Other Comprehensive Income (net of tax)</b>		<b>(3.91)</b>
<b>VII</b>		<b>Total Comprehensive Income (after tax) (V-VI)</b>		<b>577.72</b>
<b>VIII</b>		<b>Earnings per equity share</b>		
	(a)	Basic (in Rupees)		7.33
	(b)	Diluted (in Rupees)		7.32
	(c)	Face value per share (in Rupees)		10.00

### Consolidated Unaudited Financial Statements

<b>Balance Sheet</b> <b>(Currency: Indian Rupees in Crore)</b>		<b>As at June 30, 2024</b> <b>(Reviewed)</b>
<b>ASSETS</b>		
<b>Financial Assets</b>		
(a)	Cash and cash equivalents	571.73
(b)	Bank balances other than cash and cash equivalents	50.68
(c)	Derivative financial instruments	2.75
(d)	Trade receivables	279.04
(e)	Loans	92,137.35
(f)	Investments	3,031.30
(g)	Other financial assets	41.84
<b>Sub total</b>		<b>96,114.69</b>
<b>Non-financial Assets</b>		
(a)	Current tax assets (Net)	42.15
(b)	Deferred tax assets (Net)	957.86
(c)	Property, plant and equipment	171.25
(d)	Capital work-in-progress	-
(e)	Other intangible assets	22.49
(f)	Right of Use Assets	362.16

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(g)	Other non-financial assets	108.26
	<b>Sub total</b>	<b>1,664.17</b>
<b>TOTAL ASSETS</b>		<b>97,778.86</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
(a)	Derivative financial instruments	10.03
(b)	Trade payables	
(i)	Total outstanding dues of micro enterprises and small enterprises	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	395.85
(c)	Debt securities	38,735.96
(d)	Borrowings (other than debt securities)	34,258.42
(e)	Subordinated liabilities	5,596.71
(f)	Other financial liabilities	3,572.39
<b>Sub total</b>		<b>82,569.36</b>
<b>Non-Financial Liabilities</b>		
(a)	Current tax liabilities (net)	95.66
(b)	Provisions	389.55
(c)	Other non-financial liabilities	468.55
<b>Subtotal</b>		<b>953.76</b>
<b>Equity</b>		
(a)	Equity share capital	793.08
(b)	Other equity	13,462.66
<b>Subtotal</b>		<b>14,255.74</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>97,778.86</b>

<b>Profit and Loss statement</b> (Currency: Indian Rupees in Crore)		<b>Quarter ended</b> <b>June 30, 2024</b> (Reviewed)
<b>I</b>	<b>Revenue from operations</b>	
	Interest income	3,264.59
	Sale of services	313.00

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	Other financial charges		286.22
	Net gain on fair value changes		20.20
	Net gain/(loss) on derecognized financial instruments		(0.19)
	<b>Total Revenue from operations</b>		<b>3,883.82</b>
<b>II</b>	<b>Expenses</b>		
	Finance Costs		1,496.44
	Impairment on financial instruments		412.46
	Employee Benefits Expenses		905.53
	Depreciation, amortization and impairment		43.84
	Others expenses		241.93
	<b>Total Expenses</b>		<b>3,100.20</b>
<b>III</b>	<b>Profit before tax (I-II)</b>		<b>783.62</b>
<b>IV</b>	<b>Tax Expense:</b>		
	A Current tax		218.59
	B Deferred tax		(16.60)
	<b>Total Tax expense</b>		<b>201.99</b>
<b>V</b>	<b>Net Profit for the period (III-IV)</b>		<b>581.63</b>
<b>VI</b>	<b>Other Comprehensive Income (net of tax)</b>		<b>(3.91)</b>
<b>VII</b>	<b>Total Comprehensive Income (after tax) (V-VI)</b>		<b>577.72</b>
<b>VIII</b>	<b>Earnings per equity share</b>		
	(a) Basic (in Rupees)		7.33
	(b) Diluted (in Rupees)		7.32
	(c) Face value per share (in Rupees)		10.00

Note: There was no auditor's qualification.

Limited Review Report can be accessed at: Quarter 1 2024-25:  
[https://www.hdbfs.com/sites/default/files/debt/Unaudited-Financial-Results-under-Regulation-52-of-SEBI-\(LODR\)-for-quarter-ended-June-30-2024.pdf](https://www.hdbfs.com/sites/default/files/debt/Unaudited-Financial-Results-under-Regulation-52-of-SEBI-(LODR)-for-quarter-ended-June-30-2024.pdf)

(iii) Key Operational and Financial Parameters on a Consolidated and Standalone Basis in respect of the financial information provided under clause (i) and (ii) above

General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

### For Financial Sector Entities:

#### Standalone Basis

(Amt. in Crore)

Particulars	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Balance Sheet</b>				
Assets				
Property, Plant and Equipment	171.25	162.53	122.37	78.14
Financial Assets	96,114.69	90,970.12	68,545.71	60,387.10
Non-financial Assets excluding property, plant and equipment	1,492.92	1,423.86	1,382.31	1,560.70
<b>Total assets</b>	<b>97,778.86</b>	<b>92,556.51</b>	<b>70,050.39</b>	<b>62,025.94</b>
Liabilities				
Financial Liabilities				
- Derivative financial instruments	10.03	4.77	-	-
- Trade Payables	395.85	509.00	291.84	246.91
- Debt Securities	38,735.96	34,851.12	27,096.41	25,332.31
- Borrowings (other than Debt Securities)	34,258.42	33,831.38	24,227.80	19,501.72
- Subordinated Liabilities	5,596.71	5,648.17	3,541.10	4,139.05
- Other financial liabilities	3,572.39	2,955.27	2,778.43	2,708.72
Non – Financial Liabilities				
- Current tax liabilities (net)	95.66	58.65	41.97	59.73
- Provisions	389.55	502.94	368.96	314.75
- Deferred tax liabilities (net)		-	-	-
- Other non-financial liabilities	468.55	452.50	266.91	183.02
Equity (equity share capital and other equity)	14,255.74	13,742.71	11,436.97	9,539.73



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Total equity and liabilities	97,778.86	92,556.51	70,050.39	62,025.94
Revenue from operations	3,883.82	14,171.12	12,402.88	11,306.29
Other Income	-	-	-	-
Total Income	3,883.82	14,171.12	12,402.88	11,306.29
Total Expenses	3,100.20	10,866.45	9,775.48	9,958.73
Profit after Tax for the year	581.63	2,460.84	1,959.35	1,011.40
Other Comprehensive Income	(3.91)	(36.40)	10.56	13.79
Total Comprehensive Income	577.72	2,424.44	1,969.91	1,025.19
Earnings per equity share (Basic)	7.33	31.08	24.78	12.81
Earnings per equity share (Diluted)	7.32	31.04	24.76	12.80
Net cash from / used in(-) operating activities	(4,534.57)	(16,736.04)	(6,850.61)	1,987.10
Net cash from / used in(-) investing activities	334.54	(2,145.56)	973.32	(703.28)
Net cash from / used in(-) financing activities	4,123.91	19,133.55	5,795.99	(1,499.54)
Net increase/decrease(-) in cash and cash equivalents	76.12	251.95	(81.30)	(215.72)
Cash and cash equivalents as per Cash Flow Statement as at end of period	571.73	647.85	395.90	477.20
Net worth	13,297.88	12,802.76	10,436.10	8,488.56
Cash and Cash Equivalents	571.73	647.85	395.90	477.20
Loans	95,629.21	90,217.93	70,030.70	61,326.32
Total Debts to Total Assets	0.80	0.80	0.78	0.79
Interest Income	3,264.59	11,156.72	8,927.78	8,362.97
Interest Expense	1,496.44	4,864.32	3,511.92	3,325.50
Impairment on Financial Instruments	412.46	1,067.39	1,330.40	2,465.73
Bade Debts to Loans	N.A.	N.A.	N.A.	N.A.
% Gross Stage 3 Loans on Loans (Principal Amount)	1.93%	1.90%	2.73%	4.99%

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% Net Stage 3 Loans on Loans (Principal Amount)	0.77%	0.63%	0.95%	2.29%
Tier I Capital Adequacy Ratio (%)	14.02%	14.12%	15.91%	15.22%
Tier II Capital Adequacy Ratio (%)	4.82%	5.13%	4.14%	5.00%

### **Key Operational and Financial Parameters on a Consolidated Basis:**

**(Amt. in Crore.)**

Particulars	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Balance Sheet</b>				
Assets				
Property, Plant and Equipment	171.25	162.53	122.37	78.14
Financial Assets	96,114.69	90,970.12	68,545.71	60,387.10
Non-financial Assets excluding property, plant and equipment	1,492.92	1,423.86	1,382.31	1,560.70
<b>Total assets</b>	<b>97,778.86</b>	<b>92,556.51</b>	<b>70,050.39</b>	<b>62,025.94</b>
Liabilities				
Financial Liabilities				
- Derivative financial instruments	10.03	4.77	-	-
- Trade Payables	395.85	509.00	291.84	246.91
- Debt Securities	38,735.96	34,851.12	27,096.41	25,332.31
- Borrowings (other than Debt Securities)	34,258.42	33,831.38	24,227.80	19,501.72
- Subordinated Liabilities	5,596.71	5,648.17	3,541.10	4,139.05
- Other financial liabilities	3,572.39	2,955.27	2,778.43	2,708.72
Non – Financial Liabilities				
- Current tax liabilities (net)	95.66	58.65	41.97	59.73
- Provisions	389.55	502.94	368.96	314.75

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- Deferred tax liabilities (net)		-	-	-
- Other non-financial liabilities	468.55	452.50	266.91	183.02
Equity (equity share capital and other equity)	14,255.74	13,742.71	11,436.97	9,539.73
Non-controlling interest	-	-	-	-
Total equity and liabilities	97,778.86	92,556.51	70,050.39	62,025.94
PROFIT AND LOSS				
Revenue from operations	3,883.82	14,171.12	12,402.88	11,306.29
Other Income	-	-	-	-
Total Income	3,883.82	14,171.12	12,402.88	11,306.29
Total Expenses	3,100.20	10,866.45	9,775.48	9,958.73
Profit after Tax for the year	581.63	2,460.84	1,959.35	1,011.40
Other Comprehensive Income	(3.91)	(36.40)	10.56	13.79
Total Comprehensive Income	577.72	2,424.44	1,969.91	1,025.19
Earnings per equity share (Basic)	7.33	31.08	24.78	12.81
Earnings per equity share (Diluted)	7.32	31.04	24.76	12.80
Cash Flow				
Net cash from / used in(-) operating activities	(4,534.57)	(16,736.04)	(6,850.61)	1,987.10
Net cash from / used in(-) investing activities	334.54	(2,145.56)	973.32	(703.28)
Net cash from / used in(-) financing activities	4,123.91	19,133.55	5,795.99	(1,499.54)
Net increase/decrease(-) in cash and cash equivalents	76.12	251.95	(81.30)	(215.72)
Cash and cash equivalents as per Cash Flow Statement as at end of period	571.73	647.85	395.90	477.20
Additional Information				
Net worth	13,297.88	12,802.76	10,436.10	8,488.56

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Cash and Cash Equivalents	571.73	647.85	395.90	477.20
Loans	95,629.21	90,217.93	70,030.70	61,326.32
Loans (Principal Amount)	94,313.14	89,105.14	69,357.36	60,871.68
Total Debts to Total Assets	0.80	0.80	0.78	0.79
Interest Income	3,264.59	11,156.72	8,927.78	8,362.97
Interest Expense	1,496.44	4,864.32	3,511.92	3,325.50
Impairment on Financial Instruments	412.46	1,067.39	1,330.40	2,465.73
Bade Debts to Loans	N.A.	N.A.	N.A.	N.A.
% Gross Stage 3 Loans on Loans (Principal Amount)	1.93%	1.90%	2.73%	4.99%
% Net Stage 3 Loans on Loans (Principal Amount)	0.77%	0.63%	0.95%	2.29%
Tier I Capital Adequacy Ratio (%)	14.02%	14.12%	15.91%	15.22%
Tier II Capital Adequacy Ratio (%)	4.82%	5.13%	4.14%	5.00%

**(iv) Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability.**

(Amt. in crore)

S. No.	Particulars	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Claims against the Company not acknowledged as debt	105.69	105.44	99.53	90.59
2.	Estimated amount of contracts remaining to be executed on capital account and not provided for net of advance	88.64	85.10	45.00	13.27
3.	Undrawn committed sanctions to borrowers	330.45	372.07	134.31	59.40
	<b>Total</b>	<b>524.78</b>	<b>562.61</b>	<b>278.84</b>	<b>163.26</b>

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- (v) **The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued.**

NA

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## SECTION G

### BRIEF HISTORY OF THE COMPANY SINCE INCORPORATION

#### 1. Capital Structure

a) Details of Share Capital as at last quarter ended, i.e. June 30, 2024: -

Share Capital	Amount
<b>Authorised Share Capital</b>	Rs. 10,01,55,00,000 comprising: 1,00,15,50,000 Equity Shares of Rs. 10/- each
<b>Issued, Subscribed and Paid-up Share Capital</b>	Rs. 7,93,07,45,660 comprising: 79,30,74,566 Shares of Rs.10 each

Notes: Of the above issued, subscribed and paid-up share capital 75,05,96,670 equity shares are held by HDFC Bank Ltd., the Promoter of the Company.

b) Changes in its capital structure as at quarter ended, i.e., June 30, 2024 for the preceding three financial years and current financial year: -

Date of Change (AGM/ EGM)	Particulars
None	

c) Details of the equity share capital history of the Company for the preceding 3 (three) financial years and current financial year:

Date of Allotment	No. Of Equity Shares	Face Value (in Rs. per share)	Form of Consideration (other than cash, etc)	Issue Price (in Rs. per share)	Nature of allotment	Cumulative			Re-mark
						No. Of Equity shares	Equity Share Capital (in Rs.)	Equity Share Premium (in Rs.)	
13/9/2019	1,68,700	10	Cash	Series 8C – 88/- Series 9B – 137/- Series 10A – 213/-	ESOS Exercise	78,58,69,006	7,85,86,90,060	28,96,41,71,859	For cash on account of ESOP allotment
11/12/2019	17,10,650	10	Cash	Series 9C – 137/-	ESOS Exercise	78,75,79,656	7,87,57,96,560	29,25,43,42,609	For cash on

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Date of Allotment	No. Of Equity Shares	Face Value (in Rs. per share)	Form of Consideration (other than cash, etc)	Issue Price (in Rs. per share)	Nature of allotment	Cumulative			Re-mark
						No. Of Equity shares	Equity Share Capital (in Rs.)	Equity Share Premium (in Rs.)	
				Series 10A – 213/- Series 10B – 213/-					account of ESOP allotment
18/11/2020	2,50,890	10	Cash	Series 10B – 213/- Series 11A – 274/-	ESOS Exercise	78,78,30,546	7,87,83,05,460	29,31,87,29,269	For cash on account of ESOP allotment
07/12/2020	10,41,100	10	Cash	Series 10C – 213/- Series 11A – 274/- Series 11B – 274/- Series 11C – 274/-	ESOS Exercise	78,88,71,646	788,87,16,460	29,53,03,53,169	For cash on account of ESOP allotment
25/02/2021	3,11,220	10	Cash	Series 10A – 213/- Series 10B – 213/- Series 10C – 213/- Series 11A – 274/- Series 11B – 274/-	ESOS Exercise	78,91,82,866	7,89,18,28,660	29,60,64,76,249	For cash on account of ESOP allotment
16/03/2021	2,350	10	Cash	Series 10C – 213/-	ESOS Exercise	78,91,85,216	7,89,18,52,160	29,60,69,53,299	For cash on account of ESOP allotment
26/11/2021	8,03,460	10	Cash	Series 10C – 213/- Series 11A – 274/- Series 11B – 274/- Series 12A – 300/-	ESOS Exercise	78,99,88,676	7,89,98,86,760	29,83,86,45,939	For cash on account of ESOP allotment
17/03/2022	4,51,355	10	Cash	Series 11C – 274/- Series 12A – 300/- Series 12B – 300/- Series 13A – 348/-	ESOS Exercise	79,04,40,031	7,90,44,00,310	29,97,32,76,889	For cash on account of ESOP allotment
02/08/2022	76,660	10	Cash	Series 11B – 274/- Series 11C – 274/- Series 12B – 300/- Series 13A – 348/- Series 13B – 348/- Series 13C – 348/-	ESOS Exercise	79,05,16,691	790,51,66,910	29,99,66,19,229	For cash on account of ESOP allotment
19/09/2022	29,600	10	Cash	Series 12B – 300/-	ESOS	79,05,46,	7,90,54,62,910	30,00,63,79,029	For cash

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Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of  
India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

Date of Allotment	No. Of Equity Shares	Face Value (in Rs. per share)	Form of Consideration (other than cash, etc)	Issue Price (in Rs. per share)	Nature of allotment	Cumulative			Re-mark
						No. Of Equity shares	Equity Share Capital (in Rs.)	Equity Share Premium (in Rs.)	
			h	Series 13B – 348/- Series 13C – 348/- Series 13AA – 348/-	Exercise	291			on account of ESOP allotment
07/12/2022	6,20,228	10	Cash	Series 11C – 274/- Series 12A – 300/- Series 12B – 300/- Series 13A – 348/- Series 13C – 348/- Series 14A – 433/-	ESOS Exercise	79,11,66,519	7,91,16,65,190	30,22,15,01,763	For cash on account of ESOP allotment
28/12/2022	3,000	10	Cash	Series 12B – 300/- Series 14A – 433/- Series 14B – 433/- Series 14C – 433/-	ESOS Exercise	79,11,69,519	791,16,95,190	30,22,26,75,003	For cash on account of ESOP allotment
13/03/2023	2,29,564	10	Cash	Series 12B – 300/- Series 13A – 348/- Series 13B – 348/- Series 13AA – 409/- Series 14A – 433/-	ESOS Exercise	79,13,99,083	791,39,90,830	30,30,29,16,625	For cash on account of ESOP allotment
27/07/2023	2,51,984	10	Cash	Series 11 – 274/- Series 12 – 300/- Series 13 – 348/- Series 13A – 409/- Series 14 – 433/- Series 15A – 457/-	ESOS Exercise	79,16,51,067	791,65,10,670	30,39,30,30,833*	For cash on account of ESOP allotment
07/12/2023	6,06,877	10	Cash	Series 11 – 274/- Series 12 – 300/- Series 13 – 348/- Series 14 – 433/- Series 15A – 457/-	ESOS Exercise	79,22,57,944	792,25,79,440	30,66,62,75,546	For cash on account of ESOP allotment
21/02/2024	8,16,622	10	Cash	Series 12 – 300/- Series 13 – 348/- Series 13A – 409/- Series 14 – 433/- Series 15A – 457/- Series 15B – 509/-	ESOS Exercise	79,30,74,566	793,07,45,660	31,00,07,18,901	For cash on account of ESOP allotment
13/08/2024	8,88,974	10	Cash	Series 10 – 213/-	ESOS	79,39,63,	793,96,35,400	31,37,45,83,024	For cash



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Date of Allotment	No. Of Equity Shares	Face Value (in Rs. per share)	Form of Consideration (other than cash, etc)	Issue Price (in Rs. per share)	Nature of allotment	Cumulative			Re-mark
						No. Of Equity shares	Equity Share Capital (in Rs.)	Equity Share Premium (in Rs.)	
			h	Series 11 – 274/- Series 12 – 300/- Series 13 – 348/- Series 13A–409/- Series 14 – 433/- Series 15A – 457/- Series 15B – 509/- Series 16A – 424/-	Exercise	540			on account of ESOP allotment

\*This is without considering the transfer on allotment of shares pursuant to ESOP Scheme.

d) Details of any acquisition or amalgamation with any entity in the preceding one year: -

None

e) Details of any Reorganization or Reconstruction in the last 1 (one) year: -

Type of Event	Date of Announcement	Date of Completion	Details
None			

f) Details of the shareholding of the Company as at quarter ended, i.e. June 30, 2024 as per the format specified under the listing regulations:-

Sr. No.	Particulars	No. of equity shares held	No. of shares held in demat form	Total Shareholding as % of total no. of equity shares
1	HDFC Bank Limited	75,05,96,670	75,05,96,670	94.64%
2	Others	4,24,77,896	4,24,77,896	5.36%

Notes: - Shares pledged or encumbered by the promoters (if any): Not Applicable

g) List of top 10 (ten) holders of equity shares as at latest quarter ended, i.e. as on June 30, 2024:

Sr. No.	Name and category of Shareholder	Total No of Equity Shares	No. of shares in Demat form	Total Shareholding as % of total no of equity shares
1	HDFC Bank Limited	75,05,96,670	75,05,96,670	94.64

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	(Promoter)			
2	HDB Employee Welfare Trust (Through its Trustees) (Trust)	26,18,699	26,18,699	0.33
3	HDBFS Employees Welfare Trust (Through its Trustees) (Trust)	19,22,062	19,22,062	0.24
4	PI Opportunities Fund I (Alternate Investment Fund)	11,00,000	11,00,000	0.14
5	Ramesh G. (Director)	8,53,000	8,53,000	0.11
6	Gouri Vinod Yennemedi (Individual)	8,50,000	8,50,000	0.11
7	Sangeeta Paresh Sukthankar (Individual)	5,51,078	5,51,078	0.07
8	Rohit Sudhir Patwardhan (Individual)	4,36,599	4,36,599	0.06
9	Huzaan Kaizad Bharucha (Individual)	3,90,000	3,90,000	0.05
10	Saroja Subramanian (Individual)	3,51,693	3,51,693	0.04

## 2. Directors of the Company:

Following details regarding the directors of the Company: -

a) Details of the current directors of the Company as on date:

Name, Designation and DIN	Age (in years)	Address	Date of Appointment	Details of other directorship
Mr. Arijit Basu Part Time Non-Executive Chairman and Independent Director  DIN – 06907779	63	Om Ratan Bldg, 7 <sup>th</sup> Floor, 70, Sir Pochkhanwala Road, Mumbai - 400018	31/05/2023	1. Peerless Hospitex Hospital and Research Center Limited 2. Prudential PLC
Mr. Venkatraman Srinivasan, Independent Director  DIN – 00246012	65	73, Keshav Smruti, 8B, Veer Savarkar Marg, Shivaji Park, Mumbai- 400028	12/03/2015	1. Fairchem Organics Limited 2. Eimco Elecon (India) Limited 3. UTI Trustee Company Private Limited 4. Amal Limited 5. HDFC Life Insurance Company Limited 6. Amal Speciality

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				Chemicals Limited
Ms. Smita Affinwalla, Independent Director  DIN - 07106628	61	7A, A Block, 3 <sup>rd</sup> Floor, Khalakdina Terrace, August Kranti Marg, Mumbai- 400 036	12/03/2015	1. Illuminos Consulting Private Limited
Dr. Amla Samanta, Independent Director  DIN - 00758883	69	13, Meera Baug, Talmiki Road, Santacruz West, Mumbai - 400054	01/05/2019	1. Synermed Biologicals Private Limited 2. Samanta Movies Private Limited 3. Shakti Cine Studio Pvt. Ltd
Mr. Adayapalam Viswanathan, Independent Director  DIN - 08518003	67	1502 Godrej Serenity, Deonar, Mumbai – 400088	24/07/2019	Nil
Ms. Arundhati Mech Independent Director  DIN – 09177619	65	Gr-B, Glenmore Apartment, Sriram Nagar, North Street, Alwarpet, Chennai – 600018	11/02/2022	1.Shivalik Small Finance Bank Limited  2.Steering Committee for Research/Development for National Housing Bank
Mr. Ramesh G., Managing Director and Chief Executive Officer DIN - 05291597	54	C - 101, Ashok Gardens, Tokersey Jivraj Road, Sewree, Mumbai 400015	01/07/2012	Nil
Mr. Jimmy Tata, Non- Executive Additional Director  DIN – 06888364	58	Sea Side, Bhulabhai Desai Road, Mumbai - 400 036	25/07/2023	International Asset Reconstruction Company Private Limited
Mr. Jayesh Chakravarthi Independent Director  DIN - 08345495	62	231, 6th, A Cross, Panduranganagar Arikere, Bengaluru, 560076	25/01/2024	Recast Technologies Private Limited
Mr. Jayant Gokhale Independent Director	68	10, Ichchhapoorti, Anant Patil Road, Gokhale Road North, Dadar (W), Mumbai	16-09-2024	Franklin Templeton Trustee Services Private Limited

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DIN - 00190075		4000028		
Mr. Bhaskar Sharma Independent Director DIN - 02871367	61	E-2601, Oberoi Splendor, JVLR, Opp. Majas Depot, Jogeshwari (E) Mumbai - 60	16-09-2024	Polycab India Limited  EBG Federation

(ii) Details of change in directors in the preceding three financial years and current financial year:

Sr. No.	Name, Designation and DIN	Date of Appointment	Date of cessation, if applicable	Remarks
1	Mr. Arijit Basu, Non- Executive Director & Chairman DIN- 06907779	01/06/2021	31/05/2023	Resigned from Board for appointment as Non-Executive Chairman.
2	Ms. Arundhati Mech, Independent Director DIN – 09177619	11/02/2022	-	-
3	Mr. Arijit Basu, Non- Executive Director & Chairman DIN- 06907779	31/05/2023		Appointment as Non- Executive Chairman and Additional Independent Director and the appointment was regularized in the annual general meeting held on June 30, 2023
4	Mr. Jimmy Tata, Non-Executive Additional Director  DIN – 06888364	15/07/2023	-	Appointment as Additional Non- Executive Director and the appointment was regularized by the members through postal ballot on August 26, 2023
5	Mr. Jayesh Chakravarthy Independent Director (DIN: 08345495)	25/01/2024	-	Appointment as a Non-Executive Independent Director for a period of three years w.e.f. January 25, 2024
6	Dr. Amla Samanta Independent Director (DIN: 00758883)	01/05/2024	-	Re-appointment as an Non- Executive Independent Director for a period of three years w.e.f. May 1, 2024
7	Mr. A K Viswanathan Independent Director (DIN:08518003)	24/07/2024	-	Re-appointment as an Non- Executive Independent Director for a period of three years w.e.f.

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				July 24, 2024
8	Mr. Jayant Gokhale Independent Director DIN - 00190075	16-09-2024	-	Appointment as a Non-Executive Independent Director for a period of three years w.e.f. September 16, 2024. The said appointment is subject to shareholders approval.
9	Mr. Bhaskar Sharma Independent Director DIN - 02871367	16-09-2024	-	Appointment as a Non-Executive Independent Director for a period of three years w.e.f. September 16, 2024. The said appointment is subject to shareholders approval.

(iii) Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):

**(a) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis (in Rs.)**

Financial Year	Remuneration Paid to Directors	Mr. Arijit Basu	Mr. Vekatraman Srinivasan	Ms. Smita Affinwalla	Dr. Amla Samanta	Mr. Adayapalam K Viswanathan	Ms. Arundhati Mech	Mr. Jayesh Chakravarthi	Mr. Jayant Gokhale	Mr. Bhaskar Sharma
FY 24-25 till August 2024	Sitting Fees	4,00,000	4,75,000	5,75,000	4,50,000	6,25,000	5,75,000	4,00,000	-	-
	Commission	-	-	-	-	-	-	-	-	-
	Remuneration	12,50,000							-	-
FY 23-24	Sitting Fees	6,75,000	13,75,000	12,00,000	8,75,000	13,75,000	12,00,000	75,000	-	-
	Commission	-	15,00,000	15,00,000	14,00,000	15,00,000	15,00,000	-	-	-
	Remuneration	30,00,000	-	-	-	-	-		-	-
FY 22-23	Sitting Fees	8,25,000	14,50,000	12,00,000	8,00,000	14,00,000	11,75,000		-	-
	Commission	-	7,50,000	7,50,000	7,50,000	7,50,000	60,000		-	-
	Remuneration	30,00,000	-	-	-	-	-		-	-

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FY 21-22	Sitting Fees	9,00,000	19,50,000	13,00,000	13,25,000	17,00,000	75,000		-	-
	Commission	-	7,50,000	7,50,000	7,50,000	7,50,000	-		-	-
	Remuneration	25,00,000	-	-	-	-	-		-	-

	Financial Year	Gross Salary	Stock Options	Others	Total Amount
<b>Mr. Ramesh G.</b>	FY 24-25 (Till August 31, 2024)	3,50,09,990	0	19,670	3,50,29,660
	FY 23-24	631,39,248	1,50,72,500	19,210	7,82,30,958
	FY 22-23	5,36,38,320	36,60,000	14,613	5,73,12,933
	FY 21-22	4,52,91,823	47,70,000	27,028	5,00,88,851

(b) Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company- NIL

(c) Full particulars of the nature and extent of interest, if any, of every director:

A. in the promotion of the issuer company- NIL

B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it – NIL

C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed. - NIL

D. Contribution being made by the directors as part of the offer or separately in furtherance of such objects:

NIL

3. Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the Issue and the effect of such interest in so far as it is different from the interests of other persons:

Nil

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#### 4. Auditors of the Company:

(i) Following details regarding the auditors of the Company:

Name and Address	Date of appointment
M/s. Kalyaniwalla & Mistry LLP  Esplanade House, 29, Hazarimal Somani Marg, Fort, Mumbai 400 001 <b>Peer Review Cer. No - 013324</b>	June 27, 2024
M/s. G.D. Apte & Co.  D-509, Neelkanth Business Park, Nathani Road, Vidyavihar West, Mumbai-400086 <b>Peer Review Cer No - 015904</b>	June 27, 2024

(ii) Details of change in auditor for preceding three financial years and current financial year:

Sl No.	Name and Address	Date of appointment	Date of cessation, if applicable	Date of Resignation, if applicable
1	M/s. B S R & CO. LLP  Lodha Excelus, 1st Floor, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai – 400011	May 30, 2013	July 16, 2021	Ceased to be a Statutory Auditor due to ineligibility caused in terms of the RBI guidelines w.e.f. July 16, 2021
2	M/s. KKC & Associates LLP (formerly known as M/s Khimji Kunverji & Co. LLP)  Level-19, Sunshine Tower,, Senapati Bapat Marg,, Elphinstone Road,, Mumbai, Maharashtra 400013	September 18, 2021	June 27, 2024	Not Applicable.  M/s. KKC & Associates LLP ceased to be a Statutory Auditor due to completion of term of appointment.
3	M/s B. K. Khare & Co.  706/708, Sharda Chambers, New Marine Lines, Mumbai – 400020	September 18, 2021	June 27, 2024	Not Applicable.  M/s B. K. Khare & Co. ceased to be a Statutory Auditor due to completion of term of appointment.
4	M/s. Kalyaniwalla & Mistry LLP  Esplanade House, 29, Hazarimal Somani Marg, Fort, Mumbai 400 001	June 27, 2024	-	-
5	M/s. G.D. Apte & Co.  D-509, Neelkanth Business Park, Nathani Road, Vidyavihar West, Mumbai-400086	June 27, 2024	-	-

**Private and Confidential – For Private Circulation Only**  
**General Information Document for Issue of Non-Convertible Securities and**  
**Commercial Papers on a private placement basis**  
**October 10, 2024**  
**Ref: No: 2024-25/GID**

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**5. Details of the following liabilities of the Issuer, as at the end of the preceding quarter, i.e. June 30, 2024 or if available, a later date: -**

**(i) Details of Outstanding Secured Loan Facilities as on June 30, 2024: -**

**(Amt. in Cr.)**

Name of Lender	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Redemption Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
Axis Bank	Term Loan	250.00	249.81	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Axis Bank	Term Loan	245.00	163.33	Half Yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Bank of Baroda	Term Loan	1000.00	400.00	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Bank of India	Term Loan	1000.00	979.96	Half yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Canara Bank	Term Loan	500.00	250.00	Quarterly/Half yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Central Bank of India	Term Loan	400.00	300.00	Quarterly/Half yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
CSB Bank	Term Loan	240.00	100.00	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
CTBC Bank	Term Loan	75.00	30.00	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Dhanalaxmi Bank	Term Loan	60.00	30.00	Yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
HDFC Bank	Term Loan	22300.00	8,650.17	Quarterly repayment	Book Debt	CARE & CRISIL	Secured

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						AAA/ STABLE	
HSBC Bank	Term Loan	5425.00	2,382.42	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
ICICI Bank	Term Loan	1500.00	909.03	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
IndusInd Bank	Term Loan	1700.00	1,640.15	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
IDBI Bank	Term Loan	500.00	400.00	Half Yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Jammu & Kashmir Bank	Term Loan	300.00	225.00	Quarterly/Half Yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Kotak Mahindra Bank	Term Loan	1,100.00	458.33	Half Yearly / Yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Karnataka Bank	Term Loan	250.00	225.00	Half yearly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Punjab National Bank	Term Loan	1500.00	1,053.13	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Union Bank of India	Term Loan	3500.00	2,510.71	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
City Union Bank	Term Loan	250.00	187.50	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Punjab and Sind Bank	Term Loan	1000.00	900.00	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
SIDBI	Term Loan	4,000.00	4000.00	Half Yearly repayment	Book Debt	CARE & CRISIL	Secured

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						AAA/ STABLE	
SBI	Term Loan	3,000.00	2,272.50	Quarterly repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
SBI Hongkong	ECB	2079.50	2079.50	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Axis Bank	WCDL	5.00	-	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
IndusInd Bank	WCDL	10.00	-	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
HDFC Bank	WCDL	1000.00	800.00	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
HSBC Bank	WCDL	400.00	-	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Kotak Mahindra Bank	WCDL	500.00	500.00	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
State bank of India	WCDL	500.00	500.00	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured
Union Bank of India	WCDL	2000.00	2,000.00	Bullet repayment	Book Debt	CARE & CRISIL AAA/ STABLE	Secured

**Note -**

- 1) All installments are residual installment payable for outstanding loan amount.
- 2) All the above-mentioned loans are secured against "receivables from financing activities".

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(ii) Details of outstanding unsecured loan facilities as on June 30, 2024: -

Name of lender	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Repayment Date / Schedule	Credit Rating, if applicable
None					

(iii) Details of outstanding non-convertible securities as on June 30, 2024: -

**Details of NCDs (including Market Linked Debentures)**

(Amt. in Cr.)

Series of NCS	ISIN	Tenor / Period of Maturity	Coupon	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
Series 2019 / 139 - Series 2019 A/1(FX)/PP/139	INE756I07EV7	3653	8.0500	1500	08-08-2019	08-08-2029	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2019 / 141 - Series 2019 A/1(FX)/141	INE756I07CU3	1827	8.0500	280	28-08-2019	28-08-2024	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2021 / 167- Series 2021 A/1(FO)/167	INE756I07DR7	1095	Linked to 3 Months TBILL (FBIL) rate plus spread of	750	03-08-2021	02-08-2024	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10

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			127 bps						
Series 2021 / 168- Series 2021 A/1(FX)/168	INE756I0 7DT3	1157	5.700 0	800	25-08- 2021	25-10- 2024	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 1	INE756I0 7DV9	1096	5.490 0	150	13-09- 2021	13-09- 2024	CAR E AAA /STA BLE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 169 - Series 2021 A/0(ZC)/169_Option 2	INE756I0 7DW7	1747	Zero Coup on (xirr- 6.35)	130	13-09- 2021	26-06- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 3	INE756I0 7DX5	1824	6.350 0	500	13-09- 2021	11-09- 2026	CAR E AAA /STA BLE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 170- Series 2021 A/1(FX)/169_Option 3_INE756I07DX5 (Further Issuance I)	INE756I0 7DX5	1815	6.350 0	560	22-09- 2021	11-09- 2026	CAR E AAA/ STAB LE CRISI L	Secure d	1.10

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							AAA/ STAB LE		
Series 2021 / 171- Series 2021 A/0(ZC)/171	INE756I0 7DY3	1035	Zero Coup on (xirr- 5.49)	250	29-09- 2021	30-07- 2024	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 172 - Series 2021 A/1(FX)/172	INE756I0 7DZ0	1094	5.750 0	500	10-11- 2021	08-11- 2024	CAR E AAA/ STA BLE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 173 - Series 2021 A/1(FX)/172_INE7 56I07DZ0 (Further Issuance I)	INE756I0 7DZ0	1078	5.750 0	775	26-11- 2021	08-11- 2024	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2021 / 175 - Series 2021 A/1(FX)/175	INE756I0 7EB9	1274	6.000 0	200	23-12- 2021	19-06- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 177 - Series 2022 A/1(FX)/177	INE756I0 7ED5	1096	6.300 0	400	17-03- 2022	17-03- 2025	CAR E AAA/ STAB LE CRISI	Secure d	1.10

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							L AAA/ STAB LE		
Series 2022 / 180 - Series 2021 A/1(FX)/168_INE7 56I07DT3 (Further Issuance I)	INE756I0 7DT3	875	5.700 0	130	03-06- 2022	25-10- 2024	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 180 - Series 2022 A/1(FX)/180	INE756I0 7EE3	966	7.490 0	350	03-06- 2022	24-06- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 181 - Series 2022 A/0(ZC)/181_Option 1	INE756I0 7EF0	1096	Zero Coupon (xirr- 7.70)	330	07-07- 2022	07-07- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 181 - Series 2022 A/1(FX)/181_Option 2	INE756I0 7EG8	1131	7.700 0	125	07-07- 2022	11-08- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 182 - Series 2022 A/1(FX)/182	INE756I0 7EI4	1131	7.500 0	891	19-08- 2022	23-09- 2025	CAR E AAA/ STAB LE	Secure d	1.10

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							CRISIL AAA/ STABLE		
Series 2022 / 183 - Series 2022 A/1(FX)/183	INE756I0 7EJ2	1824	7.600 0	325	12-09- 2022	10-09- 2027	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2022 / 184 - Series 2022 A/0(ZC)/181_Option 1_INE756I07EF0 (Further Issuance I)	INE756I0 7EF0	1013	Zero Coupon (xirr- 7.60)	80	28-09- 2022	07-07- 2025	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2022 / 185 - Series 2022 A/0(ZC)/181_Option 1_INE756I07EF0 (Further Issuance II)	INE756I0 7EF0	997	Zero Coupon (xirr - 7.90)	57	14-10- 2022	07-07- 2025	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2022 / 185 - Series 2022 A/1(FX)/182_INE7 56I07E14 (Further Issuance I)	INE756I0 7E14	1075	7.500 0	45	14-10- 2022	23-09- 2025	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2022 / 186 - Series 2022 A/0(ZC)/186_Option 1	INE756I0 7EK0	1176	Zero Coupon	250	25-10- 2022	13-01- 2026	CARE AAA/ STABLE	Secured	1.10



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			(xirr-8.06)				LE CRISI L AAA/ STAB LE		
Series 2022 / 186 - Series 2022 A/1(FX)/186_Option 2	INE756I0 7EL8	1219	8.040 0	810	25-10- 2022	25-02- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 187 - Series 2022 A/0(ZC)/186_Option 1_INE756I07EK0 (Further Issuance I)	INE756I0 7EK0	1153	Zero Coup on (xirr-8.05)	200	17-11- 2022	13-01- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 187 - Series 2022 A/1(FX)/186_Option 2_INE756I07EL8 (Further Issuance I)	INE756I0 7EL8	1196	8.040 0	650	17-11- 2022	25-02- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 187 - Series 2022 A/1(FX)/187	INE756I0 7EM6	1096	7.960 0	260	17-11- 2022	17-11- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2022 / 188 - Series 2022 A/0(ZC)/186_Option	INE756I0 7EK0	1119	Zero Coup on	85	21-12- 2022	13-01- 2026	CAR E AAA/	Secure d	1.10

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n 1_INE756I07EK0 (Further Issuance II)			(xirr - 7.85)				STABLE CRISIL AAA/STABLE		
Series 2022 / 188 - Series 2022 A/1(FX)/188	INE756I07EN4	1301	7.8400	185	21-12-2022	14-07-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 189 - Series 2022 A/0(ZC)/186_Option 1_INE756I07EK0 (Further Issuance III)	INE756I07EK0	1093	Zero Coupon (xirr-8.00)	510	16-01-2023	13-01-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 189 - Series 2023 A/1(FX)/189	INE756I07EO2	1155	7.9900	1776	16-01-2023	16-03-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 190 - Series 2023 A/1(FX)/190	INE756I07EP9	1149	8.0736	244	23-02-2023	17-04-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 191 - Series 2023	INE756I07ER5	1131	8.3774	610	20-03-2023	24-04-2026	CARE	Secured	1.10

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A/1(FX)/191_Option 1							AAA/ STABLE CRISIL AAA/ STABLE		
Series 2023 / 191 - Series 2023 A/0(ZC)/191_Option 2	INE756I07EQ7	1824	Zero Coupon (-8.31)	323.18	20-03-2023	17-03-2028	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2023 / 192 - Series 2022 A/1(FX)/180_INE756I07EE3 (Further Issuance I)	INE756I07EE3	648	7.4900	1300	17-04-2023	24-01-2025	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2023 / 192 - Series 2023 A/1(FX)/192	INE756I07ES3	774	8.1965	1500	17-04-2023	30-05-2025	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2023 / 193 - Series 2022 A/1(FX)/181_Option 2_INE756I07EG8 (Further Issuance I)	INE756I07EG8	823	7.7000	585	11-05-2023	11-08-2025	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10

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Series 2023 / 194 - Series 2022 A/1(FX)/177_INE756I07ED5 (Further Issuance I)	INE756I07ED5	657	6.3000	600	30-05-2023	17-03-2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 194 - Series 2023 A/1(FX)/191_Option 1_INE756I07ER5 (Further Issuance I)	INE756I07ER5	1060	8.3774	400	30-05-2023	24-04-2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 195 - Series 2021 A/1(FX)/175_INE756I07EB9 (Further Issuance I)	INE756I07EB9	727	6.0000	615	23-06-2023	19-06-2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 196 - Series 2021 A/1(FX)/169_Option 3_INE756I07DX5 (Further Issuance II)	INE756I07DX5	1169	6.3500	595	30-06-2023	11-09-2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 196 - Series 2023 A/1(FO)/196	INE756I07ET1	1043	8.1800	400	30-06-2023	08-05-2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10

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Series 2023 / 197 - Series 2021 A/1(FX)/168_INE7 56I07DT3 (Further Issuance II)	INE756I0 7DT3	470	5.700 0	500	13-07- 2023	25-10- 2024	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 197 - Series 2021 A/1(FX)/175_INE7 56I07EB9 (Further Issuance II)	INE756I0 7EB9	707	6.000 0	530	13-07- 2023	19-06- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 198 - Series 2021 A/1(FX)/175_INE7 56I07EB9 (Further Issuance III)	INE756I0 7EB9	695	6.000 0	500	25-07- 2023	19-06- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 198 - Series 2022 A/1(FX)/181_Option 2_INE756I07EG8 (Further Issuance II)	INE756I0 7EG8	748	7.700 0	825	25-07- 2023	11-08- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 198 - Series 2023 A/1(FX)/198	INE756I0 7EU9	1232	7.988 0	745	25-07- 2023	08-12- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10

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Series 2023 / 199 - Series 2022 A/1(FX)/181_Option 2_INE756I07EG8 (Further Issuance III)	INE756I07EG8	704	7.7000	720	07-09-2023	11-08-2025	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 199 - Series 2022 A/0(ZC)/181_Option 1_INE756I07EF0 (Further Issuance III)	INE756I07EF0	669	NA	225	07-09-2023	07-07-2025	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023/200 - Series 2023 / 198 - Series 2023 A/1(FX)/198_INE756I07EU9	INE756I07EU9	1169	7.9880	165	26-09-2023	08-12-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 200 - Series 2022 A/0(ZC)/181_Option 1_INE756I07EF0 (Further Issuance IV)	INE756I07EF0	650	NA	150	26-09-2023	07-07-2025	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023/ 201 - Series 2023 A/1(FX)/190_INE756I07EP9 (Further Issuance I)	INE756I07EP9	911	8.0736	597.50	19-10-2023	17-04-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10

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Series 2023/ 201 - Series 2022 A/1(FX)/177_INE7 56I07ED5 (Further Issuance II)	INE756I0 7ED5	515	6.300 0	725	19-10- 2023	17-03- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 202 - Series 2022 A/1(FX)/181_Option 2_INE756I07EG8 (Further Issuance IV)	INE756I0 7EG8	641	7.700 0	520	09-11- 2023	11-08- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 203 - Series 2023 A/1(FX)/203	INE756I0 7EW5	1827	8.129 3	250	16-11- 2023	16-11- 2028	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.0
Series 2023/ 204 - Series 2022 A/1(FX)/187_INE7 56I07EM6 (Further Issuance I)	INE756I0 7EM6	712	7.960 0	876	06-12- 2023	17-11- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023/ 204 - Series 2023 A/1(FX)/198_INE7 56I07EU9 (Further Issuance II)	INE756I0 7EU9	1098	7.988 0	115	06-12- 2023	08-12- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10

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Series 2023/ 205- Series 2022 A/1(FX)/187_INE7 56I07EM6 (Further Issuance II)	INE756I0 7EM6	672	7.960 0	70	15-01- 2024	17-11- 2025	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023/ 205 - Series 2022 A/1(FX)/188_INE7 56I07EN4 (Further Issuance I)	INE756I0 7EN4	911	7.840 0	515	15-01- 2024	14-07- 2026	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 206 - Series 2023 A/1(FX)/203_ INE756I07EW5 (Further Issuance I)	INE756I0 7EW5	1763	8.129 3	250	19-01- 2024	16-11- 2028	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 207 - Series 2023 A/1(FX)/203_ INE756I07EW5 (Further Issuance II)	INE756I0 7EW5	1731	8.129 3	195	20-02- 2024	16-11- 2028	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
Series 2023 / 207 - Series 2023 A/1(FX)/207	INE756I0 7EX3	1141	8.237 8	137	20-02- 2024	06-04- 2027	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10



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Series 2023 / 208 - Series 2023 A/1(FX)/189_ INE756I07EO2 (Further Issuance I)	INE756I07EO2	748	7.9900	700	27-02-2024	16-03-2026	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2023 / 208 - Series 2023 A/1(FX)/208	INE756I07EY1	1168	8.3324	719	27-02-2024	10-05-2027	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.00
Series 2024 / 209 Series 2023 / 208 - Series 2023 A/1(FX)/208 Further Issuance I	INE756I07EY1	1125	8.3324	500	10-04-2024	10-05-2027	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.00
Series 2023 A/1(FX)/192	INE756I07ES3	403	8.1965	1500	22-04-2024	30-05-2025	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.10
Series 2024 / 211 Series 2023 / 208 - Series 2023 A/1(FX)/208 Further Issuance II	INE756I07EY1	1106	8.3324	70	29-04-2024	10-05-2027	CARE AAA/STABLE CRISIL AAA/STABLE	Secured	1.00

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Series 2024 /212 - Series 2022 A/1(FX)/186_Option 2_INE756I07EL8 (Further Issuance II)	INE756I07EL8	657	8.0400	1075	09-05-2024	25-02-2026	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2024 / 212 - Series 2024 A/1(FX)/212	INE756I07EZ8	1152	8.3439	1500	09-05-2024	05-07-2027	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.00
Series 2024 / 213 - Series 2024 A/1(FX)/213_14	INE756I07FA8	1155	8.3333	475	07-06-2024	06-08-2027	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.00
Series 2024/ 214 - Series 2023 A/1(FX)/190_ INE756I07EP9 (Further Issuance II)	INE756I07EP9	666	8.0736	525	20-06-2024	17-04-2026	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.10
Series 2024 / 214 - Series 2023 A/1(FX)/203_ INE756I07EW5 (Further Issuance III)	INE756I07EW5	1610	8.1293	100	20-06-2024	16.11.2028	CARE AAA/ STABLE CRISIL AAA/ STABLE	Secured	1.00

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Series 2024/ 215 - Series 2022 A/1(FX)/183_ INE756I07EJ2 (Further Issuance I)	INE756I07EJ2	1169	7.650 0	1103	28-06- 2024	10.09.2 027	CAR E AAA/ STAB LE CRISI L AAA/ STAB LE	Secure d	1.10
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\*Note – All the above-mentioned NCDs are:

- i. secured against "Immovable property and/ or receivables from financing activities"
- ii. NCDs (except the Market Linked Debentures) are rated AAA; Stable by CARE & AAA/Stable by CRISIL and the Market Linked Debentures are rated CARE PP-MLD AAA/Stable by CARE & CRISIL PP-MLD AAA/Stable by CRISIL.

#### **Details of Subordinated Bonds**

Series	ISIN	Tenor/ Period of maturity	Coupon %	Amount Outstanding (Rs. In Crore)	Date of allot ment	Redem ption date/ Schedu le	Credit Rating	Secure d / Unsec ured	Secu rity
Series 2014 I/1/8	INE756I08082	10 years	9.55	100	13-11- 2014	13-11- 2024	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecu red	-
Series 2014 I/1/9	INE756I08090	3651 days	9.55	200	17-11- 2014	15-11- 2024	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecu red	-
Series 2016 I/1/10	INE756I08108	3652 days	8.79	220	22-07- 2016	22-07- 2026	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecu red	-
Series 2016 I/1/11	INE756I08116	3650 days	8.05	170	06-12- 2016	04-12- 2026	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecu red	-
Series 2018 I/1/12	INE756I08124	3652 days	8.42	150	01-02- 2018	01-02- 2028	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecu red	-
Series 2018 I/1/13	INE756I08132	3652 days	8.45	130	21-02- 2018	21-02- 2028	CARE AAA/ STABLE	Unsecu red	-

							CRISIL AAA/ STABLE		
Series 2018 I/1/14	INE756I0 8140	3653 days	9.05	250	27-07- 2018	27-07- 2028	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2018 I/1/15	INE756I0 8173	3653 days	9.70	350	15-11- 2018	15-11- 2028	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2019 I/1/16	INE756I0 8181	3653 days	8.85	315	07-06- 2019	07-06- 2029	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2020 / 17 - Series 2019 I/1/16_INE75 6I08181 (Further Issuance I)	INE756I0 8181	3422 days	8.85	228.5	24-01- 2020	07-06- 2029	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2020 / 18 - Series 2020 I/1/18	INE756I0 8215	3651 days	7.35	356.5	02-11- 2020	01-11- 2030	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2023 I/1/19	INE756I0 8256	3653 days	8.40	200	22-12- 2023	22-12- 2033	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2023 / 20	INE756I0 8256	3635 days	8.40	300	09-01- 2024	22-12- 2033	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-
Series 2023 / 21	INE756I0 8256	3571 days	8.40	1,500	13-03- 2024	22-12- 2033	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unse- cu- red	-

### Details of Perpetual Debt Instruments:

Serie s	ISIN	Tenor/ Period of maturit y	Coup on %	Amount Outstandi ng	Date of allotme nt	Redempti on date/ Schedule	Credit Ratin g	Secured / Unsecur ed	Securi ty
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				(Rs. In Crore)					
Serie s 2018 P/1/1	INE756I08 157	Perpetu al	9.4	200	06-08- 2018	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STAB LE CRISI L AAA/ STAB LE	Unsecur ed	-
Serie s 2018 P/1/2	INE756I08 165	Perpetu al	9.15	100	07-09- 2018	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STAB LE CRISI L AAA/ STAB LE	Unsecur ed	-
Serie s 2019 P/1/3	INE756I08 199	Perpetu al	8.70	100	16-08- 2019	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STAB LE CRISI L AAA/ STAB LE	Unsecur ed	-
Serie s 2019 P/1/4	INE756I08 207	Perpetu al	8.70	100	29-11- 2019	Perpetual, unless call option is exercised any time	CARE AAA/ STAB LE CRISI	Unsecur ed	-

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						after 10 years from the Deemed Date of Allotment	L AAA/ STABLE		
Serie s 2021 P/1/5	INE756I08 231	Perpetual	7.68	150	29-10-2021	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecured	-
Serie s 2023 P/1/6	INE756I08 249	Perpetual	8.50	150	15-12-2023	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecured	-
Serie s 2023 P/1/7	INE756I08 264	Perpetual	8.45	200	29-12-2023	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecured	-

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Series 2024 P/1/8	INE756I08 272	Perpetual	8.5500	150	13-06- 2024	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	CARE AAA/ STABLE CRISIL AAA/ STABLE	Unsecured	-
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Note – All the above-mentioned Perpetual Debt Instrument are unsecured and are rated 'AAA; Stable' by CARE & 'AAA/Stable' by CRISIL

(iv) Details of Commercial Papers issuances as at the end of the last quarter, being June 30, 2024:

(Amt. in Crore)

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
211	INE756I14DI 2	311 days	7.7500 %	50,00,00,000	01/09/2023	08/07/2024	CARE & CRISIL A1+	Unsecured	N.A.	IPA- HDFC Bank

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216	INE756I14D N2	365 days	8.2200 %	125,00,00,000	26/02/2024	25/02/2025	CARE & CRISIL LA1+	Unsecured	N.A.	IPA- HDFC Bank
221	INE756I14D P7	288 days	7.8000 %	1,00,00,00,000.00	23-04-2024	05-02-2025	CARE & CRISIL LA1+	Unsecured	N.A.	IPA- HDFC Bank
222	INE756I14D S1	286 days	7.9000 %	75,00,00,000.00	30-04-2024	10-02-2025	CARE & CRISIL LA1+	Unsecured	N.A.	IPA- HDFC Bank
222	INE756I14D R3	80 days	7.7000 %	2,50,00,00,000.00	30-04-2024	19-07-2024	CARE & CRISIL LA1+	Unsecured	N.A.	IPA- HDFC Bank
222	INE756I14DT 9	83 days	7.7000 %	3,50,00,00,000.00	30-04-2024	22-07-2024	CARE & CRISIL LA1+	Unsecured	N.A.	IPA- HDFC Bank
224	INE756I14D U7	27 days	7.4000 %	1,00,00,00,000.00	06-06-2024	03-07-2024	CARE & CRISIL LA1+	Unsecured	N.A.	IPA- HDFC Bank



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(v) List of top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on June 30, 2024:

S. No.	Name of holders of Non-convertible Securities	Category of Holder	Face Value of holding (in Crore)	Holding as a % of total outstanding non-convertible securities of the Issuer
1	HDFC MUTUAL FUND - HDFC HYBRID EQUITY FUND	MUTUAL FUND	2,780.00	6.39%
2	STATE BANK OF INDIA	BANK	2,400.00	5.51%
3	ICICI BANK LTD	BANK	1,971.75	4.53%
4	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY HYBRID '95 FUND	MUTUAL FUND	1,840.00	4.23%
5	AXIS BANK LIMITED	BANK	1,476.50	3.39%
6	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	INSURANCE COMPANY	1,435.00	3.30%
7	WIPRO LIMITED	CORPORATE	1,355.00	3.11%
8	HCL TECHNOLOGIES LIMITED	CORPORATE	1,350.00	3.10%
9	HDFC LIFE INSURANCE COMPANY LIMITED	INSURANCE COMPANY	1,349.00	3.10%
10	KOTAK BOND FUND	MUTUAL FUND	905.00	2.08%

(vi) List of top 10 (Ten) holders of outstanding Commercial Papers, in terms of value (in cumulative basis): -

S. No.	Name of holders	Category of Holder	Face Value of holding (in Cr)	Holding as a % of total commercial paper of the Issuer
1	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA LIQUID FUND	MUTUAL FUND	250.00	23.81%
2	INVESCO INDIA LIQUID FUND	MUTUAL FUND	150.00	14.29%
3	INVESCO INDIA MONEY MARKET FUND	MUTUAL FUND	100.00	9.52%
4	SVC CO-OPERATIVE BANK LIMITED	BANK	100.00	9.52%
5	SBI ARBITRAGE OPPORTUNITIES FUND	MUTUAL FUND	100.00	9.52%
6	KOTAK MAHINDRA TRUSTEE CO. LTD. A/C KOTAK EQUITY SAVINGS FUND	MUTUAL FUND	100.00	9.52%
7	TATA STEEL LIMITED	CORPORATE	100.00	9.52%
8	MAHINDRA & MAHINDRA LIMITED	CORPORATE	50.00	4.76%

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9	SVC CO-OPERATIVE BANK LIMITED	BANKS	50.00	4.76%
10	BAJAJ FINSERV MONEY MARKET FUND	MUTUAL FUND	25.00	2.38%

(vii) Details of the bank fund based facilities / rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) from financial institutions or financial creditors:-

Name of Party (in case of facility)/ Name of Instrument	Type of facility / Instrument	Amount sanctioned/ issued	Principal Amount outstanding	Date of Repayment/ Schedule	Credit Rating	Secured/ Unsecured	Security
None							

(viii) The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash). This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part, or (ii) at a premium or discount, or (iii) in pursuance of an option or not:

Nil

6. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the preceding 3 (three) years and the current financial year.

Nil

7. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities / commercial papers.

Save as stated elsewhere in the Disclosure Documents, since the date of the last published audited financial accounts, to the best of the Issuer's knowledge and belief, no material developments have taken place that will affect the issue of the Debentures/Subordinated Bonds/PDIs/ Commercial Papers or the investor's decision to invest / continue to invest in the Debentures/Subordinated Bonds/PDIs / Commercial Papers. However, please refer to Section N on '**RISK FACTORS**' in this General Information Document.

8. Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the last three years immediately preceding the year of the issue of the General Information Document against the promoter of the Company.

The Bank is involved in a number of legal proceedings in the ordinary course of business, including certain spurious or vexatious proceedings with significant financial claims present on the face of the complaint but we believe lack any merit based on the historical dismissals of similar claims. Accordingly, we believe that there are currently no legal proceedings, which if adversely determined, might materially affect our financial condition

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or the results of our operations.

**FY 2023-24**

NIL

**FY 2022 -23:**

NIL

**FY 2021-22:**

Reserve Bank of India (RBI) by an order dated May 27, 2021, levied a penalty of Rs.10 cores (Rupees ten crores only) for marketing and sale of third-party non-financial products to the Bank's auto loan customers, arising from a whistle blower complaint, which revealed, inter alia, contravention of Section 6(2) and Section 8 of the Banking Regulation Act, 1949. The Bank has discontinued the sale of said third-party non-financial product since October 2019. The penalty was paid by the Bank.

**9. Details of default and non-payment of statutory dues for the preceding three financial years and current financial year.**

Nil

**10. Details of pending litigation involving the Issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the Secured Debentures/Subordinated Bonds/PDIs:**

**HDFC Asset Management Company Limited (Promoter Group Company):**

In accordance with applicable Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and the relevant Scheme Information Document's (SID) a few of the schemes of HDFC Mutual Fund ("the Fund") had made investments in Pass Through Certificates (PTCs) of certain securitisation trusts ("the Trusts"). The returns filed by few of these securitisation trusts whose PTCs were held by the Fund were taken up for scrutiny by the Income Tax Authorities for Assessment Years 2007-08, 2008-09, 2009-10 and 2010-11. Arising out of this, they had raised a tax demand on such Trusts. On failure to recover the same from them, they sent demand notices to the Fund along with other Mutual Funds as beneficiaries / contributors to such Trusts. The Fund in consultation with its tax and legal advisors had contested the applicability of such demand and got the attachment order vacated by the Mumbai High Court in March 2012. The Securitisation Trusts on their part have contested the matter and the ITAT has upheld their appeal and dismissed the contentions and all the cross - appeals filed by the Tax Authorities. The Tax Authorities have on their part preferred an appeal in the High Court against the ITAT order, where the matter is awaited for hearing and had also filed a Miscellaneous application before the ITAT, where the matter was dismissed vide their ITAT order dated March 25, 2022.

**11. Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer.**

Please refer Annexure VI

**12. Details of pending proceedings initiated against the Issuer for economic offences, if any:**

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Nil

13. Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided, **including Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.**

Related Party	Nature of Relationship	Nature Of Transaction	For the year ended	For the year ended	For the year ended
			March 31, 2024	March 31, 2023	March 31, 2022
HDFC Bank Ltd	Holding Company	Bank charges	9.56	15.35	12.20
		Charges for back office support services received / recoverable	533.67	984.41	921.26
		Charges for sales support services received / recoverable	1,140.05	1,821.96	1,607.28
		Commission on sourcing of credit cards received / recoverable	-	-	1.71
		BBPS Charges	0.81	-	-
		Corporate logo license fees	26.16	17.19	14.63
		Dividend paid	232.68	142.61	-
		Fixed deposits placed	-	-	17.77
		Interest paid on non-convertible debentures	198.23	301.45	185.85
		Interest paid on term loan and OD account	575.46	376.36	312.90
		Interest received on fixed deposits	1.79	2.71	5.47
		Investment banking fees paid	0.18	0.01	0.56
		IPA charges	0.02	0.00	-
		Purchase of fixed assets	-	-	-
		Receipt of secondment charges	-	-	-

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		Reimbursement of IT Expenses	0.36	1.51	0.89
		Reimbursement of R & M charges received /receivable	-	-	-
		Rent paid for premises taken on sub-lease	2.75	2.83	2.37
		Rent received / receivable for premises given on sub-lease	-	-	-
		Securities purchased during the year	200.00	-	1,310.00
		Securitization	-	-	-
		Term loan availed during the year	6,700.00	3,350.00	4,050.00
		Term loan paid during the year	-	-	-
		Tele collection charges / field collection charges received / recoverable for collection services rendered	275.83	255.65	220.58
HDFC Securities Ltd.	Entities under common control	Commission on sourcing of loans	-	0.01	-
		Rent Received/Receivable from HDFC Securities for premises given on Sub-lease	0.09	0.10	0.07
		Recovery of expenses	0.12	0.01	-
Arijit Basu, Adayapalam Viswanathan, Arundhati Mech, Dr Amla Samanta, Jayesh Chakravarthi, Smita Affinwala,	Directors (Key Managerial Personnel)	a) Short term employee benefits	7.35	6.43	5.48
		b) post-employment benefits	-	-	-
		c) Other long-term benefits	-	-	-
		d) Termination benefits	-	-	-

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Venkatraman Srinivasan, Jimmy Tata, G Ramesh		e) Share based Payments #	1.51	0.37	0.48
		f) Commission paid	0.81	0.33	0.30
HDFC Ergo General Insurance Company Limited, HDFC Life Insurance Company Limited, HDFC Trustee Company Limited	Entities under common control	Insurance commission received / receivable	61.39	21.17	16.08
		Insurance premium paid	2.21	0.55	1.86
		Rent received / receivable for premises given on sub-lease		-	-
		Rent paid / payable	-	-	-
		Receipt of funds	150		
		Redemption of bonds(Including Premium)	42.21		

14. The Disclosure Document shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Company and has given his written consent to the Issue of the issue document and has not withdrawn such consent before the delivery of a copy of the issue document to the Registrar (as applicable) for registration and a statement to that effect shall be included in the issue document.

There is no statement made by an expert in the disclosure document.

15. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.

As per the relevant Key Information Document

16. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Not Applicable

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**17. In order to allow investors to better assess the Issue, the following additional disclosures shall be made by the Issuer in the issue documents:**

- (a) **A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs.**

(Amt in Cr.)

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
<b>Gross Advances</b>	90,217.93	70,030.70	61,326.32
<b>1. Agriculture and Allied Activities</b>	209.53	169.06	151.96
<b>2. Industry</b>	1,735.50	1,532.88	1,407.13
<b>3. Services</b>	6,038.89	4,054.08	2,973.52
<b>4. Retail Loans</b>	82,234.01	64,274.68	56,793.71

- (b) **Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs.**

Loans	As at March 31, 2024	Percentage of Total Loans	As at March 31, 2023	Percentage of Total Loans	As at March 31, 2022	Percentage of Total Loans
			(Rs . In Crore)	%	(Rs . In Crore)	%
Secured	64,358.98	71.34%	51,031.87	72.87%	45,125.93	73.58%
Unsecured	25,858.95	28.66%	18,998.83	27.13%	16,200.40	26.42%
<b>Total</b>	<b>90,217.93</b>	<b>100.00%</b>	<b>70,030.70</b>	<b>100.00%</b>	<b>61,326.33</b>	<b>100.00%</b>

- (c) **Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.**

None

Shareholding pattern of the Company as on June 30, 2024 are as below:

Sr. No	Category	Pre-issue		Post-issue	
		No. of shares held	(%) of shareholding	No. of shares held	(%) of shareholding
A	Promoters' holding			The shareholding pattern of the Company shall remain unchanged after the Issue. The Debentures being non-	
1	Indian				
	Individual	-	-		

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	Bodies Corporate	75,05,96,670	94.54	convertible, there will be no change in the paid-up capital due to conversion and there will be no change in the balance of the share premium account.
	Sub-total	75,05,96,670	94.54	
2	Foreign promoters	-	-	
	Sub-total (A)	75,05,96,670	94.54	
B	Non-promoters' holding			
1	Institutional Investors	11,06,607	0.14	
2	Non-Institutional Investors	-	-	
	Private Corporate Bodies	13,21,901	0.14	
	Directors and relatives	12,88,060	0.16	
	Indian public	3,84,73,890	4.85	
	Others (including Non-resident Indians)	11,76,412	0.15	
	Sub-total (B)	4,33,66,870	5.46	
	GRAND TOTAL	79,39,63,540	100.00	

**18. Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

All the necessary and applicable consents as required under this paragraph no. 18 have been obtained by the Company and are in place in the Company's custody.

**19. Additional Disclosures / Reports:**

- (a) In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:

S No.	Name of Borrower (A)	Amount of Advances / exposures to such borrower (Group) (Rs. Crore) (B)	Percentage of Exposure (C) = B / Total Assets Under Management
NA			

- (b) If the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or is to be applied directly or indirectly: (i) in the purchase of any business; or (ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the company shall



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**become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon – A. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and B. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.**

NA

**(c) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:**

- (i) the names of vendors: NA
- (ii) addresses of vendors: NA
- (iii) descriptions of vendors: NA
- (iv) occupations of the vendors: NA
- (v) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill: NA
- (vi) the nature of the title or interest in such property proposed to be acquired by the company: NA
- (vii) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction: NA

Provided that the disclosures specified in sub-clause (i) to (vii) above, if applicable, shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on aggregated basis in this General Information Document specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (vii) above may be provided by way of static QR code and web link. If the Company provides the said details in the form of a static QR code and web link, the same shall be provided to the Debenture Trustee as well and kept available for inspection as specified in clause (g) of paragraph 3.3.41 of Schedule I under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (vii) above, to the Debenture Trustee and confirmation of the same by the Debenture Trustee.

- (d) If: (i) the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and (ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon – A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the**

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**issue of the issue document; and B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.**

NA

- (e) **The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default:**

Please refer Annexure VII below

- (f) **The aggregate number of securities of the Issuer and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the Issuer, and by the directors of the Issuer and their relatives, within 6 (six) months immediately preceding the date of filing the Disclosure Document with the Registrar of Companies:**

Aggregate number of securities of the Company purchased and sold by the promoter group from March 1, 2024 till August 31, 2024 are provided below:

Aggregate number of securities purchased	Aggregate number of securities sold
11000	1176

- (g) **The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.**

There are no reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of document.

- (h) **The details of: (a) any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law; (b) prosecutions filed, if any (whether pending or not); and (c) fines imposed or offences compounded, in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.**

Nil

- (i) **The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer.**

Please refer to Annexure VI

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## SECTION H

### DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/DIVIDEND/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION

- (a) The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed.

Actual/ Actual

- (b) Procedure and time schedule for allotment and issue of securities should be disclosed.

The procedure and time schedule for allotment shall be as per the SEBI Electronic Book Mechanism

- (c) Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration.

Please refer to the Illustration of Cashflows set out in the respective Key Information Document

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## SECTION I

### ASSET LIABILITY MANAGEMENT DISCLOSURES FOR NBFCs

S. No.	Particulars of Disclosure	Details
a.	<b>Details with regard to the lending done by the issuer out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement)</b>	
1.1	<b>Lending policy:</b> Should contain overview of origination, risk management, monitoring and collections	<p>Incorporated in 2007, HDB Financial Services (HDBFS) is a leading Non-Banking Financial Company (NBFC) that caters to the growing needs of “Aspirational India”. As a one-stop financial services provider, HDBFS offers a comprehensive suite of products and service offerings that are tailor-made to suit its customers’ requirements, including first time borrowers and the underserved segments.</p> <p>The product suite includes primarily secured loans backed by mortgage along with unsecured loans primarily to meet individual credit needs. The interest rates being charged to the borrowers are either fixed or floating of a combination of fixed and floating rates. The Company has a differentiated business model to deliver efficiencies and contain risk based on the requirements of the target segment. The Company’s branches are located in customer catchment areas which are closer to and convenient for customers.</p> <p>The Company has a distinct credit risk architecture, policies, procedures and systems for managing credit risk. The product programs for each of the products define the target markets, credit philosophy, process, detailed underwriting criteria for evaluating individual credits, exception reporting systems, individual loan exposure caps and other factors. For individual customers to be eligible for a loan, meeting of minimum credit parameters are ensured Credit framework encompasses parameters at different stages of the portfolio lifecycle from acquisitions till write offs. There are front-end and back-end systems in place to ensure credit quality and minimize loss from default. The factors considered while sanctioning retail loans include income, demographics, previous credit history of the borrower and the tenor of the loan. Thresholds are defined using historical data for each parameter at the Product level identifying “stress” period for the product lifecycle. This framework defined at product level is then aggregated at the Portfolio level. Exposures are monitored against approved limits to guard against unacceptable risk concentrations. The Company also monitors credit concentration of exposures to single borrower, group of borrowers, sensitive industries, geography, product, etc.</p> <p>The Company has a Board approved Risk Management Framework in place. The effectiveness of this framework is supervised periodically by the Risk Management Committee of the Board. The Audit Committee of the Company is responsible to ensure that the Company has appropriate systems, procedures, processes and controls in place to identify, evaluate and address the various risks that the company may be subjected to. In addition, the committee is also responsible to evaluate the financial controls and other risks perceived by the Company. The committee shall oversee the Compliance, Human resources and operational risks and also review the controls and processes in place which ensures timely and correct statutory reporting.</p> <p>The Company's Risk management policy requires the Company to have detailed risk</p>

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		<p>control matrices (RCM), which are defined based on the entity level and functional level assessments carried on by the Company from time to time. These RCMs help to list, categorize and prioritize the risks faced and assign corresponding controls, risk owners and persons entrusted for such controls. The Risk Management Committee meetings are conducted on quarterly basis and the committee focuses on ensuring that risks are identified, and key risks impacting the organisation i.e. Credit risk, Interest rate risk, Liquidity risk, operational risk, compliance risk and technology &amp; information security risks are addressed. The management is responsible for ensuring that risk management processes and systems are appropriate to the Company's risk profile and business plan based on guidance from the Board and its committees.</p> <p>The Company has a collections mechanism in accordance with the RBI guidelines. The Collection process is end to end digitalized. The Company has a tie-up with various service providers for digital payment of loan by the customer.</p>
1.2	<b>Classification of loans / advances given to associates or entities related to board, senior management, promoters, etc.:</b>	None

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Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of  
India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

1.3

Classification of loans/ advances

1.Details of types of loans

Sr. No	Type Of Loans	FY20-21	FY21-22	FY22-23	FY 23-24
1	Secured	63.88%	62.91%	60.28%	57.88%
2	Unsecured	36.12%	37.09%	39.72%	42.12%
	Total	100.00%	100.00%	100.00%	100.00%

2. Denomination of loans disbursed (Secured) by loan-to-value:

Sr. No	LTV	FY20-21	FY21-22	FY22-23	FY23-24
1	Upto 50%	16.77%	20.83%	15.71%	16.43%
2	50-70%	17.75%	20.67%	19.55%	15.51%
3	70-90%	54.57%	45.69%	44.83%	45.41%
4	Above 90%	10.91%	12.81%	19.91%	22.66%
	Total	100.00%	100.00%	100.00%	100.00%

3. Top 5 Industry exposures- Disbursals:

Sr No	FY21-22		FY22-23		FY 23-24	
	Industry	% to Total	Industry	% to Total	Industry	% to Total
1	Road Transportation	16.67	Retail Trade	23.48	Retail Trade	33.78
2	Retail Trade	9.27	Road Transportation	22.44	Road Transportation	22.68
3	Agriculture and Allied Activities	6.01	Services	6.39	Agriculture and Allied Activities	6.19
4	Construction and Developers (Infrastructure)	3.73	Agriculture and Allied Activities	6.15	FMCG & Personal Care	5.68
5	FMCG & Personal Care	2.60	Construction and Developers (Infrastructure)	5.39	Construction and Developers (Infrastructure)	5.22

4. Denomination of loans by ticket size – Disbursals

Sr. No	Ticket size (at the time of origination)	FY20-21	FY21-22	FY22-23	FY23-24
1	Upto Rs.2 Lakh	26.92%	32.40%	31.18%	30.63%

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1.4	Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in	<table><tr><td>2</td><td>Rs.2-5 lakh</td><td>26.83%</td><td>20.00%</td><td>16.17%</td><td>15.58%</td></tr><tr><td>3</td><td>Rs. 5- 10 lakh</td><td>16.69%</td><td>14.99%</td><td>13.00%</td><td>13.17%</td></tr><tr><td>4</td><td>Rs. 10-25 lakh</td><td>18.30%</td><td>16.58%</td><td>15.93%</td><td>15.89%</td></tr><tr><td>5</td><td>Rs. 25-50 lakh</td><td>5.66%</td><td>7.64%</td><td>11.66%</td><td>13.35%</td></tr><tr><td>6</td><td>Rs.50 lakh -1 crore</td><td>2.89%</td><td>3.38%</td><td>4.39%</td><td>4.72%</td></tr><tr><td>7</td><td>Rs. 1 -5 crore</td><td>2.62%</td><td>4.61%</td><td>6.39%</td><td>5.69%</td></tr><tr><td>8</td><td>Rs. 5-25 crore</td><td>0.09%</td><td>0.40%</td><td>1.28%</td><td>0.98%</td></tr><tr><td>9</td><td>Rs. 25- 100 crore</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td></td><td><b>Total</b></td><td><b>100%</b></td><td><b>100%</b></td><td><b>100%</b></td><td><b>100%</b></td></tr></table>	2	Rs.2-5 lakh	26.83%	20.00%	16.17%	15.58%	3	Rs. 5- 10 lakh	16.69%	14.99%	13.00%	13.17%	4	Rs. 10-25 lakh	18.30%	16.58%	15.93%	15.89%	5	Rs. 25-50 lakh	5.66%	7.64%	11.66%	13.35%	6	Rs.50 lakh -1 crore	2.89%	3.38%	4.39%	4.72%	7	Rs. 1 -5 crore	2.62%	4.61%	6.39%	5.69%	8	Rs. 5-25 crore	0.09%	0.40%	1.28%	0.98%	9	Rs. 25- 100 crore	-	-	-	-		<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
		2	Rs.2-5 lakh	26.83%	20.00%	16.17%	15.58%																																																	
		3	Rs. 5- 10 lakh	16.69%	14.99%	13.00%	13.17%																																																	
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		6	Rs.50 lakh -1 crore	2.89%	3.38%	4.39%	4.72%																																																	
		7	Rs. 1 -5 crore	2.62%	4.61%	6.39%	5.69%																																																	
		8	Rs. 5-25 crore	0.09%	0.40%	1.28%	0.98%																																																	
		9	Rs. 25- 100 crore	-	-	-	-																																																	
			<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>																																																	
		<b>5. Geographical classification of borrowers:</b>																																																						
		<b>Top 5 state: - % of Total Disbursements</b>																																																						
		<b>Sr No</b>	<b>FY21-22</b>		<b>FY22-23</b>		<b>FY23-24</b>																																																	
			Top 5 states	% to Total	Top 5 states	% to Total	Top 5 states	% to Total																																																
		1	Uttar Pradesh	12.03	Uttar Pradesh	12.52	Uttar Pradesh	12.56																																																
		2	Tamil Nadu	11.35	Tamil Nadu	10.96	Tamil Nadu	10.61																																																
		3	Maharashtra	8.29	Maharashtra	8.77	Maharashtra	8.64																																																
		4	Gujarat	8.11	Rajasthan	7.85	Rajasthan	7.75																																																
		5	Rajasthan	7.65	Gujarat	7.59	Gujarat	6.83																																																
		<b>6. Maturity wise disbursements in % Terms.</b>																																																						
		<b>Sr. No</b>	<b>Tenor Wise Grouping</b>	<b>FY20-21</b>	<b>FY21-22</b>	<b>FY22-23</b>	<b>FY23-24</b>																																																	
		1	Upto 1 Year	11.66%	14.48%	14.62%	17.79%																																																	
		2	1-3 Year	39.65%	40.53%	37.59%	35.88%																																																	
		3	3-5 Year	40.43%	34.06%	33.21%	33.45%																																																	
		4	Above 5 Year	8.26%	10.92%	14.58%	12.88%																																																	
	<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>																																																			
	<b>Particulars</b>		<b>FY20-21</b>	<b>FY21-22</b>	<b>FY22-23</b>	<b>FY23-24</b>																																																		
	Share of Top 20 borrowers to Total Disbursements during the year		0.43%	0.56%	0.79%	0.34%																																																		

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	the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs, from time to time:																									
1.5	Details of loans, overdue and classified as non-performing in accordance with RBI stipulations	<table><tr><th>March 31, 2021</th><th>March 31, 2022</th><th>March 31, 2023</th><th>March 31, 2024</th></tr><tr><td>2,760.86</td><td>3,058.76</td><td>1914.85</td><td>1,711.82</td></tr></table>					March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	2,760.86	3,058.76	1914.85	1,711.82												
March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024																							
2,760.86	3,058.76	1914.85	1,711.82																							
Details of borrowings made by NBFC as on 31 March 2024																										
2.1	A portfolio summary with regard to industries/ sectors to which borrowings have been made	<b>Category</b>		<b>Amount in Rs. Cr. (excluding Unamortized Borrowing Cost)</b>																						
		Borrowings in India		72,487.93																						
		Borrowings outside India		2,085.13																						
		Total		74,573.06																						
2.2	Quantum and percentage of secured vis-à-vis unsecured borrowings made	<table><tr><td></td><th colspan="3">As on 31 March 2024</th></tr><tr><th>Particulars</th><th>Amount in cr</th><th colspan="2">%</th></tr><tr><td>Secured borrowing</td><td>67,728.06</td><td colspan="2">90.82%</td></tr><tr><td>Unsecured borrowing</td><td>6,845.00</td><td colspan="2">9.18%</td></tr><tr><td>Total</td><td>74,573.06</td><td colspan="2">100.00%</td></tr></table>						As on 31 March 2024			Particulars	Amount in cr	%		Secured borrowing	67,728.06	90.82%		Unsecured borrowing	6,845.00	9.18%		Total	74,573.06	100.00%	
	As on 31 March 2024																									
Particulars	Amount in cr	%																								
Secured borrowing	67,728.06	90.82%																								
Unsecured borrowing	6,845.00	9.18%																								
Total	74,573.06	100.00%																								
2.3	Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.	None																								
3.	NPA exposures of the Issuer for the last three	<b>Particulars</b>	<b>Mar-21</b>	<b>Mar-22</b>	<b>Mar-23</b>	<b>Mar-24</b>																				
		Gross NPA(%)	4.50%	4.99%	2.73%	1.90%																				



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	financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer	Provision (%)	1.43%	2.70%	1.78%	1.27%	
		Net Provision (%)	3.08%	2.29%	0.95%	0.63%	
4.	Disclosure of Assets under management	Segment wise break up and Type of loans – Refer to the details provided below					
5.	Details of borrowers	Geographical location wise- Refer to the details provided below					
6.	Details of Gross NPA	Segment wise- Refer to the details provided below					
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket- Refer to the details provided below					
8.	Disclosure of latest ALM statements to stock exchange	The same is available on the website of the Company at the below link <a href="https://www.hdbfs.com/sites/default/files/debt/ALMMARCH_signed.pdf">https://www.hdbfs.com/sites/default/files/debt/ALMMARCH_signed.pdf</a>					

**Disclosure of Assets under management, details of borrowers, details of Gross NPA, details of Assets and Liabilities as on March 31, 2024**

**1. Type of loans:**

Sl No.	Type of Loans	Rs. Crore
1	Secured	64,359.19
2	Unsecured	25,858.74
	Total assets under management (AUM)	90,217.93

**2. Denomination of loans outstanding by loan-to-value:**

Sl No.	LTV (at the time of origination)	Percentage of AUM *
1	Upto 40%	23.15%
2	40-50%	11.71%
3	50-60%	14.00%
4	60-70%	16.05%
5	70-80%	15.23%
6	80-90%	12.90%
7	>90%	6.96%
	<b>Total</b>	<b>100.00%</b>

\* AUM of secured loan

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**3. Sectoral exposure:**

SI No.	Segment-wise break-up of AUM	Percentage of AUM
1	Retail	-
A	Mortgages (home loans and loans against property)	23.49%
B	Gold Loan	0.57%
C	Vehicle Finance	36.68%
D	MFI	0.48%
E	MSME	23.90%
F	Capital Market funding (loan against shares, margin funding)	0.00%
G	Others	15.84%
2	Wholesale	-
A	Infrastructure	-
B	Real Estate (including builder loans)	-
C	Promoter Funding	-
D	Any other sector (as applicable)	-
E	Others	-
	<b>Total</b>	100.00%

**4. Denomination of loans outstanding by ticket size:****Details of outstanding loans category wise**

SI No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs.2 Lakh	14.69%
2	Rs.2-5 lakh	17.30%
3	Rs. 5- 10 lakh	15.62%
4	Rs. 10-25 lakh	19.40%
5	Rs. 25-50 lakh	15.26%
6	Rs.50 lakh -1 crore	6.42%
7	Rs. 1 -5 crore	9.50%
8	Rs. 5-25 crore	1.70%
9	Rs. 25-100 crore	0.10%
10	> Rs. 100crore	14.69%
	<b>Total</b>	100.00%

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## 5. Geographical classification of borrowers :

### Top 5 states borrower wise

Sr No.	Top 5 states	Percentage of AUM
1	UTTAR PRADESH	12.29%
2	TAMIL NADU	11.93%
3	MAHARASHTRA	9.09%
4	GUJARAT	7.93%
5	RAJASTHAN	7.83%
	<b>Total</b>	<b>49.07%</b>

## 6. Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines:

Movement of gross NPA	Rs. in Crore
Opening gross NPA	1,914.85
-Additions during the year	2,941.26
-Reductions during the year	3,144.29
Closing balance of gross NPA	1,711.82

Movement of provisions for NPA	Rs. in Crore
Opening Balance	1,246.60
Provisions made during the year	1,229.05
Write-off/write-back of excess provisions	1,331.82
Closing Balance	1,143.83

### Segment wise gross NPA:

SI No.	Segment-wise gross NPA	gross NPA (%)
1	Retail	
A	Mortgages (home loans and loans against property)	30.24%
B	Gold Loan	0.42%
C	Vehicle Finance	42.36%
D	MFI	0.04%
E	MSME	23.76%
F	Capital Market funding (loan against shares, margin funding)	0.00%
G	Others	3.22%
2	Wholesale	
A	Infrastructure	

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B	Real Estate (including builder loans)	
C	Promoter Funding	
D	Any other sector (as applicable)	
E	Others	
	Total	100.00%

### 8. Residual maturity profile of assets and liabilities (in line with the RBI format)

#### Maturity pattern of certain items of assets and liabilities

(Rs. in crore)

Particulars	Deposits With Bank	Advances	Investments(*)	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 30/31 days	0.07	3,738.99	3,340.70	3,123.64	-	-
Over one month to 2 months	0.84	2,942.15	-	3,016.88	-	-
Over 2 months upto 3 months	46.78	2,952.19	-	3,856.54	-	-
Over 3 months to 6 months	0.57	8,047.66	-	4,281.80	-	-
Over 6 months to 1 year	0.01	13,795.37	-	11,288.58	-	-
Over 1 year to 3 years	6.38	35,019.38	-	33,861.12	-	2,085.13
Over 3 years to 5 years	-	9,628.85	37.33	7,525.20	-	-
Over 5 years	-	10,596.66	2.30	5,291.79	-	-
Total	54.66	86,271.26	3,380.33	72,245.54	-	2,085.13

\* Long-Term Investment in Clayfin Technologies Private Limited are shown in "over 5 year"

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## SECTION J

### GENERAL INFORMATION

**The Issuer shall file the following documents along with the listing application to the stock exchange and with the Trustee in respect of issuance of non-convertible securities:**

1. Memorandum and Articles of Association;
2. The Disclosure Documents;
3. Copy of last three years audited Annual Reports;
4. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
5. Copy of the requisite Board / Committee Resolution authorizing the borrowing and list of authorized signatories for the allotment of securities;
6. An undertaking from the Issuer stating that the necessary documents for the Issue, including the Secured Debenture Trust Deeds Subordinated Bond Trust Deed/ PDI Trust Deed has been executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the Stock Exchange, where the Debentures/Subordinated Bonds/PDIs are proposed to be listed;
7. An undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained;
8. Any other particulars or documents that the recognized stock exchange may call for as it deems fit;

With respect to the Debentures/Subordinated Bonds/PDIs, the Trustee shall submit a due diligence certificate to the stock exchange in the format as specified in Schedule III of the SEBI Debt Listing Regulations read with Chapter II of the DT Master Circular or Schedule IVA of the SEBI Debt Listing Regulations, as may be applicable. The stock exchange shall list the Debentures/Subordinated Bonds/PDIs only upon receipt of the aforementioned due diligence certificate from the Trustee.

**The Issuer shall file the following documents along with the listing application to the stock exchange and with the Trustee in respect of issuance of commercial papers:**

As per the Key Information Document

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

## SECTION K

### OTHER DETAILS

- a. **Creation of a Debenture Redemption Reserve:** As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are presently exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the Debentures/Subordinated Bonds/PDIs.
- b. **Issue/instrument specific regulations:** The Secured Debentures/Subordinated Bonds/PDIs are governed by and will be construed in accordance with the Indian law. The Company, the Secured Debentures/Subordinated Bonds/PDIs and Company's obligations in respect whereof shall, at all times, be subject to the provisions of the Companies Act, rules framed thereunder, regulations/guidelines/directions of RBI (including the Master Direction-Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023) issued on October 19, 2023 and bearing reference Master Direction RBI/DoR/2023-24/106 (as may be further amended from time to time), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Master Circular, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Master Directions (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) dated January 03, 2024 bearing reference number RBI/FMRD/2023-24/109 and Operational Guidelines for Commercial Paper issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA) dated March 31, 2020 and other Applicable Laws and regulations as may be updated, amended or supplemented from time to time.
- c. **Default in Payment:** Please see the section on 'Additional Interest'.
- d. **Delay in Listing:** Please see the 'Listing' section in the Summary Term Sheet below
- e. **Delay in allotment of securities:** Please see the section on 'Additional Interest'.
- f. **Issue details:** Please refer to the Summary Term Sheet
- g. **Application Process:** As set out above in Section A of this General Information Document
- h. **Disclosure Prescribed Under Pas-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014:** Please refer to Annexure VII
- i. **Project details (gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project):** Not Applicable
- j. **Statement containing particulars of, dates of, and parties to all material contracts and agreements:** By the very nature of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts / agreements / documents involving financial obligations of the Company. However, the contracts / agreements / documents referred to in the Key Information Document which

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are or may be deemed to be material in respect of the Issue of Secured Debentures/Subordinated Bonds/PDIs/CPs, have been entered into / executed by the Company. Copies of such contracts may be inspected at the Registered/ Corporate Office of the Company (wherever such document is available) between 10:00 am and 12:00 noon on any working day of the Company.

- k. **Material Development:** Save as stated elsewhere in this General Information Document, since the date of last published audited statement, no material developments have taken place that will materially affect the performance of the prospects of the Company. There are no material events/developments at the time of issuance of this document which may affect this issue or the investor decision to invest/continue to invest in the debt securities.
- l. **Servicing behavior of the Existing Debts:** The Company is discharging all its liabilities in time and would continue doing so in future as well. The Company has been paying regular interest and principal amount on redemption.
- m. **Consent from the Existing Lenders:** The Company is not required to obtain any consent from existing lenders.

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## SECTION L

### OTHER TERMS PERTAINING TO THE ISSUE OF SECURED DEBENTURES/SUBORDINATED BONDS/PDIs/CPs

#### Nature

- (i) The Secured Debentures are to be issued in the form of secured, rated, listed, redeemable non-convertible debentures.
- (ii) The Subordinated Bonds are to be issued in the form of unsecured, rated, listed, redeemable non-convertible debentures.
- (iii) The PDIs are to be issued in the form of unsecured, rated, listed, non-convertible perpetual debt instruments in the nature of debentures.
- (iv) The CPs are to be in the form of an unsecured money market instrument issued in the form of a promissory note.

#### Form

The Secured Debentures/Subordinated Bonds/PDIs/CPs to be issued in a dematerialized form which are subject to the provisions of the Depositories Act and the rules notified by NSDL and CDSL from time to time.

#### Allotment

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within 2 (Two) working days from the Deemed Date of Allotment of Secured Debentures/Subordinate Debentures/PDIs. The initial credit in the account will be akin to the Letter of Allotment. The process for allotment in respect of CPs shall be as set out in the Key Information Document.

#### Coupon Payments

**(a) Coupon rate:** The details as to Coupon Rate/ interest for each Series shall be specified in the relevant Key Information Document issued in respect of such Series. Any Coupon/ interest payable on the Secured Debentures/Subordinated Bonds/PDIs/CPs may be subject to deduction at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, for which a certificate will be issued by the Company.

**(b) Computation of Coupon:** Please refer to the relevant Key Information Document

**(c) Payment of Coupon:** Please refer to the relevant Key Information Document

#### Tax Deduction at Source (TDS)

Tax as applicable under the Income Tax Act, 1961 or under any other statutory modification or re-enactment thereof will be deducted at source. Requisite certificate for tax deducted at source, as contemplated and/or required under the provisions of the Income Tax Act, 1961 from time to time, will be issued to the registered holders of the Secured Debentures/Subordinated Bonds/PDIs as per records on the Record Date as applicable. Tax exemption certificate/document (in duplicate), if any must be lodged at the office of the Company or the designated office of the Company prior to the Record Date, as applicable.



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## **Transferability**

The Secured Debentures/Subordinated Bonds/PDIs/CPs issued will be freely transferable and transmittable. The Secured Debentures/Subordinated Bonds/PDIs/CPs shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other Applicable Laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Secured Debentures/Subordinated Bonds/PDIs/CPs held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer. The issuer undertakes that there will be common transfer form/ procedure for transfer of Secured Debentures/Subordinated Bonds/PDIs/CPs. The seller shall be responsible for payment of stamp duty in transfer of securities/ CPs in accordance with Applicable Law.

## **Payment on Redemption**

Please refer to the relevant Key Information Document

## **Effect of Holidays**

Should the date of payment of any Coupon which is due in respect of the Secured Debentures/Subordinated Bonds/PDIs fall on a day other than a 'Business Day' the immediately succeeding Business Day shall be considered as the effective date(s) for that payment.

In the event that the date of payment of the redemption amounts in respect of the Secured Debentures/Subordinated Bonds/PDIs fall on a day other than a 'Business Day', the immediately preceding Business Day shall be considered as the effective date for that payment.

The Holiday convention in respect of CPs shall be as set out in the Key Information Document.

## **Succession**

In the event of the demise of the sole/first holder of the Secured Debentures/Subordinated Bonds/PDIs/CPs or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Secured Debenture Holder/Subordinated Bond Holder/PDI Holder/CP Holder, or the holder of succession certificate or other legal representative as having title to the Secured Debentures/Subordinated Bonds/PDIs/CPs. The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Secured Debentures/Subordinated Bonds/PDIs/CPs standing in the name of the deceased Secured Debenture Holder/Subordinated Bond Holder/PDI Holder/CP Holder on production of sufficient documentary proof or indemnity.

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## **Right to Accept or Reject Applications**

The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects may be rejected at the sole and absolute discretion of the Company. Any application which has been rejected, would be intimated by the Company along with the refund warrant. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

## **Rights of Secured Debenture Holder(s)/Subordinated Bond Holder(s)/PDI Holder(s)/CP Holder(s)**

Secured Debenture Holder/Subordinated Bond Holder/PDI Holder/CP Holder is not a shareholder. The Secured Debenture Holders/Subordinated Bond Holders/PDI Holders/CP Holders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The principal amount and interest on the Secured Debentures/Subordinated Bonds/PDIs/CPs will be paid to the registered Secured Debenture Holders/Subordinated Bond Holders/PDI Holders/CP Holders only, and in case of joint holders, to the one whose name stands first. Besides, the Debentures/Subordinated Bonds/PDIs shall be subject to the provisions of the terms of the Disclosure Documents and other terms and conditions as may be incorporated in the Debenture Trustee Agreement, the Debenture Trust Deed, the Deed of Hypothecation Issuing and Paying Agent Agreement (in respect of CPs), and other documents that may be executed in respect of the Secured Debentures/Subordinated Bonds/PDIs/CPs.

## **Record Date**

The record date will be as specified in the Key Information Document.

## **Fictitious Applications**

Any person who (i) makes in a fictitious name, an application to the Company for acquiring, or subscribing for any Secured Debentures/Subordinated Bonds/PDIs/CPs therein, or (ii) otherwise induces the Company to allot or register any transferor of Secured Debentures/Subordinated Bonds/PDIs/CPs therein to him or any other person in a fictitious name, shall be punishable under the extant laws. Fictitious applications will be rejected. Attention of applicants is specially drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013.

## **Allotment Intimation**

The Company has made depository arrangements with NSDL and CDSL for the issue of these Secured Debentures/Subordinated Bonds/PDIs/CPs in dematerialised form. The investors shall hold these Secured Debentures/Subordinated Bonds/PDIs/CPs in the dematerialised form and will be governed as per the provisions of the Depositories Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, rules notified by NSDL and CDSL (as applicable) from time to time and other Applicable Laws and rules notified in respect thereof.

Investors should mention their NSDL/ CDSL Depository Participant's name, DP-ID and Beneficiary Account Number at the appropriate place in the Application Form. The Company shall take reasonable steps to credit the beneficiary account of the allottee(s), with the NSDL/ CDSL Depository Participant as mentioned in the Application Form, with the number of Secured Debentures/Subordinated Bonds/PDIs/CPs allotted. The applicant is responsible for the correctness of its details given in the Application Form vis-à-vis those with its DP. In case the information is incorrect or insufficient, the Company would not be liable for losses, if any.

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The Company shall credit the Secured Debentures/Subordinated Bonds/PDIs/CPs in the demat account of the investors as per the details furnished in the Application Form.

### **Consolidation of ISINs**

So long as the terms and conditions of the existing securities of the Company (under the respective issues) in the International Securities Identification Number (ISIN) are not changed substantially (i) otherwise than as may be required/permitted by regulations; or (ii) in such a way that it results in breach of or violation of the Applicable Laws, the Company reserves the right/is entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the existing securities under the respective issues under the same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time. Further, such additional securities may be issued from time to time at such issue price, either at par or at premium or at discount to arrive at the contracted effective yield from time to time.

Any redemption of securities maybe done by the Company either on a pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit.

In this regard, the Company shall be entitled to:

1. add such additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the terms of securities under the respective issues existing under the said ISIN.
2. select any of the listed securities in the ISIN for redemption as the Company may solely deem fit either by pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit, before maturity, from time to time.

### **Further Borrowings**

The Company shall be entitled to make further issue of debentures/ CPs and/or raise debt and/or raise further loans and/or avail of further deferred payment/guarantee facilities from time to time for such amounts and from such persons/public financial institutions/banks or any other financial corporations or body corporate to be secured on such basis as may be agreed with such lender without the consent of or any notice to the Secured Debenture Holders/Subordinated Debenture Holders/PDI Holders/CP Holders or the Trustee / IPA. Provided that at the time of raising such further issue of debentures/ raising of debt and/or further term loans and/or availing deferred payment credit/guarantee facilities, the Company shall maintain the security cover in respect of the issue of the secured Debentures (if any outstanding at the time of such raising of debt).

### **Debentures in Dematerialized Form**

The Company has made provisions with National Securities Depository Limited (NSDL) and Central Depository Services Ltd (CDSL) to issue the Secured Debentures/Subordinated Bonds/PDIs/CPs in dematerialized form to all successful applicants. All provisions relating to issue, allotment, transfer, transmission, etc. in respect of dematerialization and dematerialization of the Secured Debentures/Subordinated Bonds/PDIs/CPs will be as prescribed under the Depositories Act, 1996 and the rules by NSDL/CDSL would be applicable to these Secured Debentures/Subordinated Bonds/PDIs/CPs .

### **Modification of Rights**

The Trustee shall concur with the Company (without requiring any approval of the Secured Debenture Holders/Subordinated Bond Holders/PDI Holders) in making any modifications in the rights, privileges, terms and

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conditions attached to the Secured Debentures/Subordinated Debentures/ PDIs which is essential and in the opinion of the Trustee would not be materially prejudicial to the interests of the Secured Debenture Holder(s)/Subordinated Bond Holder(s)/PDI Holders, and to any modification of the terms of the Secured Debentures/Subordinated Bonds/PDIs or any of the other Transaction Documents which is of a formal, minor or technical nature or is to correct a manifest error. Any other change or modification to the terms of the Secured Debentures/Subordinated Bonds/PDIs or the Transaction Documents shall require approval by the Secured Debenture Holder(s)/ Subordinated Bond Holder(s)/PDI Holder(s) as set out in the relevant Trust Deed. Upon obtaining such approval, the Trustee and the Company shall give effect to the same by executing necessary deed(s) supplemental to these presents.

### **KYC Compliance**

The applications that do not conform to the KYC Norms issued by Reserve Bank of India for Banks, NBFCs and Financial Institutions are liable for rejection. The documents required to be produced are provided in the Application Form.

### **Succession**

In the event of demise of the Secured Debenture Holder/Subordinated Bond Holder/PDI Holder, the Company will recognize the executor or administrator of the deceased Secured Debenture Holder/Subordinated Bond Holder/PDI Holder, or the holder of succession certificate or other legal representative as having title to the Secured Debentures/Subordinated Bonds/PDIs. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate or other legal representative as having title to the Secured Debentures/Subordinated Bonds/PDIs, unless such executor or administrator obtains probate of letter or administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a competent Court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Secured Debentures/Subordinated Bonds/PDIs standing in the name of the deceased Secured Debenture Holder/Subordinated Bond Holder/PDI Holder on production of sufficient documentary proof or indemnity.

### **Discount on the Offer Price, if any**

As per the relevant Key Information Document.

### **Trust Deed**

The Secured Debentures/Subordinated Bonds/PDIs to be issued under the terms of this General Information Document shall be governed by the terms of the respective Trust Deed(s), details of which are more particularly set out in the Key Information Document. Copies of the relevant Trust Deed shall be available with the Trustee.

### **Refund**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (Seven) Business Days from the Deemed Date of Allotment of the Secured Debentures/ Subordinated Bonds/ PDIs/CPs.

In case the Issuer has received money from the applicants for Secured Debentures/ Subordinated Bonds/ PDIs in excess of the aggregate of the application money relating to the Secured Debentures/ Subordinated Bonds/ PDIs

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in respect of which allotments have been made, the Registrar and Transfer Agent shall upon receiving instructions in relation to the same from the Issuer repay the monies to the extent of such excess, if any.

#### **Loss of Interest Cheques/Refund Cheques**

Loss of interest cheques/refund cheques should be intimated to the Company along with request for duplicate issue. The issue of duplicates in this regard shall be governed by Applicable Law and any other conditions as may be prescribed by the Company.

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## SECTION M

### SUMMARY TERM SHEET FOR ISSUE OF NON-CONVERTIBLE SECURITIES

The following is a summary of the terms of the Issue to the extent that they are applicable to each Series. Since the terms for each Series may be different, the specific terms of each Series to be issued under the Issue shall be specified in the relevant Key Information Document to be issued in respect of that Series, which Key Information Document will also be filed with BSE.

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	As per the relevant Key Information Document
Issuer	HDB Financial Services Limited
Type of Instrument	As per the relevant Key Information Document
Nature of Instrument	As per the relevant Key Information Document
Seniority	As per the relevant Key Information Document
Mode of Issue	Private placement
Eligible Investors	Please refer paragraph <b>"Who can apply"</b> of this General Information Document
Listing	<p>The Secured Debentures/Subordinated Bonds/PDIs are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the BSE Ltd within such days as prescribed under Applicable Law.</p> <p>In accordance with the SEBI Debt Listing Regulations, in case of a delay by the Company in listing the Debentures/ Subordinated Bonds/ PDIs beyond such days as prescribed under Applicable Law, the Company shall, subject to Applicable Law, make payment to the Debenture Holders/Subordinated Bond Holders/PDI Holders of 1% (One Percent) per annum over and above the Coupon Rate from the Deemed Date of Allotment till the listing of such Debentures/ Subordinated Bonds/ PDIs.</p>
Rating of the Instrument	As per the relevant Key Information Document
Issue Size	As per the relevant Key Information Document
Minimum Subscription	As per the relevant Key Information Document
Option to retain oversubscription (Amount)	As per the relevant Key Information Document
Objects of the Issue/ Purpose for which there is requirement of funds	As per the relevant Key Information Document
The Issuer shall provide granular disclosures in their information document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".	

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Details of the utilization of the Proceeds.	As per the relevant Key Information Document
In case the Issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	The proceeds of the Issue will not be utilised for providing loans to any group company.
Consolidation of ISINs	The Company shall have the right/shall be entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISINs from time to time in accordance with the terms as set out in this General Information Document.
Coupon Rate	As per the relevant Key Information Document
Step Up/Step Down Coupon Rate	As per the relevant Key Information Document
Coupon Payment Frequency	As per the relevant Key Information Document
Coupon Payment Dates	As per the relevant Key Information Document
Coupon Type	As per the relevant Key Information Document
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	As per the relevant Key Information Document
Day Count Basis	As per the relevant Key Information Document
Interest on Application Money	The Company shall be liable to pay the Secured Debenture Holder(s)/Subordinated Bond Holder(s)/PDI Holder(s) interest on application money as more particularly specified in the relevant Key Information Document for each Series.
Additional Interest	<p>In case of default in payment of Coupon and/ or redemption of the principal amount of the Secured Debentures/Subordinated Bonds/PDIs on the respective due dates, additional interest of 2% (Two Percent) per annum over and above the Coupon Rate shall, subject to Applicable Law, be payable by the Company for the defaulting period until the defaulted amount together with the delay penalty is paid.</p> <p>Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall, subject to Applicable Law, also pay interest of 2% (Two Percent) per annum or such other rate, as specified by SEBI to the Debenture Holders/ Subordinated Bond Holders/ PDI Holders, over and above the Coupon Rate, till the execution of the Trust Deed.</p>
Tenor	As per the relevant Key Information Document
Redemption Date	As per the relevant Key Information Document
Redemption Amount	As per the relevant Key Information Document
Redemption Premium/ Discount	As per the relevant Key Information Document
Issue Price	As per the relevant Key Information Document
Discount at which security is issued and the effective yield as a result of such discount.	As per the relevant Key Information Document
Put Option Date	As per the relevant Key Information Document

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Put Option Price	As per the relevant Key Information Document
Call Option Date	As per the relevant Key Information Document
Call Option Price	As per the relevant Key Information Document
Put Notification Time	As per the relevant Key Information Document
Call Notification Time	As per the relevant Key Information Document
Rollover Option	As per the relevant Key Information Document
Face Value	As per the relevant Key Information Document
Minimum Application and in multiples of ___ Debt securities thereafter	As per the relevant Key Information Document
Issue Timing	As per the relevant Key Information Document
Issue/ Bid Opening Date	As per the relevant Key Information Document
Issue/ Bid Closing Date	As per the relevant Key Information Document
Date of earliest closing of the issue, if any.	As per the relevant Key Information Document
Pay-in Date	As per the relevant Key Information Document
Deemed Date of Allotment	As per the relevant Key Information Document  The Deemed Date of Allotment for each Series will be mentioned in the respective Key Information Document issued in respect of such Series. All benefits relating to the Debentures/ Subordinated Bonds/ PDIs will be available to the investors from the respective Deemed Date(s) of Allotment. The actual allotment of Debentures/ Subordinated Bonds/ PDIs may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. The Deemed Date of Allotment may be changed (advanced/ postponed) by the Company at its sole and absolute discretion.
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	The pay-in of subscription monies for the Debentures/ Subordinated Bonds/ PDIs shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP into the account of the relevant clearing corporation, as specified on the Electronic Book Platform, in accordance with the procedure and timelines prescribed in the Electronic Book Mechanism Guidelines and the Operational Guidelines of the EBP.  For amounts payable by the Issuer to any Debenture Holder/ Subordinated Bond Holder/PDI Holder pursuant to the terms of the Transaction Documents, Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the Debenture Holder/ Subordinated Bond Holder/ PDI Holder shall be the mode of settlement.
Depository(ies)	NSDL and CDSL
Business Day	Means any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and “ <b>Business Days</b> ” shall be construed accordingly.



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Business Day Convention	<p>If any Coupon Payment Date in respect of a relevant Series falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment, however, the dates of the future Coupon payments in respect of such relevant Series would be as per the schedule originally stipulated in the relevant Key Information Document. In other words, the subsequent Coupon payment schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed earlier because of it having fallen on non-Business Day.</p> <p>If the Maturity Date / Redemption Date (including the last Coupon Payment Date) or the due date in respect of liquidated damages (if any) and all other monies payable under a Series falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.</p>
Disclosure of Interest/Dividend / redemption dates	As per the relevant Key Information Document
Record Date	As per the relevant Key Information Document
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As per the relevant Key Information Document
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/General Information Document.	As per the relevant Key Information Document
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document	Please refer to row on “ <i>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation</i> ” above.
[Applicable only in respect of issue of Debenture]	
Transaction Documents	<p>The documents executed or to be executed in relation to the Issue of any Series of Secured Debentures/ Subordinated Debentures/ PDIs –</p> <p>(i) Secured Debentures - shall include the relevant Secured Debenture Trust Deed(s), Secured Debenture Trustee Agreement(s), this General Information</p>

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	<p>Document, Key Information Document(s), the Private Placement Offer cum Application Letter(s), the Deed(s) of Hypothecation and any other document that may be executed by and between the Company and the Trustee in respect of any issuance of a Series of Secured Debentures under this General Information Document as specified in the Key Information Document or as may be designated by the Trustee as a Transaction Document.</p> <p>(ii) Subordinated Bonds - shall include the relevant Subordinated Bond Trust Deed(s), Subordinated Bond Trustee Agreement(s), this General Information Document, Key Information Document(s), Private Placement Offer Cum Application Letter(s) and any other document that may be executed by and between the Company and the Trustee in respect of any issuance of a Series of Subordinated Bond under this General Information Document as specified in the Key Information Document that may be designated by the Trustee as a Transaction Document.</p> <p>(iii) PDIs – shall include the PDI Trust Deed(s), PDI Trustee Agreement(s), this General Information Document, Key Information Document(s), Private Placement Offer Cum Application Letter(s) and any other document that may be executed by and between the Company and the Trustee in respect of any issuance of Series of PDIs under this General Information Document as specified in the Key Information Document or as may be designated by the Trustee as a Transaction Document.</p> <p>(iv) Commercial Papers – shall include the Issuing and Paying Agent Agreement, this General Information Document, Key Information Document(s) and any other document that may be executed by the Company in respect of any issuance of Commercial Papers under this General Information Document as specified in the Key Information Document or as may be designated as a Transaction Document.</p>
Conditions Precedent to Disbursement	As per the relevant Key Information Document
Conditions Subsequent to Disbursement	As per the relevant Key Information Document
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As per the relevant Key Information Document
Creation of recovery expense fund	<p>Details and purpose of the recovery expense fund:</p> <p>The Company shall create and maintain a recovery expense fund in the manner as specified under Chapter IV of the DT Master Circular, as may be supplemented or amended from time to time and inform the Trustee about the same.</p> <p>The recovery expense fund may be utilized by the Trustee upon occurrence of an Event of Default, for taking appropriate legal actions to enforce the security, if any created in respect of Debentures in accordance with the relevant SEBI circulars.</p>
Conditions for breach of covenants (as specified in Trust Deed)	As per the relevant Key Information Document
Provisions related to Cross Default Clause	As per the relevant Key Information Document

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Role and Responsibilities of Trustee	To oversee and monitor the overall transaction for and on behalf of the Secured Debenture Holders/Subordinated Bond Holders/PDI Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents.
Risk factors pertaining to the Issue	As per the “ <b>Risk Factors</b> ” mentioned in Section N below.
Governing Law and Jurisdiction	As per the relevant Key Information Document
Due Diligence Certificate	The Issuer shall submit the due diligence certificate provided by the Trustee, to BSE in accordance with the applicable SEBI regulations, including but not limited to Chapter II of the DT Master Circular.  Such due diligence certificate will be annexed to relevant Key Information Document for each Series.
Manner of bidding in the issue	As per the relevant Key Information Document
Manner of settlement	As per the relevant Key Information Document
Settlement cycle	As per the relevant Key Information Document
Manner of allotment	As per the relevant Key Information Document
Minimum Bid Lot	As per the relevant Key Information Document
Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee	As per the relevant Key Information Document

**General Notes:**

- a. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.
- b. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.
- c. While the secured Debentures are secured to the tune of 100%/ 110% / such other percentage as may be prescribed under the relevant Transaction Documents, of the principal and interest amount or as per the terms of this General Information Document, in favour of Trustee, it is the duty of the Trustee to monitor that the security is maintained.

**The specific terms of each offer of Commercial Papers to be issued under the General Information Document shall be specified in the relevant Key Information Document to be issued in respect of that offer, which Key Information Document will be filed with NSE.**

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## SECTION N

### RISK FACTORS

**DISCLAIMER: PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THE DISCLOSURE DOCUMENTS HAVE BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.**

**PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE SECURED DEBENTURES/SUBORDINATED BONDS/PDIs/COMMERCIAL PAPERS**

#### General

The following are the risks envisaged by the management of the Company relating to the Company, the Secured Debentures/Subordinated Bonds /PDIs/ the Commercial Papers, and the market in general. Potential investors should carefully consider all the risk factors stated in the Disclosure Document(s) in relation to the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers for evaluating the Company and its business and the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers before making any investment decision relating to the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers. The Company believes that the factors described below represent the principal risks inherent in investing in the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers but do not represent that the statements below regarding the risks of holding the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential investors should also read the detailed information set out elsewhere in this Disclosure Documents and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers could decline and/or the Company's ability to meet its obligations in respect of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers could be affected. More than one risk factor may have simultaneous effect with regard to the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers and/or the Company's ability to meet its obligations in respect of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers.

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These risks and uncertainties are not the only issues that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a Material Adverse Effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

### **Credit Risk**

Prospective investors should be aware that receipt of any coupon payment and principal amount at maturity on the Secured Debentures/Subordinated Bonds /PDIs/ the Commercial Papers is subject to the credit risk of the Issuer. Investors assume the risk that the Company will not be able to satisfy its obligations under the Secured Debentures/Subordinated Bonds /PDIs / the Commercial Papers. Any stated credit rating of the Company reflects the independent opinion of the rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Company. Any downgrading of the credit ratings of the Company or its parent or affiliates, by any rating agency could result in a reduction in the value of the Secured Debentures/Subordinated Bonds /PDIs/Commercial Papers. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the Secured Debentures/Subordinated Bonds /PDIs/ the Commercial Papers may be substantially reduced, delayed or lost. The holding company or the other group companies of the Issuer are not entitled to and will not support the Issuer in case of any bankruptcy of the Issuer.

The Company has institutionalised a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure. The Company will also endeavour to undertake a periodic review of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon. Despite these efforts, there can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

In performing its credit assessment, the Company relies largely on information furnished by or on behalf of its borrowers, including financial information, based on which the Company performs its credit assessment. The Company may also depend on certain representations and undertakings as to the accuracy, correctness and completeness of information, and the verification of the same by agencies to which such functions are outsourced. Any such information if materially misleading may increase the risk of default and could adversely impact the financial condition, financial results and/or operations of the Company. There can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

A substantial portion of the Company's assets under management (excluding inter-corporate deposits) is secured by assets, moveable and immovable. The value of the security/collateral granted in favour of the Company, as the case may be, may decline due to adverse market and economic conditions (both global and domestic), delays in insolvency, winding up and foreclosure proceedings, defects in title, difficulty in locating moveable assets, inadequate documentation in respect of assets secured and the necessity of obtaining regulatory approvals for the enforcement of the Company's security over the assets comprising its security and the Company may not be able to recover the estimated value of the assets, thus exposing it to potential losses. There can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

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Any delay in enforcing the collateral due to delays in enforcement proceedings before Indian courts or otherwise could also expose the Company to potential losses. Although the Company regularly reviews its credit exposures, defaults may arise from events or circumstances that are difficult to detect or foresee. There can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

### **Interest Rate Risk**

The Company's interest income from lending and gains from trading in debt securities are dependent upon interest rates and their movement. Interest rates are highly sensitive to many factors beyond the control of the Company, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility. Consequently, there can be no assurance that significant interest rate movements will not have an adverse effect on the Company's financial results and/or operations.

### **Downgrading in credit rating**

The Company cannot guarantee that the credit rating provided by the Credit Rating Agency(ies) and as disclosed in the Disclosure Documents will not be downgraded. In the event of deterioration in the financial health of the Company, there is a possibility that the Rating Agency may downgrade the rating of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers. In such cases, potential investors may have to take losses on re-valuation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. Such a downgrade in the credit rating may lower the value of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers and/or the Company's ability to meet its obligations in respect of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers could be affected.

### **Security may be insufficient to redeem the Debentures**

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Trustee may enforce the security as per the terms of the Trust Deed and other related documents. The Investors' recovery in relation to the Debentures will be subject to (i) the market value of the property offered as security, and (ii) finding a willing buyer for such security at a price sufficient to repay the potential investors' amounts outstanding under the Debentures.

### **Tax and other considerations**

Special tax, accounting and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of an investment into the Secured Debentures/Subordinated Bonds /PDIs/ the Commercial Papers. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of an investment into the Commercial Papers.

### **Access to capital markets and commercial borrowings**

With the growth of its business, the Company will increasingly rely on funding from the debt capital markets and commercial borrowings. The Company's growth will depend on its continued ability to access funds at competitive rates which in turn will depend on various factors including its ability to maintain its credit ratings. If the Company

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is unable to access funds at an effective cost that is comparable to or lower than its competitors, the Company may not be able to offer competitive interest rates for its loans or have adequate funds for its investment activities. This may adversely impact its business results and its future financial performance.

**Company's indebtedness and covenants imposed by its financing arrangements may restrict its ability to conduct its business or operations**

Company's financing arrangements require it to maintain certain security cover for some of its borrowings. Should there be any breach of financial or other covenants of any financing arrangements and such breach continues beyond the stipulated cure period, the Company may be subjected to various consequences as a result of such default including forced repayment of such borrowings. Further, under some of the financing arrangements, the Company is required to inform / obtain prior approval of the lenders / debenture holders / subordinated bond holders/ PDI holders trustee for various actions. This may restrict / delay some of the actions / initiatives of the Company from time to time.

**Operational and System Risk**

The Company is faced with operational and system risks, which may arise as a result of various factors, viz., improper authorizations, failure of employees to adhere to approved procedures, inappropriate documentation, failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, there can also be a security risk in terms of handling information technology related products such as system failures, information system disruptions, communication systems failure which involves certain risks like data loss, breach of confidentiality and adverse effect on business continuity and network security.

If any of the systems do not operate properly or are disabled or if other shortcomings or failures in internal processes or systems are to arise, this could affect the Company's operations and/or result in financial loss, disruption of Company's businesses, regulatory intervention and/or damage to its reputation. In addition, the Company's ability to conduct business may be adversely impacted by a disruption (i) in the infrastructure that supports its businesses and (ii) in the localities in which it is located.

Any failure, inadequacy and security breach in our computer systems may adversely affect our business. Our operations depend on our ability to process a large number of transactions on a daily basis across our network of offices. The financial, accounting or other data processing systems of the Company may fail to operate adequately or become disabled as a result of events that are beyond its control, including a disruption of electrical or communications services, particularly in the rural areas in which the Company operates.

The Company's operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Its computer systems, software, including software licensed from vendors and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft, for which the Company could potentially be liable.

**Any inability of the company to attract or retain talented professionals may impact its business operations**

The business in which the Company operates is very competitive and ability to attract and retain quality talent impacts the successful implementation of growth plans. The Company may lose many business opportunities and business would suffer if such required manpower is not available on time. The inability of the Company to replace manpower in a satisfactory and timely manner may adversely affect its business and future financial performance.

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### **Employee misconduct**

Any kind of employee misconduct may impair the Company's ability to service clients. It is not always possible to deter employee misconduct and the precautions the Company takes to detect and prevent this activity may not be effective in all cases.

### **The Company is not required to create a debenture redemption reserve**

As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are presently exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the Secured Debentures/Subordinated Bonds /PDIs. Consequently, the investor may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the Secured Debentures/Subordinated Bonds /PDIs.

### **Refusal of listing of any security of the Issuer during last three years by any of the stock exchanges in India or abroad.**

As of date, the Issuer has not been refused listing of any of its securities during the last 3 (three) years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

In accordance with Indian law and practice, permissions for listing and trading of the Secured Debentures/Subordinated Bonds /PDIs issued pursuant to this Issue will not be granted until the relevant stock exchange approves the listing, which will be available only after an updated document is accordingly filed with the relevant authorities at the time of such listing. Approval for listing and trading will require all relevant documents authorising the issuing of Secured Debentures/Subordinated Bonds /PDIs to be submitted. There could be a failure or delay in listing the Secured Debentures/Subordinated Bonds /PDIs on the stock exchange. If permission to deal in and for an official quotation of the Secured Debentures/Subordinated Bonds /PDIs is not granted by the stock exchange, the Secured Debentures/Subordinated Bonds /PDIs will remain unlisted.

In accordance with Indian law and practice, permissions for listing of the Commercial Papers issued pursuant to this Issue will not be granted until the relevant stock exchange approves the listing, which will be available only after an updated document is accordingly filed with the relevant authorities at the time of such listing. Approval for listing will require all relevant documents authorising the issuing of Commercial Papers to be submitted. There could be a failure or delay in listing the Commercial Papers on the stock exchange. If permission to list is not granted by the stock exchange, the Commercial Papers will remain unlisted.

### **Limited or sporadic trading of non-convertible securities of the issuer on the stock exchanges.**

As of date, the Issuer is not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

**In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.**



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As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

The Company's financing arrangements require it to maintain certain security cover for some of its borrowings. Should there be a breach any financial or other covenants contained in any of the Company's financing agreements, the Company may be required to immediately repay its borrowings either in whole or in part, together with any related costs. Under the terms of some of the financing arrangements, the Company may be required to obtain the prior written consent of the concerned lender prior to the Company entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction or selling, leasing, transferring all or a substantial portion of its fixed and other assets; making any change in ownership or control or constitution of the Company, or in the shareholding or management or majority of directors, or in the nature of business of the Company. This may restrict/ delay some of the actions/ initiatives that our Company may like to take from time to time.

**Purchases and sales by the Company and its affiliates may affect the Debenture Holders'/Subordinated Bond Holders' / PDI Holders' / Commercial Papers Holders' return**

The Company and its affiliates may from time to time buy or sell the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers or debt instruments similar to the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers and/or other obligations or have positions in securities economically related to a series of Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers for their own account for business reasons or in connection with hedging of the obligations under the particular series of Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers. These transactions could affect the price of such obligations or securities in a manner that would be adverse to the holder's investment in the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers. The Company and its affiliates have not considered, and are not required to consider, the interests of investors as holders of the Secured Debentures/Subordinated Bonds /PDIs and the Commercial Papers in connection with entering into any of the above-mentioned transactions.

**The secondary market for the Secured Debentures/Subordinated Bonds /PDIs may be non-existent or the Secured Debentures/Subordinated Bonds /PDIs may be illiquid.**

The Secured Debentures/Subordinated Bonds /PDIs may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Secured Debentures/Subordinated Bonds /PDIs, it is not likely to provide significant liquidity. An illiquid market may have an adverse impact on the price at which the Secured Debentures/Subordinated Bonds /PDIs may be sold in the secondary market. Any such Secured Debentures/Subordinated Bonds /PDIs so purchased may be required to be held or resold or surrendered for cancellation. To the extent that an issue of Secured Debentures/Subordinated Bonds /PDIs becomes illiquid, an investor may have to hold the Secured Debentures/Subordinated Bonds /PDIs until redemption to realize value.

The Company may, but is not obliged to, at any time purchase the Secured Debentures/Subordinated Bonds /PDIs at any price in the market or by tender or private agreement. Any Secured Debentures/Subordinated Bonds /PDIs so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for Debentures Holders/Subordinated Bond Holders /PDI Holders to realise value for the Secured Debentures/Subordinated Bonds /PDIs prior to settlement of the Secured Debentures/Subordinated Bonds /PDIs.

Further, the Company may not be able to issue any further Secured Debentures/Subordinated Bonds /PDIs, in case of any disruptions in the securities market.

**Changes in general interest rates in the economy may affect the price of the Secured Debentures/Subordinated Bonds /PDIs**

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All securities where a fixed rate of interest is offered, such as the Secured Debentures/Subordinated Bonds /PDIs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the Secured Debentures/Subordinated Bonds /PDIs.

**Since we handle volumes of cash in a dispersed network of branches, we are exposed to operational risks, including employee negligence, fraud, which could harm our results of operations and financial position.**

Our business transactions involve handling significant volumes of cash at our branch offices. Cash transactions expose us to the risk of fraud by employees, agents, customers or third parties, theft and misappropriation or unauthorised transactions by our employees. Our insurance policies, security systems and measures undertaken to detect and prevent these risks may not be sometimes, sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Our employees may also become targets of the theft and other crimes if they are present when these crimes are committed and may sustain physical and psychological injuries as a result. We may encounter difficulties recruiting and retaining qualified employees due to this risk and our business and operations may be adversely affected.

### **Tax Considerations and Legal Considerations**

Special tax considerations and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

### **Accounting Considerations**

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

**The Company's business requires substantial capital, and any disruption in funding sources would have a material adverse effect on the Company's liquidity and financial condition.**

As a finance company, the liquidity and ongoing profitability are, in large part, dependent upon the Company's timely access to, and the costs associated with, raising capital. The Company's funding requirements historically have been met from a combination of term loans from banks and financial institutions, issuance of redeemable non-convertible debentures, the issue of Secured Debentures/Subordinated Bonds /PDIs and Commercial Papers. Thus, the Company's business depends and will continue to depend on the Company's ability to access diversified funding sources. The Company's ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including the Company's credit ratings, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and the Company's current and future results of operations and financial condition.

Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for the Company to access funds at competitive rates. As an NBFC, the Company also faces certain restrictions in its

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ability to raise money from international markets which may further constrain the Company's ability to raise funds at attractive rates.

Such conditions may occur again in the future and may lead to a disruption in the Company's primary funding sources at competitive costs and would have a material adverse effect on the Company's liquidity and financial condition.

**High levels of customer defaults could adversely affect the Company's business, financial condition and results of operations.**

The Company's business involves lending money and accordingly the Company is subject to customer default risks including default or delay in repayment of principal or interest on its loans. Customers may default on their obligations to the Company as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, the Company's financial condition and results of operations will be adversely impacted.

**The Company's entire customer base comprises individual and/or small enterprise segment borrowers, who generally are more likely to be affected by declining economic conditions than larger corporate borrowers.**

Individual and small enterprise segment borrowers generally are less financially resilient than larger corporate borrowers, and, as a result, they can be more adversely affected by declining economic conditions. In addition, a significant majority of the Company's customer base belongs to the low to medium income group and/or the small enterprises finance sector. Furthermore, unlike several developed economies, a nationwide credit bureau has only recently become operational in India, so there is less financial information available about individuals, particularly our focus customer segment from the low to medium income group who typically have limited access to other financing sources. It is therefore difficult to carry out precise credit risk analyses on the Company's customers. Although the Company believes that its risk management controls are sufficient, the Company cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to maintain sufficient credit assessment policies, particularly for individual borrowers, could adversely affect the Company's credit portfolio which could have a material and adverse effect on the Company's results of operations and financial condition.

**The Company faces increasing competition in its business which may result in declining margins if the Company is unable to compete effectively.**

The Company faces competition in all its lines of businesses. Its primary competitors are other NBFCs, public sector banks, private sector banks, co-operative banks and foreign banks and the unorganized financiers who principally operate in the local markets. Over the past few years, the retail financing area has seen the entry of banks, both nationalized as well as foreign. Banks have access to low-cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low-cost deposits, a factor which can render them less competitive. In addition, interest rate deregulation and other liberalization measures affecting the retail and small enterprises finance sector, together with increased demand for capital by individuals as well as small enterprises, have resulted in an increase in competition.

All of these factors have resulted in the Company facing increased competition from other lenders in each of its lines of businesses, including commercial banks and other NBFCs. Its ability to compete effectively will depend, to some extent, on its ability to raise low-cost funding in the future. Furthermore, as a result of increased competition in the finance sector, finance products are becoming increasingly standardized and variable interest rate and payment terms and lower processing fees are becoming increasingly common in the finance sector in India. There

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can be no assurance that the Company will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive finance industry. Increasing competition may have an adverse effect on the Company's net interest margin and other income, and, if the Company is unable to compete successfully, its market share may decline. If the Company is unable to compete effectively with other participants in the finance sector, its business, future financial performance and the trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected.

**If the Company is unable to manage the level of NPAs in its Loan Assets, its financial position and results of operations may suffer.**

If the level of NPAs in the Company's portfolio were to increase, its business would suffer. The occurrence of NPAs or an increase in the level of NPAs will adversely affect the Company's business, financial results and/or operations.

Furthermore, the Company's current provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of Gross NPAs or otherwise, or that the percentage of NPAs that we will be able to recover will be similar to the Company's past experience of recoveries of NPAs. In the event of any further deterioration in the Company's NPA portfolio, there could be an even greater, adverse impact on the Company's results of operations and the trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected.

**A decline in the Company's capital adequacy ratio could restrict the Company's future business growth.**

As per RBI regulations, all non-deposit taking NBFCs have to maintain a minimum capital adequacy ratio, consisting of Tier I and Tier II capital, which shall not be less than 15.00% of its aggregate risk weighted assets on-balance sheet and risk adjusted value of off-balance sheet items. If the Company continues to grow its loan portfolio and asset base, it will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to its business. There can be no assurance that it will be able to raise adequate additional capital in the future on terms favorable to it or at all and this may adversely affect the growth of its business and the trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected.

**The Company faces asset-liability mismatches which could affect its liquidity and consequently may adversely affect its operations and profitability.**

The Company faces potential liquidity risks due to varying periods over which its assets and liabilities mature. As is typical for NBFCs, a portion of its funding requirements is met through short-term funding sources such as bank loans, working capital demand loans, cash credit, short term loans and commercial papers. However, each of its products differs in terms of the average tenor, average yield, average interest rates and average size of loan. The average tenor of its products may not match with the average tenor of its liabilities. Consequently, its inability to obtain additional credit facilities or renew its existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between its assets and liabilities, which in turn may adversely affect its operations and financial performance. Further, mismatches between its assets and liabilities are compounded in case of pre-payments of the financing facilities it grants to its customers. The trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected due to the aforesaid reasons.

**System failures or inadequacy and security breaches in computer systems may adversely affect the Company's business.**

The Company's business is increasingly dependent on its ability to process, on a daily basis, a large number of

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transactions. Its financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond its control including a disruption of electrical or communications services. Its ability to operate and remain competitive will depend in part on its ability to maintain and upgrade its information technology systems on a timely and cost-effective basis. The information available to and received by its management through its existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in its operations. The Company may experience difficulties in upgrading, developing and expanding its systems quickly enough to accommodate its growing customer base and range of products.

The Company's operations also rely on the secure processing, storage and transmission of confidential and other information in the computer systems and networks. Its computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade its management information systems in a timely manner could materially and adversely affect its competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in its internal processes or systems, it could affect its operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to its reputation. In addition, its ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports its businesses and the localities in which it is located. The trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected due to the aforesaid reasons.

**The Company may not be able to maintain its current levels of profitability due to increased costs or reduced spreads.**

The Company's business strategy involves a relatively high level of ongoing interaction with its customers. The Company believes that this involvement is an important part of developing its relationship with its customers, identifying new cross-selling opportunities and monitoring its performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the finance products it offers in order to maintain profitability. There can be no assurance that it will be able to maintain its current levels of profitability if the gross spreads on its finance products were to reduce substantially, which could adversely affect its results of operations. The trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected due to the aforesaid reasons.

**Future legal and regulatory obstructions**

The Company is subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require it to restructure its activities, incur additional costs or could otherwise adversely affect its business and its financial performance. The trading price of the Secured Debentures/Subordinated Bonds /PDIs may be adversely affected due to the aforesaid reasons.

Future government policies and changes in laws and regulations in India (including their interpretation and application to the operations of the Company) and comments, statements or policy changes by any regulator, including but not limited to SEBI or RBI, may adversely affect the Secured Debentures/Subordinated Bonds /PDIs and / or the Commercial Papers, and restrict the Company's ability to do business in its target markets. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation,

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comment, statement or policy change could have an adverse effect on its business, financial results and/or operations.

Further, SEBI, the relevant Stock Exchange(s) or other regulatory authorities may require clarifications on the Disclosure Documents, which may cause a delay in the issuance of Secured Debentures/Subordinated Bonds /PDIs / Commercial Papers or may result in the Secured Debentures/Subordinated Bonds /PDIs / Commercial Papers being materially affected or even rejected.

#### **Civil unrest, terrorist attacks and war would affect its business.**

Terrorist attacks and other acts of violence, war or conflicts, in India and or those particularly involving India, as well as the United States of America, the United Kingdom, Singapore and the European Union, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect its business and profitability. India has from time to time experienced and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighboring countries. Also, some of India's neighboring countries have experienced or are currently experiencing internal unrest. This, in turn, could have a material adverse effect on the Indian economy and in turn may adversely affect our operations and profitability and the market for the Secured Debentures/Subordinated Bonds /PDIs / Commercial Papers.

#### **Our business may be adversely impacted by natural calamities or unfavourable climatic changes.**

India, Bangladesh, Pakistan, Indonesia, Japan and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts and a tsunami in recent years. Some of these countries have also experienced pandemics. These economies could be affected by the extent and severity of such natural disasters and pandemics which could, in turn affect the financial services sector of which the Company is a part. Prolonged spells of abnormal rainfall, draught and other natural calamities could have an adverse impact on the economy, which could in turn adversely affect its business and the trading price of the Secured Debentures/Subordinated Bonds /PDIs.

#### **Slowdown in Economic Growth**

The Company's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy or a fall in India's GDP may adversely affect its business, including its ability to enhance its asset portfolio and the quality of its assets, and its ability to implement certain measures could be adversely affected by a movement in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general downtrend in the economy. Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. *Any downgrading of India's sovereign rating by an international rating agency(ies) may affect the Company's business and its liquidity to a great extent.*

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact its ability to raise additional finances at favourable interest rates and other commercial terms. This could have an adverse effect on the Company's growth, financial performance and its operations.

#### **The economic fallout from the spread of the Covid-19 virus may impact the Company's business prospects, financial condition, result of operations and credit risk.**

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of the people but has

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also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is however also adversely affecting, and is expected to continue to adversely affect, the Company's operations, liquidity and cashflows.

While the extent of negative financial impact cannot be reasonably estimated at this time, a sustained economic slowdown may significantly affect the Company's business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Secured Debentures/Subordinated Bonds /PDIs / Commercial Papers.

### **PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE PERPETUAL DEBT INSTRUMENTS/ PDIs**

#### **PDIs are Unsecured**

As the PDIs being issued by the Issuer are unsecured, in the event that the Issuer is unable to meet its payment and other obligations towards potential investors under the terms of the PDIs, the Trustee does not have any security which can be enforced to redeem the PDIs and the PDI Holders shall be treated as unsecured creditors of the Issuer.

#### **The PDIs are Subordinated Perpetual Instruments and the Investors have No Right To Require Redemption**

The PDIs are perpetual in tenor and have no maturity date. The Company is under no obligation to redeem the PDIs at any time and the PDIs can only be disposed of by sale. PDI Holders who wish to sell their PDIs may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the PDIs.

#### **The PDIs may be Redeemed only at the Option of the Issuer on the Call Option Date**

The terms and conditions provide that the PDIs are redeemable at the Company's option only on the Call Option Date and on the occurrence of an Event of Default, subject to approval from the RBI. The date that the Company elects to redeem the PDIs may not accord with the preference of individual holders, which may be disadvantageous to holders in light of market conditions or the individual circumstances of the holder of the PDIs. Additionally, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the PDIs.

#### **Nature of PDIs**

The instruments for offer are in the nature of Unsecured Rated Listed Perpetual Debt Instruments in the nature of Non-Convertible

PDIs. Redemption of the PDIs will be subject to Master Direction - Non- Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by

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RBI as amended from time to time.

As per the aforesaid RBI direction:

- 1) the claims of the investors in PDIs shall be
  - a) Superior to the claims of investors in Equity Shares of the Company; and
  - b) Subordinated to the claims of all other creditors of the Company (but *pari-passu* inter se the holders of the PDIs).
- 2) the PDIs could be subject to a lock-in as under:
  - a) the PDIs shall be subjected to a lock-in clause in terms of which the Company may defer the payment of interest, if:
    - the Company's capital to risk assets ratio (CRAR) is below the minimum regulatory requirement prescribed by RBI; or
    - the impact of such payment results in the Company's CRAR falling below or remaining below the minimum regulatory requirement prescribed by the RBI;
  - b) However, the Company may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm.
  - c) The interest shall not be cumulative except in cases as in (a).

## **PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE SUBORDINATED BONDS**

### **Subordinated Bonds are Unsecured**

As the Subordinated Bonds being issued by the Issuer are unsecured, in the event that the Issuer is unable to meet its payment and other obligations towards potential investors under the terms of the Subordinated Bonds, the Trustee does not have any security which can be enforced to redeem the Subordinated Bonds and the Subordinated Bond Holders shall be treated as unsecured creditors of the Issuer.

### **Nature of Subordinated Bonds**

The Bonds are subordinated in nature and intended to constitute Tier II regulatory capital of the Issuer. The Bonds and any amounts of interest due thereon are unsecured obligations of the Issuer. Accordingly, the claims of the investors in Subordinated Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital, and (b) subordinated to the claims of all other creditors. As a consequence of these subordination provisions, in the event of a winding-up of the Company's operations, the holders of the Bonds may recover proportionately less than the holders of its other unsubordinated liabilities. For the avoidance of doubt, the claims of the holders of the Bonds shall be senior to the claims of holder of instruments that constitute Tier I capital.

### **The Bonds may not qualify as Tier II Capital**

There is no guarantee that the Bonds qualify as Tier II Capital under the Capital Adequacy Guidelines of RBI. The failure of the Bonds to qualify as Tier II Capital due to any reason, including, changes in law, regulations, interpretations by RBI, would adversely affect the company's Capital Adequacy Ratio.

### **Other risks in connection with Subordinated Bonds**

The payment of interest and redemption of principal amount of the Subordinated Bonds would be subject to the requirements of RBI, if any, including requirement of prior approval of RBI for premature redemption.



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**PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH  
THE COMMERCIAL PAPERS**

**Commercial Papers are unsecured in nature**

Given that the Commercial Papers are an unsecured money market instrument, in the event the Company is unable to meet its payment and other obligations towards investors under the terms of the Commercial Papers, the investors do not have any recourse in the form of a security to recover their dues. Potential investors may also have to assess and take into consideration that an investment in the issue of Commercial Papers will be bound by and subject to any market risks associated with investing in short term money market instruments.

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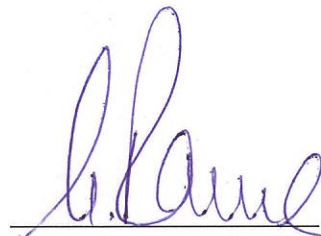
## SECTION O

### PART A

The Company declares as of the date of this General Information Document that all the relevant provisions in the regulations/guideline issued by SEBI and other Applicable Laws have been complied with and no statement made in this General Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other Applicable Laws, as the case may be. The information contained in this General Information Document is as applicable to privately placed debt securities and subject to information available with the Company.

The extent of disclosures made in this General Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by companies in the past.

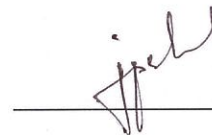
For HDB Financial Services Limited



Name: Ramesh G.  
Designation: Managing Director & CEO



Date: October 10, 2024  
Place: Mumbai



Name: Mr. Jaykumar Shah  
Designation: Chief Financial Officer



### PART B

#### DECLARATION

- The Company is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, the Companies Act and the rules and regulations made thereunder.
- The compliance with the said Companies Act and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Secured Debentures/Subordinated Bonds /PDIs, if applicable, is guaranteed by the Central Government;
- The monies received under the Issue shall be used only for the purposes and objects indicated in the General Information Document;
- Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.
- The contents of this General Information Document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

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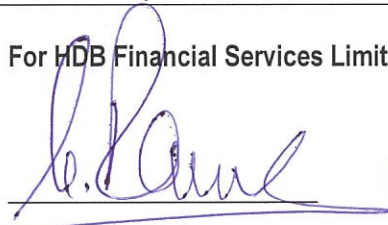
I am authorized by the Board of Directors of the Company vide resolution number 2(vii) dated April 16, 2024, 3(ii) dated May 17, 2024 read with Circular resolution passed by the Board on October 10, 2024 to sign and attest this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of General Information Document and matters incidental thereto have been complied with and that the Permanent Account Number, Bank Account Number(s) of the Promoter, Passport Number (if applicable), Personal Address (if applicable) of the Promoter and Permanent Account Number of directors have been submitted to the stock exchanges on which the Secured Debentures/Subordinated Bonds /PDIs are proposed to be listed. Whatever is stated in General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of General Information Document has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to General Information Document.

#### **NOTE TO INVESTORS**

Investment in non-convertible securities and commercial papers involve a degree of risk and investors should not invest any funds in such instruments unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of 'Risk Factors' contained under Section N of this General Information Document and the 'Risk Factors' set out in each Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

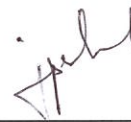
For HDB Financial Services Limited



**Name:** Ramesh G.

**Designation:** Managing Director & CEO

**Date:** October 10, 2024



**Name:** Mr. Jaykumar Shah

**Designation:** Chief Financial Officer



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## ANNEXURE I

### Annual Report of the company for FY 2023-24, 2022-23 and 2021-22

(Kindly refer Company website: [www.hdbfs.com](http://www.hdbfs.com))

#### Annual Reports:

FY 2023-24: <https://www.hdbfs.com/sites/default/files/reports/Annual-Report-2023-24.pdf>

FY 2022-23: <https://www.hdbfs.com/sites/default/files/reports/Annual-Report-2022-23.pdf>

FY 2021-22: [https://www.hdbfs.com/sites/default/files/reports/HDB\\_Annual-Report-2021-22.pdf](https://www.hdbfs.com/sites/default/files/reports/HDB_Annual-Report-2021-22.pdf)

#### Auditor's Reports:

FY 2023-24: [https://www.hdbfs.com/sites/default/files/debt/Audited-Financial-Results-under-Regulation-33-&-52-of-SEBI-\(LODR\)-for-year-ended-March-31-2024.pdf](https://www.hdbfs.com/sites/default/files/debt/Audited-Financial-Results-under-Regulation-33-&-52-of-SEBI-(LODR)-for-year-ended-March-31-2024.pdf)

FY 2022-23: [https://www.hdbfs.com/sites/default/files/debt/Audited-Financial-Results-under-Regulation-33-&-52-of-SEBI-\(LODR\)-for-the-quarter-and-year-ended-March-31-2023.pdf](https://www.hdbfs.com/sites/default/files/debt/Audited-Financial-Results-under-Regulation-33-&-52-of-SEBI-(LODR)-for-the-quarter-and-year-ended-March-31-2023.pdf)

FY 2021-22: [https://www.hdbfs.com/sites/default/files/debt/Audited-Financial-Results-under-Regulation-33-&-52-of-SEBI-\(LODR\)-for-year-ended-March-31-2022.pdf](https://www.hdbfs.com/sites/default/files/debt/Audited-Financial-Results-under-Regulation-33-&-52-of-SEBI-(LODR)-for-year-ended-March-31-2022.pdf)

Private and Confidential – For Private Circulation Only  
General Information Document for Issue of Non-Convertible Securities and  
Commercial Papers on a private placement basis  
October 10, 2024  
Ref: No: 2024-25/GID

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated May 22, 2024 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

## **ANNEXURE II**

### **FINANCIAL STATEMENTS OF THE COMPANY ALONG WITH AUDIT REPORTS, SCHEDULES, FOOTNOTES, SUMMARY ETC.**

THE AUDITED STANDALONE & CONSOLIDATED FINANCIAL STATEMENTS OF THE ISSUER FOR THE FINANCIAL YEARS ENDED MARCH 31, 2022, MARCH 31, 2023 AND MARCH 31, 2024 SEPARATELY ATTACHED.



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### ANNEXURE III

#### DISCLOSURE PRESCRIBED UNDER PAS-4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES), RULES, 2014



**HDB FINANCIAL SERVICES LIMITED**  
**CIN: U65993GJ2007PLC051028**  
**RBI Registration Number: N.01.00477**  
**PAN Number: AABCH8761M**

(Incorporated on June 4, 2007, in Ahmedabad, in the name of HDB Financial Services Limited a company within the meaning of the Companies Act, 1956 and registered with the Reserve Bank of India as a Non-Banking Financial Company)

**Registered Office:** Radhika, 2<sup>nd</sup> Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009 **Tel:** + 91 7045054829

**Corporate Office:** HDB House, Tukaram Sandam Marg, A-Subhash Road, Vile Parle (E) Mumbai - 400057; **Tel:** 022- 49116300;

**Fax:** 022-49116666; **Website:** www.hdbfs.com;

**Compliance Officer:** Ms. Dipti Khandelwal, **Contact details of Compliance Officer:** 022-49116368  
**e-mail:** compliance@hdbfs.com

### PART A

(Pursuant to Section 42 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014)

THE PAS-4 CONTAINS RELEVANT INFORMATION AND DISCLOSURES OF THE FOLLOWING NON-CONVERTIBLE SECURITIES BY HDB FINANCIAL SERVICES LIMITED (THE “ISSUER” / “COMPANY”), ON A PRIVATE PLACEMEMNT BASIS, IN ONE OR MORE SERIES:

1. ISSUE OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (THE “SECURED DEBENTURES”)
2. ISSUE OF UNSECURED, RATED, LISTED, NON-CONVERTIBLE PERPETUAL DEBT INSTRUMENTS IN THE NATURE OF DEBENTURES (“PDIs”).
3. ISSUE OF UNSECURED RATED REDEEMABLE NON-CONVERTIBLE SUBORDINATED (TIER II) BONDS (“SUBORDINATED BONDS”).

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT
As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document	As per the relevant Key Information Document

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## DISCLAIMER

*This Offer Cum Application Letter contains relevant information and disclosures required for the purpose of issuing of the Debentures in accordance with Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Issuer has issued a General Information Document and a Key Information Document (in compliance with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021) (together the “**Disclosure Document(s)**”), together with the Application Form to eligible investors inviting subscription to the Debentures. Any application by a person to whom the Disclosure Document(s) and/or the Private Placement Offer Cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.*

### I. General Information:

#### A. Name, address, website, if any and other contact details of the Company, indicating both Registered office and the Corporate Office:

Name of the Company	HDB Financial Services Limited
Registered Office Address	Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009
Corporate Office Address	HDB House, Tukaram Sandam Marg, A-Subhash Road, Vile Parle (E) Mumbai - 400057
Contact Number	+91 22 49116300
Fax Number	+91 22 49116666
Email id	compliance@hdbfs.com
Website	www.hdbfs.com

#### B. Date of Incorporation of the Company:

June 4, 2007

#### C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any:

##### a. The description of the Company's Principal Business Activities are as under:

☐ Please refer to Section E of the General Information Document

##### b. Details about the subsidiaries of the Company with details of branches or units, if any:

None

#### D. Brief particulars of the management of the Company:

- (i) Details of Board of Directors of the Company and their profile

#### Mr. Arijit Basu – Part-Time Chairman and Independent Director (Appointed w.e.f. May 31, 2023)

Mr. Arijit Basu holds post graduate degree in arts from the University of Delhi and is a certified associate of the Indian Institute of Bankers. He has over 38 years of experience in the field of banking and financial services. He

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started his career with State Bank of India in 1983 as a probationary officer rose to the position of Managing Director in 2018. Mr. Basu was deputed SBI Life Insurance Company Limited and served as Managing Director and Chief Executive Officer from August 2014 till March 2018. He returned to SBI in April 2018 and was elevated as Managing Director of State Bank of India in June 2018. He was responsible for Commercial and corporate Banking, IT and risk Management. He has been awarded the title, 'India's Most Trusted CEO' by WCRC Leaders Asia in 2017. Additionally, he has been awarded the Skoch award for 'CEO of the Year Life Insurance' by the Skoch Group in 2017. He was appointed as Chairman and non-executive Director W.e.f. June 1, 2021 till May 31, 2023.

**Mr. Venkatraman Srinivasan- Independent Director (Appointed w.e.f. March 12, 2015)**

Mr. Venkatraman Srinivasan holds a Bachelor of Commerce (B.Com) degree and is a fellow member of Institute of Chartered Accountants of India since 1981. He is a Partner in M/s. V. Sankar Aiyar & Co., Chartered Accountants, since 1984. He is engaged in audit and assurance practice and direct tax and corporate advisory services since 1984, specialising in statutory audits of banks, mutual funds and financial companies, public sector companies, and in advisory in the areas of Direct Tax, Company Law, the Competition Act, the Foreign Exchange Management Act (FEMA) and Securities and Exchange Board of India (SEBI) matters. He has a work experience of 36 years. He is a Special Invitee on the Accounting Standards Board of the Institute of Chartered Accountants of India (ICAI) for the FY 2020-21 and was a Special Invitee on the ITFG Committee of the ICAI for the F Y 2019-20. He participated in the Case Study Based Governance Program on "Audit Committees in this New Era of Governance" at the Harvard Business School.

**Ms. Smita Affinwalla- Independent Director (Appointed w.e.f. March 12, 2015)**

Ms. Smita Affinwalla is a MBA (Finance) from the Jamnalal Bajaj Institute of Management Studies and a senior fellow, Human Capital with the Conference Board, USA with over 40 years of experience in the Human Resources and Financial Services Industry. She is the Founder and Managing Director of Illuminos Consulting Private Limited. Smita is also a member of the Industry Advisory Committee of the Indian Institute of Management, Indore. She was Co-Chairperson, HR Committee, Indian Merchants Chamber.

**Dr. Amla Samanta - Independent Director (Appointed w.e.f. May 1, 2019)**

Dr. Amla Samanta is M.Sc., Ph.D., FDA Approval for testing of Drugs 1986 and C.C. Indian Bio- Informatics Organisation, 2003. She has over 40 years of extensive experience in medical profession and over 25 years of rich experience in Banking, Finance. She was on the Board of Directors of HDFC Bank and Manappuram Finance Limited. She was also on the advisory Board of Bank of America. She also has rich experience in the Small & Medium Enterprise segment.

**Mr. Adayapalam Viswanathan - Independent Director (Appointed w.e.f. July 24, 2019)**

Mr. Adayapalam Viswanathan is a Retired Partner of Deloitte Touche Tohmatsu India LLP. He holds a bachelor degree in commerce. He is a member of Institute of Chartered Accountants of India (ICAI), American Institute of Certified Public Accountants (AICPA) and Information Systems Audit & Controls Association (ISACA). He has



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experience of over 41 years. He had recently led Deloitte relationship for Risk advisory services for Tata Group, Cyber Security Services for Financial Service Industry (FSI) in India and India relationship for Barclays India. He is a Certified Coach in Marshall Goldsmith Stakeholders Center Coaching, Member of Institute of Directors, India and Governing Council Member, Learning & Organisation Development Roundtable.

**Ms. Arundhati Mech – Independent Director (Appointed w.e.f. February 11, 2022)**

Ms. Arundhati Mech is M.A. (Linguistic) from the Jawaharlal Nehru University of Delhi. She has completed Programme on Leadership Development for Corporate Excellence from Kellogg School of Management, North-Western University, Chicago, USA. She has 36 years of experience in central bank at the middle and senior management level. She has worked in different positions in RBI such as Deputy General Manager (IT) from August 2003 to November 2010, General Manager (HR) from November 2010 to March 2016, Chief General Manager from April 2016 to November 2016 and as Regional Director from December 2016 till July 2019. Ms. Arundhati Mech stewarded India's southern zone during demonetisation period.

**Mr. Jimmy Tata – Non-Executive (Non-Independent) Director (Appointed w.e.f. July 15, 2023)**

Mr. Jimmy Tata holds a Masters in Financial Management from Jamnalal Bajaj Institute of Management Studies and is a qualified Chartered Financial Analyst. He has over 35 years of experience, including 28 years with HDFC Bank. He is associated with HDFC Bank since 1994 and over the years was promoted as Head of the Corporate Banking Department. In June 2013, he was appointed as Chief Risk Officer of HDFC Bank. In December 2020, he was appointed as Chief Credit Officer of the HDFC Bank Limited. Mr. Jimmy Tata monitors the risks in the areas of technology, payment system, human resources, legal, accounts and finance for HDFC Bank Limited. Prior to joining HDFC Bank Limited, he was associated with companies in financial sector such as Strategic Consultants Pvt. Ltd. and Apple Industries Ltd.

**Mr. Jayesh Chakravarthi – Independent Director (Appointed w.e.f. January 25, 2024)**

Mr. Jayesh Chakravarthi holds Bachelor degree in Engineering from Bangalore University. He has done MBA in General Management from Jamnalal Bajaj Institute of Management Studies. He is former Member of Regional Council – NASSCOM, former Member of Bangalore Chamber of Industry & Commerce (BCIC) and former Board Member of STEP: a government sponsored tech incubator. He has over 36 years of experience in Information Technology. He has achieved leadership positions in managing technology projects, creating & managing technology practices and strategic planning & Change Management. He has worked with Wipro as a Regional Manager between 1987 - 1994, with Sun Microsystems as Director between 1994 – 2000, with MindTree Consulting as Vice President between 2000 – 2005 and withss Fidelity Investments as SVP & Country Head — Technology between 2005 – 2018. He is CEO and co-founder of Recast Technologies Pvt Ltd.

**Mr. Bhaskar Sharma – Independent Director (Appointed w.e.f. September 16, 2024)**

Mr. Bhaskar Sharma has completed his double post-graduation degrees. He has done Master in Management Studies and Science (India). He also has done the Leadership Development Programme (INSEAD). His areas of expertise are marketing, brand building, building profitable businesses and categories through innovation led growth, lead high-caliber multi-cultural teams, micro-marketing and 3D consumer activation. He has over 35 years in FMCG companies such as Red Bull, Unilever, Bestfoods, etc. He is currently working as the Advisor to Red Bull

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India and an Independent Director on Polycab India Limited and on the Board of European Business Group (EBG). He is also a Member of the Board of Studies for courses at NMIMS, Mumbai and partner at Social Venture Partners (SVP).

**Mr. Jayant Gokhale – Independent Director (Appointed w.e.f. September 16, 2024)**

Mr. Jayant Gokhale holds Bachelor's degree in Commerce and Legislative Law. He is also a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He is a former Member of Committee formed by ICAI to lay down Roadmap for Convergence of Indian AS with IFRS and currently is member of Committee of Reserve Bank of India for Merger / Amalgamation of Urban Co-op Banks and IRDAI- Standing Committee on Accounting Issues (SCAI). He is a founder partner of Gokhale & Sathe Chartered Accountants, Mumbai. Setup in 1982, his firm has been the statutory auditor for leading Banks, Financial Institutions, NBFCs, PSUs and Corporates. He has been a faculty at leading institutes and authored 2 publications.

**Mr. G. Ramesh – Managing Director & CEO (Appointed w.e.f. July 1, 2012)**

Mr. G. Ramesh is the founder employee of HDB, having joined the Company on September 3, 2007 and has been a Board member since 2012. Ramesh holds a bachelor's degree in Mechanical Engineering and completed his Post-graduate diploma in Management from Indian Institute of Management, Lucknow. He has also completed a course in International Banking from the Bank of New York, New York. He has over 30 years of experience in Business Development, banking, consumer finance and operations. He was associated with Companies in the financial services industry such as Countrywide Consumer Financial Services Limited and HDFC Bank Limited. He was also associated with Enam Asset Management Company Private Limited and Intelenet Global Services Private Limited as their Chief Operating Officer.

(ii) Details of Key Management Personnel of the Company and their profile

**Jaykumar Shah – Chief Financial Officer (Appointed w.e.f. March 11, 2022)**

Mr. Jaykumar Shah is an Associate member of the Institute of Chartered Accountants of India having membership no.106353. He has completed Senior Leaders' Programme & General Management from Indian Institute of Management Ahmedabad. Mr. Jaykumar Shah has over 22 years of success in building a robust finance function, developing a strong culture driven towards success and advising clients across billion dollar businesses. He has successfully managed major global projects across Europe and AsiaPac in the past.

Mr. Jaykumar Shah completed his CA in 1998. He worked with PricewaterhouseCoopers LLP in Mumbai, London and Singapore from 2000 - 2013. He joined Royal Bank of Scotland, as Chief Financial Officer from 2013 to 2018. Prior to joining the Company, Mr. Jaykumar Shah worked with L&T Financial Services Ltd, as a Deputy Group CFO from December 2018 to June 2021. He was part of the core group responsible for strategic think tank (including future readiness, capital efficiency) for L&T as part of the future leaders programme.

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**Ms. Dipti Khandelwal – Company Secretary (Appointed w.e.f. January 18, 2017)**

Ms. Dipti Khandelwal holds a bachelor's degree in commerce along with the post-graduation in law and membership of Institute of Company Secretaries of India (FCS No. 11340). She has around 17 years of work experience in corporate law, secretarial & compliance areas. In her last assignment, she had worked as the Company Secretary and Compliance Officer for Volkswagen Finance Pvt. Ltd.

**E. Management's perception of Risk Factors:**

As per **Section N** of the General Information Document

**F. Name, address, DIN and occupations of the directors:**

Name of the Director	Designation	DIN	Address of Director	Occupation
Mr. Arijit Basu	Part Time Non-Executive Chairman and Independent Director.	06907779	Om Ratan Bldg, 7 <sup>th</sup> Floor, 70, Sir Pochkhanwala Road, Mumbai - 400018	Professional
Mr. Venkatraman Srinivasan	Independent Director	00246012	73, Keshav Smruti, 88, Veer Savarkar Marg, Shivaji Park, Mumbai- 400 028	Chartered Accountant
Ms. Smita Affinwalla	Independent Director	07106628	7A, A Block, 3 <sup>rd</sup> Floor, Khalakdina Terrace, August Kranti Marg, Mumbai- 400 036	Consultant
Dr. Amla Samanta	Independent Director	00758883	13, Meera Baug, Santacruz West, Mumbai – 400054	Professional
Mr. Adayapalam Viswanathan	Independent Director	08518003	1502 Godrej Serenity, Deonar, Mumbai – 400088	Professional
Ms. Arundhati Mech	Independent Director	09177619	Gr-B, Glenmore Apartment, Sriram Nagar, North Street, Alwarpet, Chennai – 600018	Professional
Mr. Jimmy Tata	Non-Executive Director	06888364	Sea Side, Bhulabhai Desai Road, Mumbai - 400 036	Service
Mr. Jayesh Chakravarthi	Independent Director	08345495	231, 6 <sup>th</sup> , A Cross, Panduranganagar Arikere, Bengaluru, 560076	Consultant
Mr. Jayant Gokhale	Independent Director	00190075	10, Ichchhapoorti, Anant Patil Road, Gokhale Road North, Dadar (W), Mumbai 400028	Chartered Accountant
Mr. Bhaskar Sharma	Independent Director	02871367	E-2601, Oberoi Splendor, JVLR, Opp. Majas Depot, Jogeshwari (E) Mumbai - 60	Consultancy Business
Mr. Ramesh G	Managing Director & Chief Executive Officer	05291597	C – 101, Ashok Gardens, Tokersey Jivraj Road, Sewree, Mumbai 400015	Service

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**G. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:**

- (i) Statutory Dues: Nil
- (ii) Debentures and interest thereon: Nil
- (iii) Deposits and interest thereon: Nil
- (iv) Loans from banks and financial institutions and interest thereon: Nil

**H. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:**

Name: Dipti Khandelwal  
Designation: Company Secretary  
Address: HDB House, Tukaram Sandam Marg, A-Subhash Road, Vile Parle (E) Mumbai – 400057, Phone No.:022-49116368  
Email: compliance@hdbfs.com

**I. Registrar of the Issue:**

Name: As per the PAS-4 to the relevant Key Information Document(s) Address: As per the PAS-4 to the relevant Key Information Document(s)

Logo: As per the PAS-4 to the relevant Key Information Document(s)

Telephone Number: As per the PAS-4 to the relevant Key Information Document(s)

Fax number: As per the PAS-4 to the relevant Key Information Document(s)

Website: As per the PAS-4 to the relevant Key Information Document(s)

Email address: As per the PAS-4 to the relevant Key Information Document(s)

**J. Valuation Agency:**

NA

**K. Auditors:**

Name: As per the PAS-4 to the relevant Key Information Document(s)

Address: As per the PAS-4 to the relevant Key Information Document(s)

Telephone Numbers: As per the PAS-4 to the relevant Key Information Document(s)

Email Address: As per the PAS-4 to the relevant Key Information Document(s)

Contact Person: As per the PAS-4 to the relevant Key Information Document(s)

**L. Any Default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:**

Nil

**M. Particulars of the Offer:**

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### Financial Position of the Company for last 3 (three) financial years:

Financial Particulars	2023-2024 (Ind-AS)	2022-2023 (Ind-AS)	2021-2022 (Ind-AS)
Turnover	14,171.12	12,402.88	11,306.29
Net Profit (After Tax)	2,460.84	1,959.35	1,011.40
Networth	12,802.76	10,436.10	8,488.56

Date of passing of Board Resolution	As per the relevant Key Information Document
Date of passing of resolution in general meeting, authorizing the offer of securities	As per the relevant Key Information Document
Kind of securities offered and class of security, the total number of shares or other securities to be issued;	As per the relevant Key Information Document
Price at which the security is being offered, including premium if any, along with justification of the price	As per the relevant Key Information Document
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable
Relevant date with reference to which the price has been arrived at	Not Applicable

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The class or classes of persons to whom the allotment is proposed to be made	Not Applicable
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)	Not applicable
The proposed time within which the allotment shall be completed	Issue Opening Date: As per the relevant Key Information Document Issue Closing Date: As per the relevant Key Information Document Pay-in Date: As per the relevant Key Information Document Deemed Date of Allotment: As per the relevant Key Information Document
The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Not Applicable
The change in control, if any, in the company that would occur consequent to the private placement	As per the relevant Key Information Document.
The number of persons to whom allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price	As per the relevant Key Information Document

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The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Nil, as the Debentures are being issued for cash		
Amount, which the Company intends to raise by way of securities	As per the relevant Key Information Document		
Terms of raising of securities:	Duration, if applicable:	As per the relevant Key Information Document	
	Rate of Interest:	As per the relevant Key Information Document	
	Mode of Payment	NEFT/RTGS	
	Mode of Repayment	Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the Debenture Holder	
Proposed time schedule for which the Issue/private placement offer cum application Letter is valid	Series Opening Date: As per the relevant Key Information Document Series Closing Date: As per the relevant Key Information Document Pay-in Date: As per the relevant Key Information Document Deemed Date of Allotment: As per the relevant Key Information Document		
Purpose and objects of the Issue/Offer	As per the relevant Key Information Document		
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects	Not Applicable		
Principal terms of assets charged as security, if applicable	As per the relevant Key Information Document		

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The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the ongoing concern status of the Company and its future operations	Nil
The pre-issue and post issue shareholding pattern of the company	As per the relevant Key Information Document

**II. Mode of payment for subscription:**

NEFT/RTGS/Electronic bank transfers on the EBP platform.

**III. Disclosure with regard to interest of directors, litigation, etc:**

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil										
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	To the best of the knowledge of the Issuer, there are no claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to the Issuer during the last 3 (three) years, which would have a material adverse effect on the ability of the Company to make the scheduled payments in relation to the Debentures.										
Remuneration of directors (during the current year and last 3 (three) financial years)	<table border="1"> <thead> <tr> <th>Financial Year</th><th>Amount (Rs. In Crore)</th></tr> </thead> <tbody> <tr> <td>2021-22</td><td>5.26</td></tr> <tr> <td>2022-23</td><td>6.03</td></tr> <tr> <td>2023 -24</td><td>8.12</td></tr> <tr> <td>2024-25 (projected)</td><td>9.00</td></tr> </tbody> </table>	Financial Year	Amount (Rs. In Crore)	2021-22	5.26	2022-23	6.03	2023 -24	8.12	2024-25 (projected)	9.00
Financial Year	Amount (Rs. In Crore)										
2021-22	5.26										
2022-23	6.03										
2023 -24	8.12										
2024-25 (projected)	9.00										



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Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of the private placement offer cum application letter including with regard to loans made or guarantees given or securities provided	Please refer to <b>Chapter I</b> of this Private Placement Offer cum Application Letter.
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of the private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	NIL
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of issue of the private placement offer cum application letter in the case of the Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	NIL. Further, the Company does not have any subsidiary as on date.
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	NIL

#### IV. Financial Position of the Company:

The capital structure of the company:	
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	<table> <tr> <th>Share Capital</th><th>Amount (in Rs.)</th></tr> <tr> <td><b>Authorised Share Capital</b></td><td>Rs. 10,01,55,00,000 comprising: 1,00,15,50,000 Equity Shares of Rs. 10/- each</td></tr> <tr> <td><b>Issued, Subscribed and Paid- up Share Capital</b></td><td>Rs. 7,93,07,45,660 comprising: 79,30,74,566 Shares of Rs.10 each</td></tr> </table>	Share Capital	Amount (in Rs.)	<b>Authorised Share Capital</b>	Rs. 10,01,55,00,000 comprising: 1,00,15,50,000 Equity Shares of Rs. 10/- each	<b>Issued, Subscribed and Paid- up Share Capital</b>	Rs. 7,93,07,45,660 comprising: 79,30,74,566 Shares of Rs.10 each
Share Capital	Amount (in Rs.)						
<b>Authorised Share Capital</b>	Rs. 10,01,55,00,000 comprising: 1,00,15,50,000 Equity Shares of Rs. 10/- each						
<b>Issued, Subscribed and Paid- up Share Capital</b>	Rs. 7,93,07,45,660 comprising: 79,30,74,566 Shares of Rs.10 each						
Size of the Present Offer	As per the relevant Key Information Document						
Paid-up Capital: a. After the offer: b. After the conversion of Convertible Instruments (if applicable) c. Share premium account (before and after the offer)	As per the relevant Key Information Document						
Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration	Please refer to <b>Chapter IV</b> of this Private Placement Offer cum Application Letter						
The number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter:	<b>None</b>						

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Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of issue of the private placement offer cum application letter	Please refer to <b>Chapter II</b> of this Private Placement Offer cum Application Letter.
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	Please refer to Chapter II.
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of the private placement offer cum application letter	Please refer to <b>Annexure II</b> of the General Information Document.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of the private placement offer cum application letter	Please refer to <b>Chapter III</b> of this Private Placement Offer cum Application Letter.
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	None

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## CHAPTER I:

**Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided:**

Related Party	Nature of Relationship	Nature Of Transaction	For the year ended	For the year ended	For the year ended
			March 31, 2024	March 31, 2023	March 31, 2022
HDFC Bank Ltd	Holding Company	Bank charges	9.56	15.35	12.20
		Charges for back office support services received / recoverable	533.67	984.41	921.26
		Charges for sales support services received / recoverable	1,140.05	1,821.96	1,607.28
		Commission on sourcing of credit cards received / recoverable	-	-	1.71
		BBPS Charges	0.81	-	-
		Corporate logo license fees	26.16	17.19	14.63
		Dividend paid	232.68	142.61	-
		Fixed deposits placed	-	-	17.77
		Interest paid on non-convertible debentures	198.23	301.45	185.85
		Interest paid on term loan and OD account	575.46	376.36	312.90
		Interest received on fixed deposits	1.79	2.71	5.47
		Investment banking fees paid	0.18	0.01	0.56
		IPA charges	0.02	0.00	-
		Purchase of fixed assets	-	-	-
		Receipt of secondment charges	-	-	-
		Reimbursement of IT Expenses	0.36	1.51	0.89

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		Reimbursement of R & M charges received /receivable	-	-	-
		Rent paid for premises taken on sub-lease	2.75	2.83	2.37
		Rent received / receivable for premises given on sub-lease	-	-	-
		Securities purchased during the year	200.00	-	1,310.00
		Securitization	-	-	-
		Term loan availed during the year	6,700.00	3,350.00	4,050.00
		Term loan paid during the year	-	-	-
		Tele collection charges / field collection charges received / recoverable for collection services rendered	275.83	255.65	220.58
HDFC Securities Ltd.	Entities under common control	Commission on sourcing of loans	-	0.01	-
		Rent Received/Receivable from HDFC Securities for premises given on Sub-lease	0.09	0.10	0.07
		Recovery of expenses	0.12	0.01	-
Arijit Basu, Adayapalam Viswanathan, Arundhati Mech, Dr Amla Samanta, Jayesh Chakravarthi, Smita Affinwala, Venkatraman Srinivasan,	Directors (Key Managerial Personnel)	a) Short term employee benefits	7.35	6.43	5.48
		b) post-employment benefits	-	-	-
		c) Other long-term benefits	-	-	-
		d) Termination benefits	-	-	-
		e) Share based Payments #	1.51	0.37	0.48

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Jimmy Tata, G Ramesh		f) Commission paid	0.81	0.33	0.30
HDFC Ergo General Insurance Company Limited, HDFC Life Insurance Company Limited, HDFC Trustee Company Limited	Entities under common control	Insurance commission received / receivable	61.39	21.17	16.08
		Insurance premium paid	2.21	0.55	1.86
		Rent received / receivable for premises given on sub-lease		-	-
		Rent paid / payable	-	-	-
		Receipt of funds	150		
		Redemption of bonds(Including Premium)	42.21		

**CHAPTER II: (a) Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of issue of private placement offer cum application letter (b) dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid) and (c) summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of private placement offer cum application letter:**

Particulars	FY 2023-24 (Audited) (IND-AS)	FY 2022-23 (Audited) (IND-AS)	FY 2021-22 (Audited) (IND-AS)
Total Debt	74,331	54,865	48,973
which – Non Current Maturities of	48,763	35,351	31,618
- Long Term Borrowing			
- Short Term Borrowing	4,047		

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- Current Maturities of Long Term Borrowing	21,520	19,513	17,355
Net Fixed Assets	185	143	90
Non-Current Assets	56,755	43,432	37,666
Cash and Cash Equivalents	648	396	477
Current Investments	3,341	1,185	2,144
Current Assets	35,801	26,619	24,360
Current Liabilities	29,317	22,739	20,454
On balance sheet assets	92,557	70,050	62,026
Off balance sheet assets	563	279	163
Net worth	12,803	10,436	8,489
<b>Parameters</b>	<b>FY 2023-24 (IND-AS)</b>	<b>FY 2022-23 (IND-AS)</b>	<b>FY 2021-22 (IND-AS)</b>
Total revenue	14,171	12,403	11,306
Net Interest Income	6,292	5,416	5,037
Profit before tax	3,305	2,627	1,348
Profit after tax	2,461	1,959	1,011
Dividend declared	Interim Rs 2 per share (20%) Final Rs.1 per share (10%)	Interim Rs 0.90 per share (9%) Final Rs.1.10 per share (11%)	Final Rs.1 per share (10%)
Interest Coverage Ratio [(Cash profits after tax + interest paid) / interest paid]	N.A	N.A.	N.A.

**CHAPTER III: Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of private placement Offer cum application letter:**

Please refer to Section F of the General Information Document

**CHAPTER IV: Details of the existing share capital of the Issuer in a tabular form, as on June 30, 2024 indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration**

Please refer to Section G of the General Information Document

**PART B– APPLICATION LETTER\***

(To be filed by the Applicant)

- (i) Name: As per the PAS-4 to the relevant Key Information Document(s)
- (ii) Father's name: As per the PAS-4 to the relevant Key Information Document(s)
- (iii) Complete Address including Flat/House Number, street, Locality, pin Code: As per the PAS-4 to the relevant Key Information Document(s)
- (iv) Phone number, if any: As per the PAS-4 to the relevant Key Information Document(s)
- (v) email ID, if any: As per the PAS-4 to the relevant Key Information Document(s)
- (vi) PAN Number: As per the PAS-4 to the relevant Key Information Document(s)
- (vii) Bank Account Details: As per the PAS-4 to the relevant Key Information Document(s)

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(viii) Tick whichever is applicable: As per the PAS-4 to the relevant Key Information Document(s)

(a) The applicant is not required to obtain Government approval under the Foreign Exchanges Management (Non-debt Instrument) Rules, 2019 prior to subscription of shares -

(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instrument) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith -

Signature

Initial of the Officer of the company designated to keep the record

\*Addressed applicants may please send the dully filled and signed Application Form (enclosed as Annexure to the KID) to the Company's corporate office address HDB House, Tukaram Sandam Marg, A-Subhash Road, Vile Parle (E) Mumbai – 400057.

**A DECLARATION BY THE DIRECTORS THAT -** (a) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder; (b) the compliance with the said Act and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; (c) the monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter;


I am authorised by the Board of Directors of the Company vide resolution number 2(vii) dated April 16, 2024, 3(ii) dated May 17, 2024 read with Circular resolution passed by the Board on October 10, 2024 to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly, and legibly attached to this form.

For HDB Financial Services Limited

  
Name: Ramesh G. ,  
Designation: Managing Director & CEO



Date: October 10, 2024  
Place: Mumbai

  
Name: Mr. Jaykumar Shah  
Designation: Chief Financial Officer





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**Attachments:-**

- Copy of Board resolution:
- Copy of shareholders resolution:
- Terms of Issue
- Valuation Report (not applicable)
- Cash Flow Statements
- Application Form

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## **ANNEXURE IV**

### **BOARD RESOLUTION AND THE SHAREHOLDER RESOLUTION**

*[Attached Separately]*

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## **ANNEXURE V**

### **IN-PRINCIPLE APPROVAL OF STOCK EXCHANGE**

*[Attached Separately]*

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## ANNEXURE VI

**Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer**

#	FY	Money involved in fraud (Rs. In lakh)	Amount recovered (Rs. In lakh)	Nature of Fraud	Action taken by the Company
1	2020-21	1,146.29	469.97	Misappropriation of Cash, Criminal Breach of Trust, Cheating and Forgery by personnel of the Company	Employees were terminated. FIR / Complaints were filed against employees. An advertisement issued for educating investors / borrowers to be cautious of the fake account number. Insurance claim was filed
2	2021-22	468.55	83.48	Misappropriation of Cash, Criminal Breach of Trust, Cheating and Forgery by personnel of the Company and customers	Employees were terminated. FIR / Complaints were filed against employees and customers. Insurance claim was filed
3	2022-23	58.00	16.33	Misappropriation of Cash, Criminal Breach of Trust, Cheating and Forgery by personnel of the Company and customers	Employees were terminated. FIR / Complaints were filed against employees and customers. Insurance claim was filed
4	2023-24	188.35	0.77	Misappropriation of Cash, Criminal Breach of Trust, Cheating and Forgery by personnel of the Company and customers	Employees were terminated. FIR / Complaints were filed against employees and customers. Insurance claim was filed

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## ANNEXURE VII

**The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default**

### Lending Policy

HDB Financial Services (HDBFS) is a leading Non-Banking Financial Company (NBFC) that caters to the growing needs of an Aspirational India, serving both Individual & Business Clients. HDBFS maintains a strong commitment to ethical conduct. Transparency is ingrained in the structure of our Code of Ethics and our compliance policies to ensure that the highest standards of professional conduct are consistently reinforced and embedded in every corner of the organisation. With this objective in mind, HDBFS has adopted a comprehensive Loan Policy encompassing its overall loaning activities. The Loan Policy is supplemented by various Board approved product policies adopted from time to time.

### Products and Services

HDBFS is engaged in the business of Loans, Fee based products and BPO services. HDB's range of product offerings encompasses Consumer Loans, Enterprise Loans, Asset Finance and Micro-Lending.

Consumer Loans Portfolio comprises Consumer Durable Loans, Digital Product Loans, Lifestyle Product Loans, Personal Loans, Auto Loans, Two-Wheeler Loans, Gold Loans.

Various Loans offered to enterprises include Unsecured Business loans, Enterprise Business Loan. HDBFS provides Loan against Property, Loan against Lease Rental, Auto Refinance, Loan against securities.

HDBFS offers loans for the purchase of new and used vehicles and equipment for income generation to its borrowers which includes Commercial Vehicle Loans, Construction Equipment Loans, Tractor Loans.

HDBFS offers micro-loans to borrowers through the Joint Liability Groups (JLGs) framework.

### Digital Lending Journey

HDBFS has initiated strategic partnerships with new-age Fintech players in the country to provide best in class, innovative digital solutions, and services. These collaborations have been successful in demonstrating an improved customer experience in conjunction with a convenient digital KYC process, quick application approval and disbursal of funds. These digital offerings include Digital Login, e-NACH & e-Sign, Credit Report.

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Customer Service Digital Channels of HDBFS includes HDB on the Go App, WhatsApp Account Management, Customer Service Bot - #Ask Priya, Missed Call Service, Customer Portal.

**Key Initiatives of HDBFS includes:**

- Digital Pre-Approved Offers
- Fintech Partner Integration
- RM (Relationship Management) and VRM (Virtual Relationship Management)
- Aabhaar Card (Loyalty Card)

**Credit Administration**

**Interest Rate Policy:** HDB's interest rate policy is a flexible one and tailor made to particular loan product keeping in mind that usurious rates are not charged to the customers. An appropriate ceiling has been fixed on the interest, including processing and other charges that could be levied on such loans and are suitably publicised for transparency.

**Delegation of Power:** HDBFS takes suitable precautions to avoid irregular practices such as sanctioning of advances beyond discretionary powers in order to minimise chances of frauds. Credit authorities are assigned and monitored by the central credit team through a credit assignment system – approval authorities have been delegated from the Board as per the authority matrix.

**Exposure norms (Concentration of Credit/Investment):** As a prudential measure aimed at better risk management and avoidance of concentration of credit risks, the Company introduces exposure limits to single borrower and group of borrowers/ group of connected counterparties.

**Scope of counterparties and exemptions:** Following the regulatory guidelines, all its counterparties and groups of connected counterparties, are considered for exposure limits except those as mentioned.

**Definition of connected counterparties:** Two or more natural or legal persons shall be deemed to be a group of connected counterparties if at least one of the following criteria is satisfied:

- (a) Control relationship
- (b) Economic interdependence

The group definition shall comprise of retail customers as a set of borrowers, either as applicant / co- applicant, who have formed an economic entity.

**KYC/ALM**

The objective of KYC/AML/CFT guidelines is to prevent banks from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities. The Company has implemented the provisions of the Prevention of Money-Laundering Act, 2002 and the Prevention of Money-Laundering (Maintenance of Records)

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Rules, 2005, as amended from time to time by the Government of India as notified by the Government of India, including operational instructions issued in pursuance of such amendment(s).

“Digital KYC” means the capturing live photo of the customer and officially valid document or the proof of possession of Aadhaar, where offline verification cannot be carried out, along with the latitude and longitude of the location where such live photo is being taken by an authorised officer of the RE as per the provisions contained in the Act.

## Gold Loan

Following safeguards has been observed in case of Advances against pledge of Gold / Silver ornaments:

Ownership of Ornaments - The Company satisfies itself about the ownership of the gold ornaments etc. before accepting them for pledge.

- Appraiser - the company appoints an approved jeweller or shroff as an appraiser for valuation of the gold ornaments.
- Valuation Report - The valuation report is duly signed by the appraiser and kept along with the loan documents by the Company.
- Record of Security - detail are recorded in the gold ornaments register which should be checked/ initialled by the Manager.
- Custody of Ornaments - The ornaments belonging to each borrower together with a list indicating the description of ornaments, gold loan account number, name of party, etc. are kept separately in small cloth bags.
- Period - The period restricted to 6 months or 1 year.
- Margin - Adequate margin on the market value are maintained.
- Return of Ornaments - On repayment, the ornaments are returned to the borrower and his receipt obtained in token of having received the ornaments.
- Default - The borrower fails to repay the loan on the due date.
- Insurance - The Company takes insurance policy covering cash, jewels and other valuables and also covering all types of risks.
- Verification - Surprise verification of the packets containing gold / silver ornaments by an officer other than the joint custodian are undertaken and is recorded in a separate register.

## Monitoring Operations in Loan Accounts

The Company has put in place a mechanism for proper monitoring of the end use of funds.

The Company put in place such arrangements as may be considered necessary to ensure that disbursed funds are used strictly for the purpose for which the credit limits are sanctioned.

## NPA Management

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On an annual basis, stress testing on the portfolio is carried out using the ECL framework. Regular portfolio asset monitoring is done quarterly and updated to the board as part of the presentation made to the Risk Management Committee (RMC).

### **Frauds Monitoring in Loan Portfolio**

The Company has taken appropriate steps to review and tighten its internal administration and control measures so as to eliminate the scope for misuse/diversion of funds and malpractices.

### **Valuation of properties-empowerment of valuers**

Standard selection criteria are defined

### **Policy on Sensitive Sector Exposure (SSE)**

Exposure to capital market (direct and indirect) and commercial real estate shall be reckoned as sensitive exposure for NBFCs. The Company's capital market exposures would include both their direct exposures and indirect exposures. Exposures to entrepreneurs for acquiring real estate for the purpose of their carrying on business activities, which would be serviced out of the cash flows generated by those business activities. The exposure could be secured by the real estate where the activity is carried out, as would generally be the case, or could even be unsecured.

### **Sectoral Exposure Norms**

The sectoral exposure includes credits to particular segment and/or geography. The Company's credit exposure to geographies are well diversified.

### **Regulatory Restriction on Loans**

- Loans and advances to Directors
- Loans and advances to Senior Officers of the Company
- Large Exposure Framework

### **Policy on Restructuring of Advances**

The Company's loan re-structuring policy is guided by the broad parameters.



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### **ANNEXURE VIII**

#### **DETAILS OF BRANCHES**

<b>Sr. No. / Ag. No.</b>	<b>Branch Name (Reported to RBI)</b>	<b>State</b>	<b>City</b>	<b>Branch Address</b>
1	Rajkot - CV	Gujarat	Rajkot	Heera Panna Commercial Complex", 3rd Floor, Dr. Yagnik Road, Rajkot-360001
2	Lucknow, Ameenabad	Uttar Pradesh	Lucknow	First Floor, Vedraj Complex, 92-D, Goutam Budh Marg, Near Ameenabad, Lucknow-226018
3	Bhiwani	Haryana	Bhiwani	Showroom No-4, First Floor, Geeta Kunj Market, Circular Road, Bhiwani - 127021
4	Panipat 2	Haryana	Panipat	L-224, Model Town, 1st Floor, Opp. Hotel Spicy, Ram Lal Chowk, Panipat – 132103
5	Ludhiana 5, Shimlapuri	Punjab	Ludhiana	B-21-4243/2, First Floor, Khasra No.8057/802-8058/802, Khata No.436/1/551, Shimla Puri, Gill No.2, Ludhiana - 141003
6	Agra 2	Uttar Pradesh	Agra	Kothi No.13, MNC No.32/106/4 A, Arihant Tower, Second Floor, Opp. D.M. Compound, Sai Ka Takiya, M.G. Road, Agra - 282001
7	Ambala 2	Haryana	Ambala	SCO-9, Sector-9, First Floor, Ambala - 134003
8	Ludhiana - 6	Punjab	Ludhiana	B-XIX-1135/B/1-A, B-XIX-1135/2/1-A & B-XIX-1135/2/1-B, 2nd Floor, Jagdambe Complex, Opp. Bath Collection, Rajpura Road, Ludhiana - 141001
9	Kaithal	Haryana	Kaithal	SCO No.329, First Floor, Sector-20, HUDA, Kaithal - 136027
10	Cuttack	Odisha	Cuttack	Second Floor, Sumitra Plaza, Badam Badi, Post-Arundya Market, Near Badambari Bus Stand, Cuttak-753012
11	Raipur 2	Chhattisgarh	Raipur	4th Floor, Pujari Commercial Complex, Pujari Chember, Panchmedi Naka, Raipur - 492001
12	Nawanshahr	Punjab	Nawanshahr	Second Floor, Khasra No.3914/2489, Gill Plaza, Opp. Axis Bank, Banga Main Road, Nawanshahr-144514

**Private and Confidential – For Private Circulation Only**  
**General Information Document for Issue of Non-Convertible Debentures on a**  
**private placement basis**  
**October 10, 2024**  
**Ref: No: 2024-25/GID**

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13	Ghaziabad 2	Uttar Pradesh	Ghaziabad	Building No.12, First Floor, Sector-1, Navyug Market, Ghaziabad - 201001
14	Kota-2	Rajasthan	Kota	Aman Business Tower, First Floor (Back Side), Plot No.2-KA-33, Vigyan Nagar, Jhalawar Road, Kota – 324009
15	Kanpur-3	Uttar Pradesh	Kanpur	MCS Building, Near Honda Showroom, 96/5, Chunniganj, The Mall, Kanpur-208001
16	Jhansi	Uttar Pradesh	Jhansi	493, Stephen House, Third Floor, Opp. Munna Lal Power House, Civil Lines, Gwalior Road, Jhansi - 284001
17	Jamnagar - 2	Gujarat	Jamnagar	403, 4th Floor, Kailash Heights, Near Gokulnagar Jakat Naka, Indira Road, Jamnagar - 361001
18	Nokha	Rajasthan	Nokha	Plot No.686, Pareek Complex, RG Bhattar Chowk, Pipli Chowk, Nokha-334803
19	Kashmiri Gate	Delhi	New Delhi	Plot No.2939, Third Floor, Hamilton Road, Kashmiri Gate, New Delhi – 110006
20	Amritsar - 3	Punjab	Amritsar	533/1, First Floor, Mahajan Refreshment House, Hall Bazaar, Amritsar – 143001
21	Malda	West Bengal	Malda	Bhairabnath Abasan Building, Shop No.3-C, Third Floor, Manaskamana Road, Near NH-34, PO-Malda, PS-English Bazar, Malda - 732101
22	Morbi	Gujarat	Morbi	Krupanidhi Complex, Second Floor, Above UCO Bank, Opp. Sardar Baug, Sanala Road, Morbi – 363641
23	Jaipur 6 (Ajmer Road)	Rajasthan	Jaipur	Office No.F-1, First Floor, Jagdamba Tower, Amrapali Circle, Vaishali Nagar, Jaipur – 302032
24	Rajahmundry	Andhra Pradesh	Rajahmundry	D.No.73-13-3/1, First Floor, A.V.Apparao Road, Srinivasa Nagar Extention, Rajahmundry – 533103
25	Royapettah	Tamil Nadu	Chennai	Balaji Tower, Second Floor, New No.31, Thiru Vika Road, Royapettah, Chennai-600014
26	Manjalpur, Vadodara	Gujarat	Baroda	First Floor, Office No. 23 & 24, Silver Coin Complex, Opp. Bhavan's School, Makarpura Road, Manjalpur, Vadodara – 390009
27	Chandigarh, Sec. 7C	Chandigarh UT.	Chandigarh	First Floor, SCO-22, Sector - 7C, Madhyamarg, Chandigarh - 160019
28	Pammal	Tamil Nadu	Chennai	Plot No.8, Old No.6, New No.11, First Floor Pammal Main Road, Pammal, Chennai – 600075

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29	Tirupattur	Tamil Nadu	Tirupattur	No.15/3, First Floor, Pudupet Road, Tirupattur – 635601
30	Pallu	Rajasthan	Pallu	Ground Floor, Near State Bank of India, Vaka Mega Highway, Pallu - 335524
31	George Town, Chennai	Tamil Nadu	Chennai	Abarna Complex, Second Floor, No.51 Parrys Venkatachalam Iyer St., Broad Way Road, George Town, Chennai – 600001
32	Serampore	West Bengal	Serampore	61/C, Second Floor, G.T.Road (West), Ward No.6, Hooghly, Serampore – 712203
33	Hathras	Uttar Pradesh	Hathras	Survey No.1367, City Plaza, First Floor, Sadabad Gate, Hathras – 204101
34	Aligarh - 2	Uttar Pradesh	Aligarh	18/209, Second Floor, Krishna Complex, Durga Puri, Sasni Gate, Agra Road, Aligarh - 202001
35	Behror	Rajasthan	Behror	First Floor, Ward No.17, Above Mahendra Two Wheelers Agency, Alwar Road, Behror – 301701
36	Jodhpur 2	Rajasthan	Jodhpur	Plot No.757A, First Floor, MR Tower, Near 5th Road Choraha, Umaid Hospital Road, Chopsani Road, Sadarpura, Jodhpur - 342001
37	Firozabad	Uttar Pradesh	Firozabad	Pari Plaza, Chhingamal Ka Bagh, Sastri Market, Firozabad - 283203
38	Villivakkam	Tamil Nadu	Chennai	Plot No.8, Door No.15B, Lakshmi Complex, Second Floor, South High Court Colony, First Street, 8/14, New Avadi Road, Villivakkam, Chennai - 600049
39	Pokaran	Rajasthan	Pokaran	Ground Floor, Shop No.14, Jodhpur Road, Pokaran – 345021
40	Raigarh	Chhattisgarh	Raigarh	Khasra No.247/2, Plot no.36/1, Ward No.5, First Floor, Opp. Carmel School, Lamipur to Kirodimal Chowk, Dhimrapur Road, Jagatpur, Raigarh – 496001
41	Unnao	Uttar Pradesh	Unnao	Kashish Building, 31, Pitamber Nagar, Unnao – 209801
42	Bhajanpura	Delhi	New Delhi	Ground Floor, 583, Khasra No.341, Main Market Road. Bhajanpura, New Delhi - 110053
43	Gudiyattam	Tamil Nadu	Gudiyattam	No.1C, Second Floor, Police Line Street, Thalayattam Bazaar, Thalayattam, Gudiyattam – 632602

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44	Marthandam	Tamil Nadu	Marthandam	D.No. 27-53/7F & 8F, Lal Complex, First Floor, Thiruvananthapuram Main Road, Nallur Village, Paruthivilai, Marthandam - 629165
45	Tri Nagar, New Delhi	Delhi	New Delhi	Plot No.2150, First Floor, Main Road, Old Bus Stand Road, Near Kanhaiya Nagar Metro Station, Tri Nagar, New Delhi - 110035
46	Kotla (Mubarakpur)	Delhi	New Delhi	Plot No.802, Third Floor, Arjun Nagar, Village Kotla Mubarakpur, New Delhi – 110003
47	Thenkasi	Tamil Nadu	Thenkasi	57H/3, First Floor, Madurai Road, Railway Road, Thenkasi – 627811
48	Kekri	Rajasthan	Kekri	Plot No.04, Khasra No.5348, First Floor, Malviya Nagar Colony, Sawar (Sou) Road, Kekri - 305404
49	Moradabad	Uttar Pradesh	Moradabad	Building No.C-8, First Floor, City Plaza, Pandit Shankar Dutt Sharma Marg, Opp. Civil Lines Police Station, Moradabad – 244001
50	Banswara	Rajasthan	Banswara	Khasara No.279/3/1, First Floor, DND Complex, Dohad Road, Banswara – 327001
51	Chanda Nagar, Hyderabad	Telangana	Hyderabad	House No.4-63/1, Plot No.7 & 8, Second Floor, Huda Colony, Main Road, Chanda Nagar, Hyderabad – 500050
52	Bulandsher	Uttar Pradesh	Bulandshahr	4C, Second Floor, Mohalla Kotiyat, DM Road, Opp. Shivam Lodge, Awas Vikas Colony, Bulandsher - 203001
53	Ramanathapuram	Tamil Nadu	Ramanathapuram	First Floor, Sapthagiri Vaniga Valagam (Sri Sapthagiri Shopping Complex), 176, Vandikaran Street, Ramanathapuram - 623501
54	Bilaspur (HP)	Himachal Pradesh	Bilaspur	Khasra No.470, Second Floor, 35/3B, Main Market, Bilaspur – 174001
55	Palampur	Himachal Pradesh	Palampur	Ward No.2, First Floor, Palampur Bajinath Road, Near ICICI Bank, NH-20, Palampur - 176061
56	Hassan	Karnataka	Hassan	D.No.23-1-13-21, Eshwari Complex, Second Floor, BM Road, Opp. Sity Point, Hassan - 573201
57	Attur	Tamil Nadu	Attur	1017/395-A, Vetri Tower, First Floor, Salem-Cuddalore Main Road, Attur – 636102

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58	Subhanpura, Vadodara	Gujarat	Baroda	A-101, First Floor, Adalja Commercial Center, Opp. Ellora Milk Center, Ellora Park Main Road, Subhanpura, Vadodara – 390023
59	Baran	Rajasthan	Baran	Second Floor, Satyam Palace, Manoj ICE Factory, Baran – 325205
60	Kurnool	Andhra Pradesh	Kurnool	Ucon Jewel, First Floor, Opp. RTC Bus Stand, Kurnool – 518002
61	Burari	Delhi	New Delhi	Property No.760, Raghuvansh Plaza, Main Road, Shanti Swaroop Tyagi Marg, Above Bank of Baroda, New Delhi – 110084
62	Korba	Chhattisgarh	Korba	Plot No.646, Ward No.09, First Floor, Power House Road, Above HDFC Bank Ltd., T P Nagar, Korba Town, Korba - 495677
63	ABIDS	Telangana	Hyderabad	4-1-825/B, Lakshmi Estate, Second Floor, J N Road, ABIDS, Hyderabad - 500001
64	Rishikesh	Uttarakhand	Rishikesh	Plot No.267, First Floor, Kothari Complex, Dhalwala Road, Rishikesh Nagar By-pass Marg Rishikesh, Natrej Chowk, Rishikesh - 249201
65	Kapurthala	Punjab	Kapurthala	First Floor, B 25/106, Sultanpur Road, Kapurthala – 144601
66	Waghodia Road, Baroda	Gujarat	Baroda	Radhe Complex, A-76, Aadhar Co-operative Housing Society, Above Muthoot Finance, Near Nalanda Water Tank, Waghodia Road, Vadodara – 390019
67	Mysore 3 (Kuvempunagar)	Karnataka	Mysore	First Floor, Surya Prasad Complex, 1010, Udayaravi Road, Kuvempu Nagar E & F Block, Mysore -570023
68	Pattukottai	Tamil Nadu	Pattukottai	8, Jayaraj Complex, First Floor, Near Manikondur, Pattukottai – 614601
69	Thindivanam	Tamil Nadu	Thindivanam	SR Complex, Second Floor, 99/1, Mylam Road, Thindivanam – 604001
70	Madurai - 4	Tamil Nadu	Madurai	No.177, First Floor, GST Road, Lakshmi Alagar Tower, Thiupparangunram, Madurai – 625005
71	Virudhunagar	Tamil Nadu	Virudhunagar	74 A, Sukadhi, First Floor, Railway Feeder Road, Virudhunagar – 626001
72	Vellore - South	Tamil Nadu	Vellore	No.154 and 154/1, ABC Building, First Floor, Rathina Singh Kulam Street, Kosapet, Vellore – 632004

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73	Hansi	Haryana	Hansi	First Floor, Geeta Tower, NH-10, Bear New Mini Secretariat, Near Sector – 5, Hansi - 125033
74	Dharapuram	Tamil Nadu	Dharapuram	No.51/5, Second Floor, Annanagar, Dharapuram – 638656
75	Kullu	Himachal Pradesh	Kullu	House No.216, First Floor, Ward No.11, Gandhi Nagar, Kullu - 175101
76	Pehowa	Haryana	Pehowa	Second Floor, Rajrattan Complex, Main Chowk, Pehowa, Dist. Kurukshetra Pin - 136128
77	Bundi	Rajasthan	Bundi	Plot -10, First Floor, Narayan Tower, Gaytri Nagar, Civil Line Road, Bundi - 323001
78	Poanta Shahib	Himachal Pradesh	Poanta Shahib	Main Road, NH-72, Shamsheerpur, Poanta Shahib, Dist. Sirmour, Pin code – 173025
79	Vridhachalam	Tamil Nadu	Vridhachalam	818, First Floor, AKR Complex, Junction Road, Vridhachalam – 606001
80	Trichy-3	Tamil Nadu	Trichy	KRP Towers, No.1, First Floor, Above Indian Overseas Bank, Prakash Nagar, Trichy-Tanjore Main Road, Adjacent to IOCL Petrol Pump, Thiruverumbur, Trichy – 620013
81	Sulur	Tamil Nadu	Sulur	Door No.168, Second Floor, Trichy Road, Sulur – 641402
82	Surendranagar	Gujarat	Surendranagar	Office No.315 & 316, Third Floor, Mega Mall, Near Milan Cinema, S T Bus Stand Road, Surendranagar - 384260
83	Salem - 3	Tamil Nadu	Salem	Door No.1/1-88, No.251/3 NH7 Bangalore Bye Pass Road, Jarikondalampatti, Veerpandy, Salem – 636010
84	Agra 3	Uttar Pradesh	Agra	Hall No.4, Second Floor, City Mall, F Block Road, Kamla Nagar, Agra - 282004
85	Bhopal 3, Hamidia Road	Madhya Pradesh	Bhopal	Second Floor, Plot No.10-A/2, Second Floor, Maharaja Complex, Opp. Durga Mandir, Hamidia Road, Bhopal – 462001
86	Attingal	Kerala	Attingal	Door No.XVI/391 (20), Regency Mall, Second Floor, Kizhuvilam.P.O., Mamom, Attingal - 695104
87	Bala Nagar, Hyderabad	Telangana	Hyderabad	Al Ameen Plaza, H.No.6-3-134/1, Plot No.21, Third Floor, Above City Union Bank, Balanagar Ex Road, Balanagar, Hyderabad – 500037
88	Himmatnagar	Gujarat	Himmatnagar	Shop No.208, Second Floor, Sun Complex, Motipura, Himmatnagar – 383001

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89	Abohar	Punjab	Abohar	Second Floor, KC Plaza, Opp. Sun Beam Hotel, Bus Stand Road, Abohar – 152116
90	Bhilai	Chhattisgarh	Bhilai	Block No.33, Second Floor, Plot No.1/10, Dakshin Gangotri Vyaysayik Parisar, Supela, Bhilai – 490026
91	Makhu	Punjab	Makhu	Ward No.12, Ground Floor, Amritsar Road, Near Truck Union, Makhu – 142044
92	Eluru	Andhra Pradesh	Eluru	D.No.22B-13-3, Ground Floor, Power Peta, Opp. Shri Ram Chits, West Godavari District, Eluru – 534002
93	Mudichur Road	Tamil Nadu	Chennai	No.272/63A, Gandhi Road, Second Floor, Near Raymonds Showroom, Tambaram West, Chennai – 600045
94	Madanapalle	Andhra Pradesh	Madanapalle	No:14/2-5, Second Floor, Above IDBI Bank, Opp. Chaitanya Residency, CTM Road, Madanapalle - 517325
95	Kollam	Kerala	Kollam	Creative Complex, First Floor, Above ICICI Bank, Shastri Junction, Kadappakada, Kollam-691008
96	Vandavasi	Tamil Nadu	Vandavasi	New No.5, Rama Iyer Street, Above Tamilnadu Merchantile Bank, Vandavasi-604408
97	Visakhapatnam	Andhra Pradesh	Visakhapatnam	Pragti's Regent, H.No:14-1-42, Ground Floor, Adjacent to MORE Super Market, Nowuroji Road, Maharanipect, Vizag-530002
98	Mangalore - 2 (Kankanady)	Karnataka	Mangalore	"Hassan Heritage", F3A, F3B & F5, Door No: 17-2-68/18, 19 & 21, Near Badarmulla Hospitals, Kanakanady, Mangalore-575002
99	Bongaon	West Bengal	Bongaon	Ward No.15, Second Floor, Ramnagar Road, Korara Bangan, Dag No.1233, Khatian No.L.R.12966, J.L.No.116, 24 Parganas (North), Bongaon-743235
100	Haldwani	Uttarakhand	Haldwani	Second Floor, A.K.Tower, Above HDFC Bank, Durga City Centre, Haldwani - 263139
101	Madipur (Punjabi Bagh)	Delhi	New Delhi	21, First Floor, Bhagwan Dass Nagar, Ext-Rohtak Road, Near Punjabi Bagh Metro Station, Punjabi Bagh, New Delhi - 110026
102	Barabanki	Uttar Pradesh	Barabanki	4, Verma Market, East End, Near Dr. Verma Kothi, Faizabad Road, Barabanki – 225001

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103	Mundra	Gujarat	Mundra	Office No.1, Second Floor, Shree Crossway Complex, Opp. Shree Khodiyar Petrol Pump, Adani Port Road, Shakti Nagar, Mundra – 370421
104	Sadulpur	Rajasthan	Sadulpur	First Floor, Near Rajgarh Diesel Bus Stand Road, Above HDFC Bank, Sadulpur – 331023
105	Lakhimpur	Uttar Pradesh	Lakhimpur	Second Floor, Ward No.2, Haseeb Building, Kutchery Road, Opp. Sunhari Masjid, Lakhimpur Kheri, Lakhimpur – 262701
106	Neem Ka Thana	Rajasthan	Neem Ka Thana	Modi Tower, First Floor, Shahpura Road, Opp. BSNL Exchange, Neem Ka Thana - 332713
107	Thiruvapur	Tamil Nadu	Thiruvapur	No.35, VKS Plaza, Second Floor, South Street, Next To AKM Tower, Above ICICI Bank, Thiruvapur - 610001
108	Dahod	Gujarat	Dahod	C.S.No.5577, First Floor, Above State Bank of India, Godi Road, Dahod – 389151
109	Gangapur	Rajasthan	Gangapur	Khasara No- 37, Ground Floor, Higher Secondary School Road, Gangapur City, Gangapur – 322201 Dist. Sawai Madhopur
110	Gandhidham - 2	Gujarat	Gandhidham	Office No.9, First Floor, Solitaire Business Park, Plot No.46, Sector – 9, Opp. ST Bus Stand, Gandhidham – 370201
111	Chomu	Rajasthan	Chomu	Second Floor, Balaji Empire, Ward No.21, Above ICICI Bank, Chomu-303702
112	Morbi - 2	Gujarat	Morbi	Shop No.48 & 49, Shakti Chambers No.1, Near Dena Bank, National Highway, Morbi – 363642
113	Sendhwa	Madhya Pradesh	Sendhwa	Settlement No.209, Second Floor, Ward No.20, Shyamdas Colony, Nagar Palika Sendhwa, Opp. Veterinary Hospital, A B Road, Sendhwa-451666
114	Angul	Odisha	Angul	Third Floor, Mirania Tower, Gandhi Marg, Angul Town, Angul - 759122
115	Mansarovar, Jaipur	Rajasthan	Jaipur	First Floor, Shop No.16, 17, 21 and 22, Madhya Marg, Sector - 9, Mansarovar, Jaipur - 302020
116	Dabwali	Haryana	Dabwali	First Floor, Sangaria Road, Opp. Central Bank of India, Above TVS Village, Dabwali - 125104



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117	Nissing	Haryana	Nissing	First Floor, Near Gurunanak Filling Station, Above SBI Bank, Karnal Road, Nissing - 132024
118	Indore - 4	Madhya Pradesh	Indore	F-14, First Floor, Cross Road, Behind Vijay Nagar Police Station, Vijay Nagar Square, Indore – 452010
119	Orai	Uttar Pradesh	Orai	Second Floor, Opp. Mauni Temple, Rath Road, Near Hotel Shanti Place, Orai - 285001
120	Kota - 3	Rajasthan	Kota	Second Floor, 621, Shastri Nagar, Dadawari Main Road, Kota – 320009
121	Charkhi Dadri	Haryana	Charkhi Dadri	First Floor, Main Loharu Road, Near Geeta Niketan School, Charkhi Dadri - 127306 Dist.:Bhiwani
122	Nabha	Punjab	Nabha	First Floor, Grid Chowk, Beside Canara Bank, Nabha – 147001
123	Rajula	Gujarat	Rajula	FF-12, First Floor, Shree Siddhi Plaza, Jafrabad Road, Near By Pas Road, Rajula - 365560
124	Krishnagiri	Tamil Nadu	Krishnagiri	No.1/374-10, Second Floor, Royakottai Road, Rajaji Nagar, Krishnagiri-635001
125	Kannur	Kerala	Kannur	ELP 34/294, Madhav Apartment Building, Second Floor, Above Canara Bank, Post Office Chovva, Kannur - 670006
126	Arakkonam	Tamil Nadu	Arakkonam	Door No.69AB / 146A, Dharmarayan Street, Sholingur Road, Near Bus Stand, Arakkonam - 631001
127	Mahipalpur (Maqsoodpur)	Delhi	New Delhi	First Floor, E - 14, Mohalla Uprahi, Mahipalpur, New Delhi - 110037
128	Ganjbasoda	Madhya Pradesh	Ganjbasoda	First Floor, Ward No.12, Subhash Chowk, Station Road, Ganjbasoda - 464221
129	Uttam Nagar - 2	Delhi	New Delhi	Second Floor, Property No.6, Vipin Garden, Main Najafgarh Road, Opp. Metro Pillar No.800, New Delhi - 110059
130	Vanagaram (Thiruverkadu)	Tamil Nadu	Chennai	No.156/2A1, Second Floor, Parasakthi Nagar, Thiruverkadu Main Road, Kolady Village, Thiruverkadu, Chennai – 600077
131	Janjgir-Champa	Chhattisgarh	Janjgir-Champa	First Floor, Shop - 2B, New Champa Road, Janjgir-Champa - 495668
132	Bareilly - 2	Uttar Pradesh	Bareilly	Second Floor, C- 291/1, Rajendra Nagar, Pilibhit Road, Bareilly – 243122
133	Bhogal, New Delhi	Delhi	New Delhi	Third Floor, 64-C Hari Nagar, Ashram, New Delhi – 110014

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134	Noida - 3	Uttar Pradesh	Noida	New No.A-10B Old No.A-34B, Second Floor, Deepak Vihar Colony, Khoda, Opp. Sector – 57, Noida – 201301
135	Sagar	Madhya Pradesh	Sagar	Khasra No.172/33 & 174/25, Patwari Halka No.72 (Old No.11), Second Floor, Makroniya, Jabalpur Road, Sagar – 470003
136	Kawardha	Chhattisgarh	Kawardha	First Floor, Khasra No.927/3, Building No.71, Guru Govind Singh Marg, Kawardha - Raipur Bypass Road, Kawardha - 491995
137	Dungargarh	Rajasthan	Dungargarh	First Floor, Khasara No.428/7, NH-11, Shri Dungargarh - 331803 Bikaner
138	Baloda Bazar	Chhattisgarh	Baloda Bazar	First Floor, Solanki Complex, Beside Gyan Ganga School, Gaurav Path, Near Tiwari Chowk, Baloda Bazar - 493332
139	Koyambedu	Tamil Nadu	Chennai	Old No.147, New No.53, First Floor, Above Univercell, J Block, Vinayagapuram Main Road, MMDA, Arumbakkam, Chennai – 600106
140	Vijayawada - 2 (One Town)	Andhra Pradesh	Vijayawada	D.No.11-25-2, Second Floor, KT Road, Kothapet, Vijayawada – 520001
141	Jaipur, Chandpole Bazar	Rajasthan	Jaipur	Municipal No.294, Second Floor, Nand Sadan, Chandpole Bazar, Near Chandpole Gate, Jaipur – 302002
142	Ashok Nagar (K K Nagar)	Tamil Nadu	Chennai	First Floor, Sri Sai, Plot No.869, Door No.42, Dr. A. Ramasamy Road, K.K.Nagar, Chennai – 600078
143	Naroda, Ahmedabad	Gujarat	Ahmedabad	Shop No.202 & 203, Second Floor, Himalaya Square, Near Galaxy Cinema, Naroda, Ahmedabad – 382330
144	Gondal	Gujarat	Gondal	Shop No.11,12 and 13, First Floor, Yogi Mall, Opp. M B Arts College, Bhunehwari Road, Gondal – 360311
145	Mahendergarh	Haryana	Mahendergarh	Second Floor, M.M. Plaza, Near Raotularam Chowk, Mahendergarh - 123029
146	Nangal	Punjab	Nangal	First Floor, 207, Gurkirpa Complex, Railway Road, Village Nangal Nikku, Nangal – 140124
147	Basirhat	West Bengal	Basirhat	First Floor, Taki Road, Astana Road (South), Mouza Jirakpur, Ward No.21, Basirhat – 743411 District – North 24 Parganas
148	Modinagar	Uttar Pradesh	Modinagar	Second Floor, 87, Upper Bazaar, Punjab & Sind Bank Building, Modinagar – 201204

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149	Ghaziabad - 4	Uttar Pradesh	Ghaziabad	Second Floor, Raj Complex, Hari Niwas Market, Panchvati Colony, Near Bhatia More, GT Road, Ghaziabad - 201001
150	Rourkela	Odisha	Rourkela	Third Floor, M.S. Complex, Gafoor Colony, Uditnagar, Rourkela - 769012
151	Pilibhit	Uttar Pradesh	Pilibhit	Delhi Tyres, First Floor, Opposite Axis Bank, By Pass Road, Pilibhit - 262001
152	Coimbatore - 7 (Saravanapatti)	Tamil Nadu	Coimbatore	Mahaveer Tower, First Floor, 146-B, Saty Main Road, Saravanapatti, Coimbatore – 641035
153	Tilak Nagar (CV)	Delhi	New Delhi	2/12, First Floor, Mall Road, near Keys Ways Showroom, Tilak Nagar, New Delhi - 110018
154	Allahabad - 2	Uttar Pradesh	Prayagraj	Second Floor, 608 A, Roop Rang Building, Attarsuiya, Gol Park, Allahabad - 211002
155	Meham	Haryana	Meham	First Floor, Shop No.2794, Ward No.6, Near Bhivani Stand, Meham - 124112
156	Udaipur - 2	Rajasthan	Udaipur	Third Floor, 29/452, Municipal No.452, Ward No.29, Bhopa Magri, Hiran Magri, Sector - 3, Main Road, Udaipur – 313002
157	Chandigarh, Sec.21C	Chandigarh UT.	Chandigarh	Second Floor, SCO – 13, Sector 21C, Chandigarh – 160022
158	Navsari	Gujarat	Navsari	Office No.102, First Floor, Gayatri Complex, Grid Road, Kabilpore, Navsari – 396424
159	Mangaldoi	Assam	Mangaldoi	Third Floor, Ward No.5, M.G. Road, Near Police Station, Mangaldoi – 784125
160	Ramanattukara	Kerala	Ramanattukara	First Floor, Kuriyangara Building, Perumugham Junction, Ramanattukara - 673633
161	Salem - 4 (Ammapettai)	Tamil Nadu	Salem	First Floor, 489/170, Sakthi Tower, T.V.K. Road, Ward N, Block No. 18, T.S. No. 191, Ammapettai, Salem – 636003
162	Miryalaguda	Telangana	Miryalaguda	House No.18-706, Second Floor, Beside Vyshavi Hotel, Near Gandhi Statue, Sagar Road, Miryalaguda – 508207 District - Nalgonda
163	Rampura Phul	Punjab	Rampura Phul	Ground Floor, M.C. No. B – 32/1 (A), Bank Bazaar, Near Bank of India, Rampura Phul - 151103
164	Kanchipuram -2	Tamil Nadu	Kanchipuram	First Floor, No.60A, CV Rajagopal Street, Little Kanchipuram, Kanchipuram – 631501

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165	Tiruppur - 3	Tamil Nadu	Tiruppur	Door No.1B/4, Sarojini Complex, First Floor, Above RBS Super Market, Kangeyam Road, Tiruppur - 641604
166	Samrala	Punjab	Samrala	First Floor, Unit No. B-11/199, Above Muthoot Finance, Durlabh Nagar, Chandigarh Road, Samrala - 141114 Dist. Ludhiana
167	Bemetara	Chhattisgarh	Bemetara	First Floor, Khasra No. 1158/32, Ward No.7, Old Bus Stand Durg Road, Bemetara 491335
168	Baruipur	West Bengal	Baruipur	Ward No. 10, Second Floor, 830 Kulpi Road, Near Ravindra Bhavan, Post Office Baruipur, Baruipur - 700144
169	Kanhangad	Kerala	Kanhangad	Second Floor, Naya Bazar, Near Indian Coffey House, Kottacheri, Kanhangad – 671315
170	Adambakkam (St. Thomas Mount)	Tamil Nadu	Chennai	First Floor, 37/48, Vellalar Street, Adambakkam, Chennai - 600088
171	Lucknow - 4	Uttar Pradesh	Lucknow	First Floor, Plot No.C-13/121, Sector-13, Aryan Plaza, ward Rajajipuram, Lucknow - 226017
172	Kakkanad	Kerala	Kakkanad	Second Floor, Door No.11/275D2, Kallumkal Building Colony, Bus Stop, Vazhakala, Post Thrikkakara, Kakkanad - 682021
173	Sarangarh	Chhattisgarh	Sarangarh	Khasra No.985/986/1, P.H.No. 20/28, First Floor, R.I.Circle, Sarangarh – 496445
174	Kayamkulam	Kerala	Kayamkulam	A1 Square, First Floor, KP Road, Above Vijaya Bank, Kayamkulam – 690502
175	Coimbatore - 8 (Karumathampatti)	Tamil Nadu	Coimbatore	First Floor, Somanur Main Road, 79/A, Karumathampatti, Above Pasumai Pharmacy, Coimbatore - 641658
176	Tadipatri	Telangana	Tadipatri	First Floor, Ward No.15, House No.15/1356, GMK Complex, Opp. Diwakar Shadikhana, C.B. Road, Tadipatri - 515411
177	Balaghat	Madhya Pradesh	Balaghat	First Floor, Khasra No.351/12GH, Ward No.29, Municipal Building No. 14/6, Near New Satpura TVS Agency, Sharda Nagar, Balaghat – 481001, Dist. Balaghat
178	Satyanarayanan AC Market (Kolkata)	West Bengal	Kolkata	First Floor, Premises No.28, Raja Brojendra Street, under P.S.Posta, Ward No.23, Kolkata – 700007

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179	Trichy-4	Tamil Nadu	Trichy	Door No.2, 3 and 3/1, M S Tower, Second Floor, Covent Road, Cantonment, Trichy – 620001
180	Kolar	Karnataka	Kolar	First Floor, Site No.327, Hossabadavane, Doomlight Circle, Opp. Srinidhi Scans Kolar - 563101
181	Vanasthalipuram (Hyderabad)	Telangana	Hyderabad	First Floor, H.No.6-4-431, Plot No.79, SVS Simhas, NGO Colony Road, Above IDBI Bank, Vanasthalipuram, Hyderabad – 500661
182	Bhimavaram	Andhra Pradesh	Bhimavaram	H.No.22-11-9, Third Floor, Above IDBI Bank, Tathavarthi Vari Street, Near Mavullamma Temple, Bhimavaram – 534201
183	Hardoi	Uttar Pradesh	Hardoi	First Floor, Shop No.1, Station Road, Opp. Police Club, Railway Ganj, Hardoi - 241001 Dist. Hospital,
184	Anupgarh	Rajasthan	Anupgarh	First Floor, Shop No.6, New Dhan Mandi, Plot No.6, Opp. New Bus Stand, Tehsil - Anupgarh, Anupgarh - 335701, Dist. Shri Ganganagar
185	Narela, New Delhi	Delhi	New Delhi	Second Floor, Property No. 2003/1, P.G.Plaza, Bawana Road, Narela, New Delhi - 110040
186	Narsingpur	Madhya Pradesh	Narsingpur	Second Floor, City Centre, Kaath Ward, Mouza Kandeli, N.B.36, P.C.No.17, R.N.M. Narsinghpur - 487001
187	Bhiwadi	Rajasthan	Bhiwadi	Second Floor, Plot No.A-45 & 46, Bhagat Singh Colony, Alwar Bypass Road, Bhiwadi - 301019, Dist. Alwar
188	Dharmavaram	Andhra Pradesh	Dharmavaram	23/202-203, First Floor, Sainagar, Bus Stand Road, Dharmavaram – 515671 District Ananthapur
189	Siddipet	Telangana	Siddipet	8-1-44, Third Floor, Krishnareddy Chambers, Hyderabad Road, Siddipet – 502103 District Medak
190	Waidhan	Madhya Pradesh	Waidhan	Ground Floor, Hotel Singhawali, Vindhya Nagar Road, Jamua, Waidhan – 486886
191	Sri Madhopur	Rajasthan	Sri Madhopur	Ground Floor, Near Krishi Upaj Mandi, Sri Madhopur - Palsana Road, Near Gate No.02, Sri Madhopur – 332715
192	Mukerian	Punjab	Mukerian	First Floor, Khasra No.865/54, Above Axis Bank, Guraspur Road, Mukerian – 144211 District Hosiarpur

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193	Mandapeta	Andhra Pradesh	Mandapeta	#31-9-7, Opp. E-Seva, Yeditha Road, Mandapeta – 533308 District East Godavari
194	Jangaon	Telangana	Jangaon	6-2-2/54, First Floor, Hyderabad Road, Jangaon Town, Jangaon – 506167 District Warangal
195	Pallaikaranai (Medavakkam)	Tamil Nadu	Chennai	No.218, Second Floor, Above TMB Bank, Velachery-Tambaram Road, Pallikaranai, Chennai – 600100
196	Nalagarh	Himachal Pradesh	Nalagarh	First Floor, Shop No.3, Jaspal Complex, Village Rakh Ram Singh, Tehsil Nalagarh, Nalagarh - 174101, Dist. Solan
197	Amreli	Gujarat	Amreli	Office No.112, First Floor, Life Line Corner Complex, Swaminarayan Mandir Road, Manekpara, HDFC Bank Road, Amreli - 365601
198	Rasipuram	Tamil Nadu	Rasipuram	181, Kalai Plaza, First Floor, Goundampalayam, Namakkal Main Road, Rasipuram - 637408
199	Hindaun	Rajasthan	Hindaun	Ground Floor, Station Road, Near HP Petrol Pump, Hindaun City- 322230, Dist. Karauli
200	Nadiad	Gujarat	Nadiad	Office No.401, Fourth Floor, Platinum Plaza, Old Laxmi Cinema, Opp. Taluka Panchayat Office, Above ICICI Bank, Station Road, Nadiad – 387001
201	Singhana	Rajasthan	Singhana	Ground Floor, Chawala Complex, Chirawa By Pass Road, Singhana – 333516 District Jhunjhunu
202	Mannarkkad	Kerala	Mannarkkad	First Floor, No.II/422-525, Safiya Complex, Mannarkkad Main Road, Mannarkkad – 678582
203	Kangayam	Tamil Nadu	Kangayam	No.253, Second Floor, R M Towers, Main Road, Kangayam – 638701
204	Rajapalayam	Tamil Nadu	Rajapalayam	D.No.905/16, Second Floor, Thaaai Complex, Tenkasi Road, Rajapalayam – 626117 District: Virudhunagar
205	Pala	Kerala	Pala	21/319-3, Pandanathu Plaza, Second Floor, Near Head Post Office, Vellappadu, Pala – 686575
206	Kundli	Haryana	Kundli	First Floor, Dahiya Complex, Near HSIDC Park, Main G.T.Road, Kundli - 131028, Dist. Sonipat

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207	Chaibasa	Jharkhand	Chaibasa	Third Floor, Municipal Holding No. 66, Plot No. 142, F. S. Towers, Tata Road, Post office Chaibasa, Chaibasa - 833201, Dist. West Singhbhum
208	Mettur Dam	Tamil Nadu	Mettur Dam	Dhamu Towers, First Floor, 50A4, Square Market, Market Cross Street, Mettur Dam – 636401
209	Kanpur - 4	Uttar Pradesh	Kanpur	Second Floor, Plot No.13, Property No. 133/13, M - Block, Scheme No. II, Kidwai Nagar, Kanpur Nagar, Kanpur - 208011
210	Kiratpur Sahib	Punjab	Kiratpur Sahib	First Floor, Khasra No.38 (7-15), Near State Bank of Patila, Main Road, Tehsil Anand Pur Sahib, Kiratpur Sahib - 140115, Dist. Ropar
211	Alappuzha (Alleppey)	Kerala	Alappuzha	Sundaram Square, Ground Floor, Paravur, Punnapra, Alleppey – 688014
212	Bhatinda (CV)	Punjab	Bhatinda	First Floor, Aura Heights, Guniana GT Road, Near Teen Koni Chowk, Bhatinda - 151001
213	Balesar	Rajasthan	Balesar	First Floor, Khasra No.834, Opp. LIC Office, Jaisalmer Road, Tehsil Shergarh, Balesar - 342023
214	Bhagal (Surat)	Gujarat	Surat	Office No.201, Second Floor, Ridham Plaza, Kaskiwad, Bhagal, Surat – 395005
215	Poddar Court (Kolkata)	West Bengal	Kolkata	19, First Floor, Rajendra Nath Mukherjee Road, Kolkata – 700001
216	Paradeep	Odisha	Paradeep	First Floor, Mahavir Complex, Ashirvad Nagar, Mauja Bijaychandrapur, IFFCO Square, Tehsil Kujanga, Paradeep - 754141, Dist Jagatsinghpur
217	Machilipatnam	Andhra Pradesh	Machilipatnam	7/473-1, First Floor, Azad Road, Koneru Centre, Godugupeta, Machilipatnam – 521001
218	Varanasi	Uttar Pradesh	Varanasi	Second Floor, D - 57/37, Siddhagiri Baug Colony, Arazi No.87/1, Mauza Ramapura, Mohalla Kabra, Asique Masuk Sidhgiribag Colony, Ward Dasaswmedh, Varanasi - 221010
219	Udumalaipettai	Tamil Nadu	Udumalaipettai	UKPN Complex, First Floor, 168, 3/2, Palani Road, Gandhi Nagar, Udumalaipettai, Coimbatore – 642126
220	Raiganj	West Bengal	Raiganj	Second Floor, Khata No.763, Ward No.3, Netaji Subhash Road, Ashokepally, Raiganj - 733134, Dist. Uttar Dinajpur

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221	Bhuj - 2	Gujarat	Bhuj	Office No.106 & 107, First Floor, Gohil Tower, Opp. Grampanchayat Office, Navavas, Madhapur, Bhuj – 370020
222	Rajnandgaon	Chhattisgarh	Rajnandgaon	First Floor, Khasra No. 74/76, Vakratunda, Circuit House, Basantpur Road, Near Bhadoriya Chouk, Rajnandgaon - 491441
223	Guntur - 2 (Kothapeta)	Andhra Pradesh	Guntur	Door No.12-5-18, First Floor, Kothapeta, Somuvari Street, Opp. Pedda Mahalaxmi Temple, Guntur – 522001
224	Fatehpur Sikri	Uttar Pradesh	Fatehpur Sikri	Ground Floor, Main Road, Near TVS Showroom, Mouza Gur Ki Mandi, Tehsil Kirawali, Fatehpur Sikri - 283110, Dist. Agra
225	Irinjalakuda	Kerala	Irinjalakuda	XII/734E (Old No.VI/369F), Lappa Karan Arcade (Irinjalakuda Arcade), First Floor, Main Road, Irinjalakuda - 680121
226	Madurai - 6 (Andalpuram)	Tamil Nadu	Madurai	Door No.50/1, VMR Complex, Second Floor, Thriuparangundram Road Visalam, Madakulam, Vasantham Nagar, Andalpuram, Madurai – 625003
227	Shadnagar	Telangana	Shadnagar	H.No.4-130/2, First Floor, Saibaba Colony, Shadnagar – 509216 District Mahaboobnagar
228	Jalpaiguri	West Bengal	Jalpaiguri	Ground Floor, Municipal Holding No. 47/B/247, Ward No.6, Hemanginj Complex, Kadamtala More, Jalpaiguri Siliguri Main Road, Jalpaiguri - 735101
229	Bahadurgarh	Haryana	Bahadurgarh	Show Room No.F-204, Shyamji Complex, Main Rohtak Road, NH-10, Bahadurgarh-124507
230	Tirunelveli - 2 (Palayamkottai)	Tamil Nadu	Tirunelveli	Sundari Complex, New No.,104 (Old No.25), Thiruvananthapuram Road, Nanguneri Road, Near New Bus Stand, Palayamkottai, Tirunelveli – 627005
231	Madurai - 5 (Anna Nagar)	Tamil Nadu	Madurai	First Floor, Plot No.3, LIG Colony, 80 Feet Road, Anna Nagar, Opp. Ambiga Cinemas, Madurai – 625020
232	Sreekaryam	Kerala	Trivandrum	Hari Sree, First Floor, 8/588-6, Above Indian Overseas Bank, Near Siva Temple, Sreekaryam Pongumoodu Road, Sreekaryam – 695017 District Trivandrum
233	Ratargarh	Rajasthan	Ratargarh	Ground Floor, Ward No.3, Khasra No.373, Plot No. F - 35, Kuber Furniture House, Near DSP Office, Link Road,Ratargarh - 331022



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234	Abu Road	Rajasthan	Abu Road	Second Floor, Plot No. 54/1, Maruti Showroom, Akhra Patta, Near Housing Board, Abu Road - 307026, Dist Sirohi
235	Jodhpur - 3 (Paota)	Rajasthan	Jodhpur	First Floor, Malinath Tower, Plot No.65, Roop Nagar, Main Paota C Road, Jodhpur - 342007
236	Palakkad	Kerala	Palakkad	Second Floor, Nedungadees Capital Tower, 16/635/6, Kalmandabam Road, Kunnathurmedu, Palakkad - 678007
237	Renukoot (Sonebhadra)	Uttar Pradesh	Renukoot	Ground Floor, Khatauni No.00110, Murdhawa, Near Radha-Krishan Temple, Tehsil – Dudhi, District – Sonebhadra, Renukoot – 213217
238	Yelahanka	Karnataka	Bangalore	689, First Floor, 3rd A Main Road, Yelahanka Mew Town, Bangalore – 560065
239	RTC Cross Road (Hyderabad)	Telangana	Hyderabad	EGK Arcade, Second Floor, No.1-8-569-573, RTC Cross Road, Beside Bawarchi Hotel, Azambad, Hyderabad - 500079
240	Uppal (Hyderabad)	Telangana	Hyderabad	1-42 and 1-43, First Floor, Opp. BPCL Petrol Pump, Saraswathynagar Colony, Uppal Main Road, Hyderabad – 500039
241	Pondicherry	Pondicherry	Pondicherry	Door No. 4, TS No. 9, Anna Salai, Pondicherry - 605001
242	Mandla	Madhya Pradesh	Mandla	Second Floor, Plot No.7/106, Tilak Ward, Civil Line, Opp. Traffic Police Station, Mandla - 481661
243	JP Nagar (Vasanthpura)	Karnataka	Bangalore	No.6, Second Floor, Above BSK 5th Stage, Bisakipura Village, Vasanthapura Main Road, Bangalore - 560078
244	Vijayawada - 3 (Kanuru)	Andhra Pradesh	Vijayawada	6-102/1, Second Floor, 2nd Lane, Above Andhra Bank, Uma Sankar Nagar, Kanuru, Vijayawada – 520007
245	Kovilpatti	Tamil Nadu	Kovilpatti	No.24 A-8, Nithi Complex (Nivi Plaza), First Floor, Pasuvanthanai Road, Kovilpatti – 628501
246	Markapur	Andhra Pradesh	Markapur	Second Floor, Survey No.309/A, Sri Krishna Plaza, Opp. Door No.7/674, Main Road, Opp. LIC Office, Markapur - 523316
247	Pattambi	Kerala	Pattambi	First Floor, Building No.3/955-G, Sreekrishna Towers, Palakkad - Pattambi State High Way, Near Sevana Hospital, Pattambi - 679303

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248	Jhabua	Madhya Pradesh	Jhabua	Third Floor, Ward No.14, Anukripa Building, Ramkrishna Nagar, Rajgarh Naka, Jhabua - 457661, Dist Jhabua
249	Harur	Tamil Nadu	Harur	G M Plaza, 7/437, Second Floor, Salem Bye Pass Road, Harur – 636903
250	Khargone	Madhya Pradesh	Khargone	House No.22, First Floor, Ravindra Nagar, Ward No.11, Part of Kh.No.254/2, P.H.No.43 (Old No.26), Khargone – 451001
251	Nawa	Rajasthan	Nawa	Ground Floor, Khasra No.1468, Opp. LIC Office, Nawa City, Nawa - 341509, Dist. Nagaur
252	Chamarajanagar	Karnataka	Chamarajanagar	Near Pachappa Circle, Second Floor, Property Asssment No.1358, Deviation Road, Opp Prabhu Electrical, Chamarajanagar - 571313
253	Musiri (Kulithalai)	Tamil Nadu	Musiri	Bawa Complex, Second Floor, 1/6, Thuraiyur Road, Musiri – 621211
254	Venkatagirikota (V Kota)	Andhra Pradesh	Venkatagirikota	D.No.6-15-42, Main Road, First Floor, GMS Building, V Kota Post and Mandal, Venkatagirikota – 517424 Chittoor District
255	Egra	West Bengal	Egra	First Floor, Kasba Egra, Ward No.12, Egra College Road, Egra - 721429, Dist Purba Medinipore
256	Malviya Nagar (Jaipur)	Rajasthan	Jaipur	34-35, Seventh Floor, Mahalaxmi Tower, Mouji Colony, Calgary Road, Malviya Nagar, Jaipur - 302004
257	Nai Sadak (Old Delhi)	Delhi	New Delhi	Second Floor, Property No.1823, Chandni Chowk, Delhi - 110006
258	Merta	Rajasthan	Merta	Ground Floor, Opp. 132 KV Power House, Ajmer Road, Merta - 341510, Dist Nagaur
259	Liluah (Howrah)	West Bengal	Howrah	First Floor, Prempushpa Complex, Muncipal Holding No. 268/9, G.T.Road, Liluah, Howrah - 711204
260	Madhavaram	Tamil Nadu	Chennai	First Floor, Alankar Tower, Old No.120 New No.128, F1, GNT Road, Madhavaram, Chennai – 600060
261	Uluberiah (Bagnan)	West Bengal	Uluberiah	First Floor, Ward No.27, Above Central Bank of India, Khatian No.1248, O T Road, Nona - 711315, Post Office Ulberia, Dist. Howrah
262	Kalna	West Bengal	Kalna	First Floor, Khatian No.808, First Floor, Rameshwarpur, STKK Road, Near New Bus Stand, Kalna- 713409, Dist. Burdwan

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263	Chandigarh (Sector 40)	Chandigarh UT.	Chandigarh	Second Floor, SCO-311, Sector 40 D, Above HDFC Bank, Chandigarh - 160036
264	Balangir	Odisha	Balangir	First Floor, Plot No. 926/1504/1944, K Mart, Near IDBI Bank, Balangir - 767001
265	Sambalpur	Odisha	Sambalpur	Second Floor, Plot No.1203/1782, Ward No.12, Quality Mansion, Nayapara, Gole Bazar, Sambalpur - 768001
266	Proddatur	Andhra Pradesh	Proddatur	D.No.7/330, Prabhakar Reddy Complex, First Floor, Opp. BVS Hall, Sivalayam Street, Proddatur – 516360 District Kadapa
267	Salem (Shift)	Tamil Nadu	Salem	No.20 & 20A, Ground Floor, Ramakrishna Road, Salem – 636007
268	Mahoba	Uttar Pradesh	Mahoba	Ward No.366, First Floor, Gandhi Nagar, Near Parmanand Chowk, Above Canara Bank, Mahoba – 210427
269	Saluru	Andhra Pradesh	Saluru	First Floor, Door No.30-26, Old Ward No.18 New Ward No.24, First Floor, Jaipur Road, Saluru – 535591
270	Hosur - 2	Tamil Nadu	Hosur	R S Complex, 51/B2 & B3, First Floor, Denkanikotta Road, Above Titan Eye Plus, Shanthi Nagar, Hosur - 635109
271	Coimbatore - 10 (Vadavalli)	Tamil Nadu	Coimbatore	SF No.118, Door No.5C, Pothigai Shopping Center, First Floor, Tondamuthu Road, Vadavalli, Coimbatore – 641041
272	Kashipur	Uttarakhand	Kashipur	Alam Villa, First Floor, Near Dena Bank, Ramnagar Road, Kashipur – 244713
273	Hissar - 2	Haryana	Hissar	Second Floor, SCO-102, Sector Urban Estate-II, Near Jindal Chowk, Delhi Road, Hisar - 125005
274	Katargam (Surat)	Gujarat	Surat	Shop No.02, Second Floor, Laxmi Park, Building No. C, Near Smruti Society, Gajera Circle, Katargam, Surat – 395004
275	Amtala	West Bengal	Amtala	Second Floor, Amtala Paschim Fakirpara, Ghosh Kanan, Nirmal Dutt Road, PS – Bishnupur, District 24 South Parganas, Pin Code – 743398
276	Saraipalli	Chhattisgarh	Saraipalli	Ground Floor, Ward No.10, G.R.Complex,Opp. Gayatri Mata Temple, Main Road, Saraipali – 493558, Dist. Mahasamund
277	Gadwal	Telangana	Gadwal	H.No.1-4-10/67, Surya Complex, First Floor, Opp. Court, Gadwal – 509125 District: Mahabubnagar

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278	Raichur	Karnataka	Raichur	First Floor, Old Municipal No.11-1-60, New No.11-1-123 of Lharwadi, Brestwarpet, Raichur – 584101
279	Jharsuguda	Odisha	Jharsuguda	First Floor, Plot No.2376/6716, Jharsuguda Main Road, Beheramal Chowk, Jharsuguda - 768201
280	Guntakal	Andhra Pradesh	Guntakal	D.No.20/195, First Floor, Hanmesh Nagar, Opp. RTC Bus Stand, Guntakal - 515801
281	Kunnamkulam	Kerala	Kunnamkulam	First Floor, Kunnamkulam Trade Centre, Town Hall Road, Kunnamkulam - 680503, Dist. Thrissur
282	Pendurthi	Andhra Pradesh	Pendurthi	106/3, First Floor, SNR Complex, Pendurthi – 531173
283	Muzaffarnagar	Uttar Pradesh	Muzaffarnagar	First Floor, Above TVS Showroom, Jansath Road, Almaspur Crossing, Muzaffarnagar - 251001
284	Suryapet	Telangana	Suryapet	First Floor, Survey No.269/A, Door No.1-2-270/45/A1/1, M.G.Road, Kudu Kudu Road, Suryapet - 508213, Dist. Nalgonda
285	Pathalgaon	Chhattisgarh	Pathalgaon	First Floor, Survey No. 304/1/K & 306/1/Ch, Near State Bank, Raigarh Road, Pathalgaon - 496118, Dist. Jashpur
286	Nirmal	Telangana	Nirmal	First Floor, Door No.1-2-69/2, M S Towers, National Highway 7, Chinna Gate, Opp. Bus Depot, Nirmal Town, Nirmal - 501406, Dist. Adilabad
287	Valapady	Tamil Nadu	Valapady	No.105, Second Floor, Cuddalore Main Road, KK Complex, Valapady – 636115
288	Rewari	Haryana	Rewari	Second Floor, SCO No.111 & 112, Brass Market, Rewari - 123401
289	Batala	Punjab	Batala	First Floor, SCF No.171, Jalandhar Road, Leakwala Talab, Batala - 143505, Dist. Gurdaspur
290	Kharagpur	West Bengal	Kharagpur	1st floor, Sai Complex, Opposite of LIC Building, P.O: Inda, Kharagpur, Dist: Paschim Midnapur, Pin-721305
291	Wanaparthi	Telangana	Wanaparthi	First Floor, Plot No.8, House No.42-309, New Gunj, Degree College Road, Wanaparthi - 509103, Dist. Mahbubnagar
292	Moonak	Punjab	Moonak	Ground Floor, Tohana Road, Opp. Bajaj Service Agency, Near Sale Tax Barrier, Moonak -148033, Dist. Sangrur

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293	Sodepur	West Bengal	Sodepur	Second Floor, Municipal Holding No.1118, Ward No.31, Sodepur Auto Centre, Sodepur - 700110, Dist. North 24 Parganas
294	Anantapur	Andhra Pradesh	Anantapur	First Floor, Door No.4 - 287, New No.4 - 376, Third Road, Anantapur - 515001
295	Taran Taran	Punjab	Taran Taran	First Floor, Khasra No. 546/1/1, Goindwal Road, Near Guru Nanak Hospital, Taran Taran – 143401
296	Sirsa	Haryana	Sirsa	Second Floor, Unit No. B-17/494, Dharam Satya Complex, Opp. Old Suraj Cinema, Dabwali Road, Sirsa – 125055, Dist. Sirsa
297	Badarpur	Delhi	New Delhi	First Floor, Khasra No.36/3, Shop No.351, 352 & 353, Tulsi Ganga Plaza, Bankey Lal Market, Badarpur, New Delhi - 110044, Dist. Delhi
298	Chittorgarh	Rajasthan	Chittorgarh	First Floor, Part of Plot No.17, Kailash Nagar, Maha Rana Pratap Sethu Marg, Chittorgarh - 312001 Dist. Chittorgarh
299	Vatakara	Kerala	Vatakara	61/2B, Sree Gokulam Tower, Second Floor, Link Road, Vatakara – 673105
300	Sarkar Sarani	West Bengal	Kolkata	Second Floor, 5, Anar Chambers, B.N. Sarkar Sarani Road, Chowringhee, Kolkata - 700072
301	Nagaon	Assam	Nagaon	Second Floor, Patta No. 32, Padmalay Complex, A.T.Road, Haibargaon, Nagaon - 782002
302	Sangareddy	Telangana	Sangareddy	First Floor, Shop No.108, Survey No.10/A-2, Aksharatham Complex, Pothireddypally X Road, Sangareddy - 502001, Dist. Medak
303	Gorakhpur	Uttar Pradesh	Gorakhpur	First Floor, Santosh Arcade, B Block, Passport Office Building, Basharatpur, Medical College Road, Gorakhpur - 273004
304	Barrackpore	West Bengal	Barrackpore	First Floor, Behind HDFC Bank, 7, B.T.Road, Barrackpore Chiriya More, Barrackpore - 700120, Dist. North 24 Pargana
305	Kotdwar	Uttarakhand	Kotdwar	First Floor, Khata No.22, Back Side of Barthwal Complex, Sibbu Nagar, Devi Road, Kotdwar - 246149
306	Maniktala	West Bengal	Kolkata	Ground Floor, 258/4, APC Road, Maniktala, Kolkata – 700006

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307	Arambagh	West Bengal	Arambagh	Plot No.202, Ward No.13, Second Floor, Durlove Panja House, Arambagh Link Road, Arambagh – 712601 District Hoogly
308	Indore	Madhya Pradesh	Indore	First Floor, Plot No.15/3, Office No. Portion 102 & 103, Sterling Arcade, Race Course Road, Indore - 452001
309	Kolkata, Dalhousie – Jardine House	West Bengal	Kolkata	Jardine House, 3rd Floor, Four Clive Row, Dalhousie, Kolkata – 700 001
310	Dhamtari	Chhattisgarh	Dhamtari	First Floor, Ravi DJ Complex, Ward No.17, Ambedkar Chowk, Jodhpur, Main Bastar Road, Dhamtari 493773
311	Gandhidham - CV	Gujarat	Gandhidham	Office No.101, First Floor, Shree Ambika Arcade, Plot No.300, Ward 12-B, Gandhidham – 370201
312	Moulivakkam (Porur)	Tamil Nadu	Chennai	56A/47, First Floor, Kundrathur Main Road, Near Madanandapuram Bus Stop, Porur, Chennai – 600116
313	Bilimora	Gujarat	Bilimora	Office No.208, Second Floor, Nischay Co. Op. Housing Society, Goharbaug, Bilimora – 396321
314	Shillong	Meghalaya	Shillong	First Floor, Soomer Residence, Ward No.6, H.No.46, Dhankheti, Shillong – 793001
315	Lingarajapuram	Karnataka	Bangalore	No.61, Second Floor, Sree Maansions, RS Palya, Kammanahalli Main Road, Near Sadashiva Temple Cross, Lingarajapuram, Bangalore – 560033
316	Coimbatore - 11 (Vysial Street)	Tamil Nadu	Coimbatore	New No.123, Old No.107, First Floor, Vysial Street, Coimbatore – 641001
317	Baroda	Gujarat	Baroda	Unit No.201, Midway Apts , 2nd Floor, Above HDFC Bank, Sayaji Ganj, Baroda – 390 001
318	Tumkur	Karnataka	Tumkur	Old Municipal No.1492, then Municipal No.2200, Present Municipal No.1765/719, Second Floor, BH Road, Opp. Gayathri Talkies, K R Extention, Tumkur Town, Tumkur – 572101
319	Faridabad	Haryana	Faridabad	Second Floor, W G Tower, Plot No.37BP, Neelam Bata Road, NIT Faridabad – 121001
320	Modasa	Gujarat	Modasa	Shop No.B-117, Second Floor, Riverside Business Park, Near CNG Petrol Pump, Shamalji Road, Modasa - 383315

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321	Madhyamgram	West Bengal	Madhyamgram	Second Floor, Plot no.3, Jessore Road Lane 1, Union Bank of India, Anandalok, Madyamgram – 700129 District – North 24 Parganas
322	Tirukoilur	Tamil Nadu	Tirukoilur	44/85, First Floor, Near K P N Mahal, East Street, Tirukoilur – 605757
323	Kanker	Chhattisgarh	Kanker	First Floor, Up and Down Road, Above Bandhan Bank Building, NH-30, Beside Bhartiya Mahila Bank, Kanker – 494334
324	Devasandra	Karnataka	Bangalore	Khata No.886, D K Complex, First Floor, Opp. New Manipal Polyclinic, Above Kotak Mahindra Bank, Devasandra Main Road, Bengaluru - 560036
325	Choutuppal	Telangana	Choutuppal	H.No.3-388/2, First Floor, Ganesh Nagar, Choutuppal – 508252 District Nalgonda
326	Mehsana - 2	Gujarat	Mehsana	Second Floor, Rajkamal City Mall, Rajkamal Compound, Highway Road, Mehsana – 384002
327	Jajpur	Odisha	Jajpur	Jenas Plaza, First Floor, Chorda Bazar, Jajpur Road, Jajpur – 755019
328	Ranchi - 2	Jharkhand	Ranchi	Plot No.1162, Sub-Plot No.1162/B-1, Ward No.30, First Floor, Shivaji Chouk, Near Yamaha Showroom, Harmu Road, Ranchi – 834002
329	Jangareddygudem	Andhra Pradesh	Jangareddygudem	D.No.18-110, First Floor, Konatham Complex, Aswaraopeta Road, Jangareddygudem – 534447 District West Godavari
330	Kengeri	Karnataka	Kengeri	No.132, Supraja Arcade, Second Floor, 1st Main, Rajkumar Circle, 7th Cross, Kengeri Satellite Town, Bangalore - 560060
331	Basavangudi (Chamarajpet)	Karnataka	Bangalore	No.243, Pragathi Arcade, First Floor, 3rd Main Road, 3rd Cross, Chamrajpet, Bangalore – 560018
332	Tenali	Andhra Pradesh	Tenali	H.No.7-11-129 (Old No.7-11-95), Ward No.9, Block No.6, Second Floor, Gopala Reddy Street, Tenali Town, Tenali – 522201 District Guntur
333	Cuttack - 2	Odisha	Cuttack	Unit No.24, Ward No.26, Second Floor, K B Complex, Station Road, College Square, Cuttack – 753003

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334	Nakodar	Punjab	Nakodar	Unit No.3258-A, Terminal-81, Jalandhar Nakodar Road, Near Bus Stand, Nakodar – 144040
335	Jagraon	Punjab	Jagraon	Second Floor, Near SP Auto, Tehsil Road, Opp. State Bank of Patiala , Jagraon – 142026 District Ludhiana
336	Thuraiyur	Tamil Nadu	Thuraiyur	No.234-B1, First Floor, KPR Complex, Old Bharathi Theatre, Thuraiyur Main Road, Thuraiyur - 621010
337	Maduranthagam	Tamil Nadu	Maduranthagam	Door No:105/53, Ground Floor, Theradi street (Car Street), Vaniya Sandikara Street, Maduranthagam – 603306
338	Dhone	Andhra Pradesh	Dhone	Sy. No.275/2A, First Floor, Opp. RTC Bus Stand, Dhone – 518222 District Kurnool
339	Sanganer (Pratap Nagar)	Rajasthan	Jaipur	8/SP-3, First Floor, Kumbha Marg, Pratap Nagar, Sanganer, Jaipur – 302033
340	Dehra	Himachal Pradesh	Dehra	First Floor, HDFC Bank Building, Dehra Dharmashala Road, Opp. Bus Stand, Dehra – 177101 District Kangra
341	Kalol	Gujarat	Kalol	Office No.45 & 46, Second Floor, City Mall – 1, Navjivan Shopping Center, City Mill Compound Road, Kalol – 382727
342	Faridkot	Punjab	Faridkot	B-X-608, First Floor, Circular Road, Sam Road, Near Bus Stand, Faridkot – 151203
343	Bhubaneswar 2	Odisha	Bhubaneswar	Ward No.36, First Floor, Back Side, Plot No.533 and 534, Mahavir Bazar, Samantarapur, Garage Chok, Bhubaneswar - 751002
344	Mogra	West Bengal	Mogra	Second Floor, Guru Pado Bhavan, Amodghata Mogra, Triveni Road, Mogra – 712148
345	Gonda	Uttar Pradesh	Gonda	H.No.792, First Floor, Gonda Lucknow Road, Near Ambedkar Chauraha, Civil Line, Pargana, Gonda – 271001
346	Cheeka	Haryana	Cheeka	Ward No.2, Ground Floor, Kaithal Road, Janta Market, Near Mittal Furniture House, Near HDFC Bank, Cheeka – 136034
347	Pileru	Andhra Pradesh	Pileru	D.No.1-1353/1-1, First Floor, Tirupati Road, Opp. R&B Bungalow, Pileru – 517214
348	Bhadohi	Uttar Pradesh	Bhadohi	Plot No.389/10, Second Floor, Above IndusInd Bank, Station Road, Jalalpur, Bhadohi – 221401



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349	Vikarabad	Telangana	Vikarabad	H.No.4-2-34/35, 36, 37, Ground Floor, Telephone Exchange Road, Vikarabad – 501101 District Rangareddy
350	Seoni	Madhya Pradesh	Seoni	Ward No.20, Rajyog Palace, Near Bhargava Bhawan, Infront of Tilak School, Budhawari Bazar, National Highway Road, Seoni - 480661
351	Mannargudi	Tamil Nadu	Mannargudi	No.10/4, Vaseegaran Complex, First Floor, Thiruvavur Road, Visvanatha Pathar South Street, Mannargudi - 614001
352	Salem (Shevapet)	Tamil Nadu	Salem	Door No.277/1, Second Floor, Navalar Nedun Chezian Salai Street, Fort Street, Shevapet, Salem – 636002
353	Vijayawada 4 (Governorpet)	Andhra Pradesh	Vijayawada	New No.27-18-60, Second Floor, Opp. to Congress Office, Above United Bank of India, Congress Office Road, Suryaraopet, Governorpet, Vijayawada – 520003
354	Jabalpur 2	Madhya Pradesh	Jabalpur	Second Floor, Ratna Tower, Block No.23, University Road, South Civil Line, Jabalpur - 482001
355	Suri	West Bengal	Suri	Ground Floor, Opp. Durga Mandir, Suri Rabindra Colony, Suri – 731101 District Suri
356	Keonjhar	Odisha	Keonjhar	Ward No.9, Second Floor, Oriental Insurance Building, Opposite RTO Office, Keonjhar – 758001
357	Manasa	Madhya Pradesh	Manasa	First Floor, Laxmi Plaza, Opp. BSNL, Above Canara Bank, Neemuch Jhalawar Road, Manasa – 458110
358	Agra Road (Jaipur)	Rajasthan	Jaipur	Ground & Mezzanine Floor, Shop No.1 & 2, Bawadi Stand, Paldi Meena, Agra Road, Jaipur - 302003
359	Dhoraji	Gujarat	Dhoraji	Office No.214, Second Floor, Hira Panna Complex, Near Post Office Chowk, Opp. Government Hospital, Dhoraji – 360410
360	Cumbum	Tamil Nadu	Cumbum	D.No.153 & 154, First Floor, L.F. Main Road, Old Ward 5 & 15, New Ward 17, Uthamapuram Village, Cumbum Municipality & SRO, Cumbum - 625516 District Theni
361	Ujjain - 2	Madhya Pradesh	Ujjain	Ground Floor, Plot No.19, 21, Ankpat Marg, Dhobi Gali, Nikas Chouraha, Ujjain – 456010
362	Mhow	Madhya Pradesh	Mhow	House No.1014, First Floor, Above UCO Bank, Manik Chowk, Central Street, Mhow – 453441

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363	Jagdalpur	Chhattisgarh	Jagdalpur	First Floor, Agrawal Complex, Dharampura Road, Opp. State Bank of India, Jagdalpur – 494001
364	Bargarh	Odisha	Bargarh	First Floor, Sai Bhagwati Complex, Bhatli Chowk, Near Kishori Nursing Home, Bargarh – 768028
365	Bhavnagar - 2 (Lokhand Bazar)	Gujarat	Bhavnagar	First Floor, Mehta Chambers, Opp. HDFC Bank, Lokhand Bazar, Khargate, Bhavnagar – 364001
366	Talwara	Punjab	Talwara	First Floor, Circular Nirmala Complex, Gian Chand Chowk, Talwara – 144216
367	Auraiya	Uttar Pradesh	Auraiya	First Floor, 26/1083, Near Singh Ice Factory, Kanpur Road, Badanpur, Auraiya – 206122
368	Bhawanipatna	Odisha	Bhawanipatna	Second Floor, Akash Tower, Above Central Bank, At Mahavirpara, Bhawanipatna – 766001 District
369	Etawah	Uttar Pradesh	Etawah	First Floor, 745 A, Shakti Bhawan, Near Gupta Petrol Pump, Mehra Chungi, Etawah - 206001, Dist. Etawah
370	Amroli Road (Surat)	Gujarat	Surat	Laksh Plaza, Survey No.23, Second Floor, Shop No.218, Chhaprabhatha Road, Amroli Char Rasta, Surat - 394107
371	Chandrakona	West Bengal	Chandrakona	Second Floor, Plot No.568/2027, Mauja Baradabacha, P.O. Satbankura, PS.Garbata, Chandrakona Road, Chandrakona - 721253 District - Paschim Midnapur
372	Siyaganj (Indore)	Madhya Pradesh	Indore	Portion No.332, Second Floor, Prem Trade Center, Infront of Gujarati Samaj School, Maharani Road, MTH Compound, Siyaganj, Indore – 452007
373	Jamnagar	Gujarat	Jamnagar	Office No.303, Third Floor, Kuber Avenue, Near Gurudwara Circle, Above Karnataka Bank, Jamnagar – 361001
374	Komarapalayam	Tamil Nadu	Komarapalayam	Door No.44A, First Floor, Salem Main Road, Komarapalayam – 638183 District Namakkal
375	Purkazi	Uttar Pradesh	Purkazi	Ground Floor, Near Bus Stand & TVS Show Room, G T Road, Pur Kazi – 251327, Dist. Muzaffarnagar
376	Damoh	Madhya Pradesh	Damoh	First Floor, Tandon Bagicha, Bala Court Road, Near Bus Stand, Damoh - 470661

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377	Godda	Jharkhand	Godda	First Floor, Pushpa Plaza, Ward No.02, Municipal Holding No.90 (1), HDFC Bank, Pirpainty Road, Godda – 844133, Dist. Godda
378	Robertsganj	Uttar Pradesh	Robertsganj	First Floor, R.P.T.D Complex, Bypass Road, Robertsganj - 231216, Dist. Sonbhadra
379	Jhunjhunu	Rajasthan	Jhunjhunu	First Floor, Plot No. 1 & Block - A, Maan Nagar, Kejriwal Complex, Opp. Municipal Office, Road No.01 Jhunjhunu - 33300, Dist. Jhunjhunu
380	Maharajganj	Uttar Pradesh	Maharajganj	Plot No.983, First Floor, Gayatri Sadan, 25, Shastri Nagar, Nagar Palika Ward No.3-2, Above Union Bank, Kotwali Maharajganj, Maharajganj - 273303
381	Azamgarh	Uttar Pradesh	Azamgarh	Second Floor, Civil Line Choraha, Above Union Bank, Azamgarh – 226001, Dist. Azamgarh
382	Valliyur	Tamil Nadu	Valliyur	D.No.560 R & S & T, First Floor, Kanthan Complex, Main Road, Valliyur – 627117
383	Ambedkar Nagar	Uttar Pradesh	Ambedkar Nagar	Second Floor, Singh Market, New Sadak Shahzadpur, Akbarpur, Ambedkar Nagar - 224122 Dist. Ambedkar Nagar
384	Siddharth Nagar	Uttar Pradesh	Tetri Bazar	First Floor, Azad Nagar, Opp. Sona Lodge Road, Post Tetri Bazar, Sidharth Nagar – 272207, Dist. Sidharth Nagar
385	Deoli	Rajasthan	Deoli	First Floor, Plot No.120 B, Patel Nagar, Ward No.16, Above Punjab & National Bank, Deoli - 304804, Dist. Tonk
386	Begur Road	Karnataka	Bangalore	Site No.1, Second Floor, Katha No.30/3/1, Kodichikkanahalli, Opp. Sri Sai Royal Apartment, Village Begur Hobli, Bangalore South Taluk, Bangalore – 560068
387	Sankarankovil	Tamil Nadu	Sankarankovil	D.No. 266/3. Ground Floor, No.8 Road, Sankarankovil - 627756 District Tirunelveli
388	Srirangam (Toll Gate)	Tamil Nadu	Trichy	SGS Complex, Second Floor, Survey No.64/3D1 and 2), Toll Gate, Pitchandavar Koil, Trichy – 621216
389	Khatima	Uttarakhand	Khatima	Khata No.76, Khasra No.981, First Floor House No.410, Village – Bhod Maholiya, Near Tehsil Office, Sitarganj Road, Khatima - 262308, Dist- Udham Singh, Nagar, Uttarakhand

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390	Aklera	Rajasthan	Aklera	Ground Floor, Ward No.01, Anand Nagar Colony, Jhalawar Road, Near Reliance Petrol Pump, Aklera - 326033, Dist. Jhalwar
391	Mau	Uttar Pradesh	Mau	First Floor, House No.266 A, Sahadatpura, Jaiswal Kunj, In front Swadeshi Cotton Mill, Maunath Bhanjan, Mau - 27510, Dist. Mau
392	Vyara	Gujarat	Vyara	Office No.205, 206, 207 and 208, Second Floor, Sai Mall, Beside Vaibhav Cinema, Old Bus Stand, Vyara – 394650
393	Rawatbhata	Rajasthan	Rawatbhata	First Floor, Ward No.2, Chetak Market, Near Bus Stand, Rawatbhata - 323307
394	Rayagada	Odisha	Rayagada	Second Floor, Ward No.12, IDBI Bank Building, New Colony, Mouza Rayagada Nagar, Rayagada - 765001
395	Vapi	Gujarat	Vapi	Shop No.1 to 4, First Floor, Bhula Laxmi Business Center, Above Vijaya Bank, Vapi Silvasa Road, Vapi – 396195
396	Pipliya Mandi	Madhya Pradesh	Pipliya Mandi	Ground Floor, Survey No.365, Halka No.32, Ward No.03, Ajay Talkies Road, Pipliya Mandi, Ahead of Kotak Mahindra Bank, Pipliya Mandi - 458664, Dist. Mandsaur
397	Sundergarh	Odisha	Sundargarh	Second Floor, Amba Tower, Hospital Road, Sundergarh – 770001
398	Sivagangai	Tamil Nadu	Sivagangai	Ground Floor, Door No.122 (10A), K V Complex, Madurai Main Road, Behind Canara Bank, Sivagangai - 630561, Dist. Sivagangai
399	Manapparai	Tamil Nadu	Manapparai	Door No.14, Ponnagaram, First Floor, Dindigul Main Road, Manapparai, Trichy - 621306 District - Trichirapalli
400	Pratapgarh	Uttar Pradesh	Pratapgarh	173B, Second Floor, Sahodarpur West, Above Bank of Baroda, Pratapgarh – 230001
401	Darjeeling	West Bengal	Darjeeling	Holding No.56/A, Second Floor, Merry Villa, Pramila Sharma Road, Near Shiv Mandir, Cart Road, Darjeeling – 734101
402	Amethi	Uttar Pradesh	Amethi	Plot No.2, First Floor, Munshiganj Road, Near Chandan Petrol Pump, Amethi - 227405
403	Nellore - 2 (Varadapalayam)	Andhra Pradesh	Nellore	No.26-1-583, First Floor, Bhaktha Vatsala Nagar, Mini Bypass Road, Near Sri Seetha Ramanajaneya Temple, Varadapalayam Area, Nellore – 524004

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404	Shimla - 2	Himachal Pradesh	Shimla	Verma Niwas, First Floor, Vila Pateog, Main Road - BCS, Near Uttam Gas Agency, New Shimla - 171009
405	Kandukur	Andhra Pradesh	Kandukur	D.No. 19-1-115/A, First Floor, Government Hospital Road, Kandukur – 523105 District Prakasm
406	Jhotwara (Jaipur)	Rajasthan	Jaipur	First Floor, Plot No.5, K M Palace, Govind Nagar, Near Kanta Chouraha, Kalwar Road, Jhotwara – 302012
407	Dhampur	Uttar Pradesh	Dhampur	H.No.162, First Floor, Sugar Mill Crossing, Opposite Rani Bagh Police Chauki, Seohara Road, Village – Allehpur, Dhampur – 246761, District – Bijnor, Uttar Pradesh
408	Dibai	Uttar Pradesh	Dibai	First Floor, Dayal Complex, Ghanta Ghar Chowk, Bada Bazar, Dibai - 203393
409	Ludhiana - 9 (Delhi Road)	Punjab	Ludhiana	Shivshakti Towers, SCO 6, First Floor, Main G.T. Road, Dhandari Kalan, Delhi Ludhiana Road, Near Campa Cola Factory, Ludhiana – 141014 Punjab
410	Balasore	Odisha	Balasore	First Floor, Municipal Ward No.21, Station Road, PS-Sahadeb Khunta, Unit No.10, Balasore – 756001, District Balasore, Odisha
411	Ariyalur	Tamil Nadu	Ariyalur	Old No.28B New No.17/1, Perumal Koil Street, Near Perumal Koil, Ariyalur – 621704
412	Purulia	West Bengal	Purulia	Ground Floor, Bijay Sarovar, Near Devi Sushila Apartment, Binay Batika Bye Lane, Ward No. 3, Ranchi Road, Purulia - 723101, West Bengal
413	Paramathi Velur	Tamil Nadu	Paramathi Velur	138/5M, First Floor, Pandamangalam Road, Namakkal Road, Thiruvalluvar Road, Pethanur Village, Paramathi Velur - 638182
414	Bhachau	Gujarat	Bhachau	First Floor, Shop No.524, Survey No.730, Pocket No.25, Ward No. 4, Metal Road, Main Bazar Port Road, Shakti Nagar, Bhachau – 370140, District – Kutch, Gujarat
415	Joginder Nagar	Himachal Pradesh	Joginder Nagar	First Floor, Ward No.4, Opp. Corporation Bank, Joginder Nagar - 175015, District - Mandi, Himachal Pradesh
416	Aruppukottai	Tamil Nadu	Aruppukottai	Old D.No.309, 310, New D.No.318, 316, Thiruchulli Road, Near Banu Hotel, Aruppukottai – 626101, District - Virudhnagar, Tamilnadu

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417	Saharsa	Bihar	Saharsa	Bijendra Bhawan, First Floor, Near Bajarang Bali Mandir, NH-107, Hatia Gachhi, Ward No.32, Saharsa- 852201, Bihar
418	Aligarh - 3	Uttar Pradesh	Aligarh	Girnar Complex, First Floor, 1/1B, Sanjay Gandhi Colony, Near Petrol Pump, Naurangabad, New Etah Chungi, G.T.Road, Aligarh – 202001, Uttar Pradesh
419	Bapunagar - Ahmedabad	Gujarat	Ahmedabad	Office No. 10, Second Floor, Shyam Shikhar Complex, L.B.Shastrri Road, Near Samjuba Hospital, Opp. Dinesh Chamber, Bapunagar, Ahmedabad – 380024, District – Ahmadabad, Gujarat
420	Aranthangi	Tamil Nadu	Aranthangi	Door No.108/6-8, First Floor, Sona Complex, Opp. Appolo Pharmacy and Bank, Pudukottai Road, Aranthangi - 614616
421	Sultan Bathery	Kerala	Sultan Bathery	6/458, Second Floor, Keerikkattil Complex, Near New Bus Stand, Chungam, Sultan Bathery – 673592
422	Ashok Nagar	Madhya Pradesh	Ashok Nagar	Ward No.2, Ground Floor, Tayade Colony, Mandi Road, Ashok Nagar - 473331, Madhya Pradesh
423	S V Road (Rajkot)	Gujarat	Rajkot	Office No. 204, Second Floor, Nakashtra Complex – 5, Opposite Raj Palace, Near Patidar Chowk, Sadhu Vasvani Road, Rajkot - 360005
424	Halol	Gujarat	Halol	Office No.18, First Floor, Chintamani Complex, Near HDFC Bank, Halol Godhra Road, Halol – 389350, District – Panchmahal, Gujarat
425	Pithampur	Madhya Pradesh	Pithampur	Indrasan Tower, Second Floor, Above SBI Bank, Opposite Chatra Chayya Parisar, Sector - 1, Pithampur - 454774, District - Dhar
426	Tikamgarh	Madhya Pradesh	Tikamgarh	F-10, First Floor, Main Jhansi Road, Opposite Collector Office, Above Hotel Neelkamal, Tikamgarh - 472001, Madhya Pradesh
427	Batlagundu	Tamil Nadu	Batalagundu	D.D. Lakshimi Tower, First Floor, Natham Old S.F. No. 421B/10A1A1A1A, New S.F.No. 1334/9, Old D.No. 14.12.5, New D.No.14.12.5 & 14.13.17, Melamanthai Street, M.V.Lodge Street, Batlagundu – 624202, District – Dindigul

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428	Nagari	Andhra Pradesh	Nagari	D.No.10-7-287, First Floor, Ward No.10, Survey No. 226/1, Bus Stand Centre, Opposite Srinivasa Theater, Nagari – 517590, District – Chittoor, Andhra Pradesh
429	Madgaon	Goa	Madgaon	Shree Plaza, First Floor, Office No.109/110, Next To Damodar High School, Comba, Madgaon – 403601, Goa
430	Pachore	Madhya Pradesh	Pachore	House No.94, 95, 96, Ground Floor, Ward No.13, Sujalpur Road, Below Central Bank of India, Pachore – 465683, District - Rajgarh, Madhya Pradesh
431	Firozpur	Punjab	Firozpur	First Floor, Steaming Beans, Opposite Sport King, Malwal Road, Namdev Chowk, Firozpur – 152002, Punjab
432	Bina	Madhya Pradesh	Bina	First Floor, Main Road, Near HDFC Bank, Bina - 470113, Madhya Pradesh
433	Avinashi	Tamil Nadu	Avinashi	Second Floor, Priyadharshini Tower, No.275, East Car Street, Near HDFC Bank, Avinashi – 641654, District – Tirupur, Tamil Nadu
434	Srikalahasti	Andhra Pradesh	Srikalahasti	16-741, P.N. Road, First Floor, Panagal, Srikalahasti – 517640, District – Chittoor, Andhra Pradesh
435	Pakur	Jharkhand	Pakur	Ground Floor, Bhagat Para, Plot No. 1222, H. No. 563 and 237, Opposite Pakur Head PO, Indusland Bank Building, Pakur - 816107, Jharkhand
436	Sheopur	Madhya Pradesh	Sheopur	Ward no.7, Ground Floor, Shivpuri Road, Near Priya Hotel, Sheopur – 476337, Madhya Pradesh
437	Beawar	Rajasthan	Beawar	Third Floor, Siddhi Vinayak Complex, Plot No.2 & 3, Highway Colony, Tatagarh Road, Beawar - 305901, District – Ajmer, Rajasthan
438	Akbarpur	Uttar Pradesh	Akbarpur	Plot No. 2338, House No. 125, First Floor, Ward No - 03, Nayaganj, State Bank Road, Akbarpur - 209101, District – Kanpur Dehat
439	Bilaspur	Chhattisgarh	Bilaspur	Second Floor, Ward No. 18, Naveen Plaza, Above ICICI Bank, Telipara Road, Bilaspur - 495001
440	Palanpur Patia, Surat	Gujarat	Surat	Shop No.118, First Floor, Raj Point Opp. Vidhyakunj College, Palanpur Road, Near Palanpur Jakat Naka, Surat - 395009

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441	Raebareli	Uttar Pradesh	Raebareli	House No.460, 460/1, 460/2, First Floor, Madhur Complex, Ward No.24, Above Bank of India, Prakash Nagar, Canal Road, Opposite LIC Office, Raebareli - 229001
442	Peroorkada	Kerala	Trivandrum	Door No. KP/XIII/847-A, Thiruvananthapuram – Thenkashi Road, Karakulam, Opp. State Bank of India, Re- Survey No.595/10, Trivandrum - 695564
443	Bikaner - 2	Rajasthan	Bikaner	Second Floor, Plot No.31, Panchsati Circle, Sadul Ganj Circle, Bikaner - 334001
444	Dharwad	Karnataka	Dharwad	CTS No.34A/1B, Municipal No.10286/74/5, Someshwara Heights, First Floor Opp. DSP Office, KC Park Road, Dharwad – 580001
445	Panruti	Tamil Nadu	Panruti	Door No.11W, First Floor, Plot No.11/33, Bitumen Road, Near Bajaj Show Room, Cuddalore Main Road, Panruti – 607106, District - Cuddalore, Tamil Nadu
446	Ahmedabad, Maninagar	Gujarat	Ahmedabad	Fourth Floor, Sub-Plot No. 7, 402, Amruta Arcade, Station Road, Maninagar, Ahmedabad - 380 008
447	Bahraich	Uttar Pradesh	Bahraich	S N Plaza, Ground Floor, 160-A, Gonda Road, Digiha, Bahraich – 271801, Uttar Pradesh
448	Ballia	Uttar Pradesh	Ballia	Above Ashok Leyland, First Floor, Garwar Road, Agar Sanda, Ballia – 277001, Uttar Pradesh
449	Faizabad	Uttar Pradesh	Faizabad	Plot No.436, Second Floor, Atterdeep Complex, Near Devkali Temple Road, Devkali Bypass Choraha, Faizabad - 335512
450	Karnal - 3	Haryana	Karnal	Second Floor, SCO - 84, Mahila Ashram Complex, Near Bus Stand, Karnal -132001
451	Thanagazi	Rajasthan	Thanagazi	Ground Floor, Pratapgargh Road, Near State Bank of India, Thanagazi – 301022, District – Alwar, Rajasthan
452	Calicut	Kerala	Calicut	Second Floor, Malaparampa, Wayananad Road, Ward No.34, Above Axis Bank, Re-Survey No.36/1, Near Civil Station, Village - Vegeri, Kozhikode – 673009
453	Nautanwa	Uttar Pradesh	Nautanwa	First Floor, Above Punjab National Bank, Ward No.10, Shastri Nagar, Main Road, Nautanwa – 273164, District – Mahrajganj, Uttar Pradesh



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454	Saidpur	Uttar Pradesh	Saidpur	First Floor, Ward No.8, Plot No.511, Rajendra Nagar, Nai Sardak, Trimuhani, Saidpur – 233504, District – Ghazipur, Uttar Pradesh
455	Tinsukia	Assam	Tinsukia	Second Floor, Rangagora Road, Ward No.13, Near BSNL Office, Tinsukia - 786125, Assam
456	Salempur	Uttar Pradesh	Salempur	First Floor, Echouna Awadh Complex, Sohang More, Main Road, Plot No.42, Ward No.13, Salempur – 274509, District – Deoria, Uttar Pradesh
457	Phoolpur	Uttar Pradesh	Phoolpur	Second Floor, Above LIC Building, Near Petrol, Pump, Lucknow Ballia Road, Survey No.884/1, Phoolpur – 276304, Uttar Pradesh
458	Unchahar	Uttar Pradesh	Unchahar	First Floor, Plot No.985, Opposite Deewan Talab, Khatri Tola Main Road, Unchahar – 229404, District – Raebareli, Uttar Pradesh
459	Sidhauli	Uttar Pradesh	Sidhauli	First Floor, Above Bank of Baroda, Nimshar Road, Near Biswa Choraha, Sidhauli – 261303, District – Sitapur, Uttar Pradesh
460	Etah	Uttar Pradesh	Etah	First Floor, Plot No. 26, Aruna Nagar, G T Road, Etah – 207001, Uttar Pradesh
461	Shahganj	Uttar Pradesh	Shahganj	First Floor, Above Bank of Maharashtra, Ward No.13, Azamgrah Road, Shahganj – 223101, District – Jaunpur, Uttar Pradesh
462	Sawai Madhopur	Rajasthan	Sawai Madhopur	First Floor, Anandpur Road, Near Prem Motors, Sawai Madhopur – 322001, Rajasthan
463	Hata	Uttar Pradesh	Hata	First Floor, Mishra Complex, Above LIC Office, Ward No.1, Hata – 274203, District – Khushinagar, Uttar Pradesh
464	Colonelganj	Uttar Pradesh	Colonelganj	Upper Ground Floor, Gata No.471/3, HDFC Bank Building, Sakrora Chowraha, Coloneganj – 271502, District – Gonda, Uttar Pradesh
465	Mandsaur	Madhya Pradesh	Mandsaur	House No.192-193, Veetara Pamecha Complex, Second Floor, Ward No.11, Mayapura Road, Near Maharana Pratap Bus Stand, Mandsaur – 458001, Madhya Pradesh

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466	Nellore	Andhra Pradesh	Nellore	No-16-15-986-1, Second Floor, Children Park Main Road, Survey No.876, Plot No.18, Ward No.16-III, Near Apollo Hospital, Nellore – 524002, Andhra Pradesh
467	Chitrakoot Dham	Uttar Pradesh	Chitrakoot	First Floor, Ward No.7, Near Post Office, Sitapur Mafi, Near State Bank of India, Chitrkoot – 210204, Uttar Pradesh
468	Kaimganj	Uttar Pradesh	Kaimganj	First Floor, Opposite Axis Bank, Transport Nagar Chouraha, Kampil Road, Kaimganj - 209502, District- Farrukhabad, Uttar Pradesh
469	Bangarmau	Uttar Pradesh	Bangarmau	First Floor, Above Union Bank, Lucknow Road, Bangarmau - 209868, District – Unnao, Uttar Pradesh
470	Haidergarh	Uttar Pradesh	Haidergargh	Ground Floor, 5/93, Subeha Tiraha, Thatharahi Ward, Haidergarh – 225124, District – Barabanki, Uttar Pradesh
471	Contai	West Bengal	Contai	Second Floor, Ward No.14, Municipal Holding No.778/507, Dhandighi, Contai – 721401, District – Purba Medinipur, West Bengal
472	Gulbarga	Karnataka	Gulbarga	No.3-294, Second Floor, Patil Complex, CTS No.3441/1, Sheet No.57, Opposite City Centre Mall, Above Bank of Maharashtra, Near Jain Mandir, Gulbarga - 585101
473	Manjhanpur	Uttar Pradesh	Manjhanpur	First Floor, House No.232, Above Pradhan Mantri Kaushal Vikas Yogana Center, Gata No.7/2, Ward No.9, Chak Nagar, Second Sirathu Road, Manjhanpur - 212207, District - Kaushambi, Uttar Pradesh
474	Ghatampur	Uttar Pradesh	Ghatampur	Second Floor, Cheena Bhavan, LIC Building, Gata No.308, Musa Nagar Road, Jawahar Nagar Kasba, Ghatampur – 209206, District – Kanpur Nagar, Uttar Pradesh
475	Vijaywada - 5	Andhra Pradesh	Vijayawada	Second Floor, Door No.40-6/2-2, Revenue Colony, Mogal Rajpuram, Vijaywada – 520010, District – Krishna, Andhra Pradesh
476	Baheri	Uttar Pradesh	Baheri	Ground Floor, Near Bank of Baroda, Truck Union Road, Baheri – 243201, District - Bareilly, Uttar Pradesh

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477	Bongaigaon	Assam	Bongaigaon	First Floor, North Bongaigaon, BOC Gate, in front of Allahabad Bank, Ward No.10, House No.456, Patta No.204, Dag No.242, Near Maa Kali Mandir, Bongaigaon – 783380, Assam
478	Sant Kabir Nagar	Uttar Pradesh	Sant Kabir Nagar	First Floor, House No.123, Ward No.123, Tripathi Nagar, Sugarmail Road, Near Junior High School, Khalilabad, Sant kabir Nagar - 272175, Uttar Pradesh
479	Sri Ganganagar	Rajasthan	Sri Ganganagar	First Floor, Shop No.47, Sukhadiya Shopping Center, Sukhadiya Road, Sri Ganganagar - 335001, Rajasthan
480	Chatra	Jharkhand	Chatra	First Floor, Kunti Complex, P.S.No.175, Tauzi No.28, New Ward No.2, Ram Nagar, Gudadi Bazar, Above Oriental Bank of Commerce, Chatra – 825401, Jharkhand
481	Aurangabad	Bihar	Aurangabad	Second Floor, M.G. Road, Plot No.328, Khata No.22, Survey No.560, Near Ramesh Chowk, Aurangabad – 824101, Bihar
482	Katwa	West Bengal	Katwa	Ground Floor, Katwa Abasan, Dag No.318, Ward No.20, Stadium Road, Opposite Power House, Khatian No.10302, Katwa - 713130, District - Purba Bardhaman, West Bengal
483	Rajdhanwar	Jharkhand	Rajdhanwar	Upper Ground Floor, Plot No.577, Survey No.214, Near Sarkash Maidan, Main Road, Gandhi Chowk, Rajdhanwar - 825412, District - Giridih, Jharkhand
484	Gumla	Jharkhand	Gumla	Sahu Complex, First Floor, Ward No.18, Khata No.346, Survey No.59, S S high School Road, Devi Mandir, Near HDFC Bank, Gumla – 835207, Jharkhand
485	Muktsar	Punjab	Muktsar	Ground Floor, B1200236, Khatauni No.4343 & 4433, Near DCB Bank, Kotakpura Road, Muktsar – 152026, Punjab
486	Banjara Hills, Hyderabad	Telangana	Hyderabad	Third Floor, GS Plaza, 3B, Third Floor, Road No.1, Banjara Hills, Hyderabad – 500034
487	Nakhatrana	Gujarat	Nakhatrana	Office No.206, Second Floor, Square Arcade, Survey No.6/1, Opposite Dr. Makani Hospital, Bhuj Lakhpat Highway, Nakhatrana – 370615, District – Kutch, Gujarat

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488	Haldia	West Bengal	Haldia	Second Floor, Basudevpur, HCL Link Road, Khanhan Chowk, Ward No.10, Municipal Holding No.337/242, Manjushree, Haldia – 721602, District - Purba Medinipur, West Bengal
489	Bijapur	Karnataka	Bijapur	First Floor, Survey No.1368B/2, Shree Krishna Towers, Shyapeth Road, Near Dhansheeti Tyres Shop, Bijapur – 586101, Karnataka
490	Diamond Harbour	West Bengal	Diamond Harbour	First Floor, Premises No.83, Ward No.10, Above Bandhan Bank, Rabindra Nagar, Madhabpur, Diamond Harbour – 743331, District - South 24 Parganas, West Bengal
491	Dankuni	West Bengal	Dankuni	Second Floor, South Subhash Pally, HDFC Bank Building, Khatian No.433 & 577, Survey No.1772, Monoharpur, Dankuni – 712311, District – Hooghly, West Bengal
492	Solan	Himachal Pradesh	Solan	Second Floor, Above Bank of Maharashtra, Rajgarh Road, Khasra No.2806/1251, 1253 & 1247, Solan – 173212, Himachal Pradesh
493	Supaul	Bihar	Supaul	First Floor, Pathak Complex, Piper Road, Opposite Circuit House, Near Mahindra Finance, Supaul – 852131, Bihar
494	Lohardaga	Jharkhand	Lohardaga	First Floor, Veer Shivaji Chowk, Plot No.731, Survey No.194, Khata No. 91, New Road, Lohardaga – 835302, Jharkhand
495	Mahwa	Rajasthan	Mahwa	First Floor, Near Government Senior Secondary School, Bharatpur Road, Near National Highway, Village – Mahwa – 321303, District – Dausa, Rajasthan
496	Lalsot	Rajasthan	Lalsot	First Floor, Above Urban India Credit Society, Khasra no.1169, Opposite ICICI Bank, Gangapur Road, Lalsot – 303503, District – Dausa, Rajasthan
497	Dausa	Rajasthan	Dausa	First Floor, Khasra No.1376, Plot No.467, Near Pannu Petrol, Kherwal Tower, Agra Road, Dausa - 303303
498	Nihal Singh Wala	Punjab	Nihal Singh Wala	First Floor, Opposite State Bank of India, Bagha Purana Road, Nihal Singh Wala – 142055, District – Moga, Punjab
499	Katihar	Bihar	Katihar	First Floor, Aditya Complex, Mirchayi Vadi, Above Mahindra Finance and Indian Bank, Survey No.328, Near Hanuman Temple, Katihar – 854105, Bihar

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500	Hajipur	Bihar	Hajipur	First Floor, Opposite HDFC Bank, Ward No.20, Shop No.1D, Dakbangla Road, Hajipur – 844101, District – Vaishali, Bihar
501	Bishnupur	West Bengal	Bishnupur	First Floor, Above Axis Bank, Jhapor More (Station Road), Bishnupur – 722122, District – Bankura, West Bengal
502	Raghunathganj	West Bengal	Raghunathganj	First Floor, Umarpur, Plot No.593, Ghorshala, Raghunathganj – 742235, District - Murshidabad, West Bengal
503	Churu	Rajasthan	Churu	First Floor, Plot No.A-7, Secor No. II, Sainik Basti, Pankha Road, Churu – 331001, Rajasthan
504	Karimpur	West Bengal	Karimpur	Ground Floor, Subir Lodge, Dag No.371, Near ICICI Bank, Karimpur – 741152, District – Nadia, West Bengal
505	Garhwa	Jharkhand	Garhwa	Second Floor, Near SBI Bank, B. P. Plaza, Ward No.4, Survey No.339, Main Road, Plot No.863 & 866, Garhwa – 822114, Jharkhand
506	Buxar	Bihar	Buxar	First Floor, Station Road, Above Vijaya Bank, Survey No.332, Opposite Nagar Bhawan, Buxar – 802103, Bihar
507	Buniadpur	West Bengal	Buniadpur	Second Floor, Opposite of Powerhouse, Buniadpur – 733121, District – Dakshin Dinjapur, West Bengal
508	Sikar	Rajasthan	Sikar	Second Floor, Ocean Plaza, P.No.319A, Office No.4, Plot No.319-A, Khasra No.124/4, Devipur, Opposite Industrial Area, Jaipur Road, Sikar – 332001, Rajasthan
509	Pandua	West Bengal	Pandua	First Floor, Johora Mansion, Near Cold Storage Mukul Cinematala, Allhabad Building, Pandua - 712149, District - Hooghly
510	Kim	Gujarat	Kim	Office No. 203, Second Floor, Sai Complex, Near Kim Char Rasta, Kim Olpad Main Road, Opposite Sadhna Hospital, Kim – 394110, Surat
511	Bankura	West Bengal	Bankura	First Floor, Lal Bazar, Durgapur, Bypass Road, Ward No.6, Bankura – 722101, West Bengal

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512	Mahasamund	Chhattisgarh	Mahasamund	First Floor, Above Saurabh Sales, Besides Bank of Maharashtra, Khasara No.372/6, Main Raipur Road, Mahasamund – 493445, Chhattisgarh
513	Nagapattinam	Tamil Nadu	Nagapattinam	First Floor, Door No.542/238, A A Complex, Ward No.4, Block No.33, T S No.1309, Public Office Road, Velipalayam, Nagapattinam – 611001, Tamil Nadu
514	Jetpur	Gujarat	Jetpur	First Floor, Kankiya Plot, CSN No.8608, C S No.8608 of City Survey Sheet No.25, Opposite Dr. Raiyani Hospital, Jetpur - 360370
515	Rajim	Chhattisgarh	Rajim	222, Dammani Colony, Nawapara, Ward No.2, Gobra, Rajim - 493881, District - Gariaband, Chhattisgarh
516	Jalandhar	Punjab	Jalandhar	Second Floor, Office No.188 A, Landmark, Model Town, Jalandhar - 144003
517	Anjar	Gujarat	Anjar	First Floor, Above Canara Bank, Plot No.628 & 633/2, Ward No.10, Survey No.700 & 706/1, Pramukh Swami Ring Road, Anjar – 370110, Gujarat
518	Radhanpur	Gujarat	Radhanpur	Office No.55, First Floor, Maruti Plaza, Radhanpur – 385550, District – Patan, Gujarat
519	Jeypore	Odisha	Jeypore	First Floor, SGC Enterprises, Greaves Care, Beside Hero Work Showroom, Cannal Road, National Highway, Khata No.263/6134 and 263/6129, Jeypore - 764001, District – Koraput, Odisha
520	Ramgarh	Jharkhand	Ramgarh	First Floor, Room No.3A, Hotel Park, Holding No. JC-6-B, Main Road, Ramgarh – 829122, Jharkhand
521	Dalli Rajhara	Chhattisgarh	Dalli Rajhara	First Floor, Ward No.4, Near Gurdwara, Main Road, Dalli Rajhara – 491228, District – Balod, Chhattisgarh
522	Jhalawar	Rajasthan	Jhalawar	Ground Floor, Nirbhay Singh Circle, Ward No.21, Khasra No.2016, Gayatri Vihar Awasiye Colony, Adjoining AU Bank, Jhalawar – 326001, Rajasthan
523	Bhinmal	Rajasthan	Bhinmal	Shop No.7, Shyam Plaza, Ground Floor, Bhinmal - Rniwara Road, Bhinmal – 343029, Rajasthan

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524	Kishangarh	Rajasthan	Kishangarh	First Floor, Laxmi Vihar Colony, Khasra No.713, Plot No. A - 16, Opposite Vodafone Store, Ajmer Road, Kishangarh – 305801, District – Ajmer, Rajasthan
525	Narasaraopet	Andhra Pradesh	Narasaraopet	Second Floor, Vishnu Sai Towers, block No.1/23, Old Ward No.4, New Ward No.9, Door No.9-6-29/14, Old LIC Office Road, Arundelpet, Narasaraopet – 522601, District – Guntur, Andhra Pradesh
526	Fazilka	Punjab	Fazilka	First Floor, Property No. 3227, Near Punjab Gramin Bank, Gaushala Road, Fazilka – 152123, Punjab
527	Plassey	West Bengal	Plassey	First Floor, Near Saraswati Shisu Mandir, R. S. Plot No.681, L. R. 987, Kaliganj, Plassey – 741156, District – Nadia, West Bengal
528	Motihari	Bihar	Motihari	Second Floor, Bank Road, Holding No.376/328, Survey No.166, Hazar Jyoti Complex, Motihari – 845401, Bihar
529	Jayanagar	Karnataka	Bangalore	Second Floor, 41, South End 'D' Main Road, 9th Block, Jayananagar, Bangalore – 560069, Karnataka
530	Bharatpur	Rajasthan	Bharatpur	First Floor, Kumher Gate Chouraha, Opposite UCO Bank, Near Yes Bank, Bharatpur - 321001, Rajasthan
531	Jashpur	Chhattisgarh	Jashpur	First Floor, Jindal Automobiles, Survey No.1073/3, Near Shanti Bhawan, Gaurav Path, Raigarh Road, Jashpur – 496225, Chhattisgarh
532	Iritty	Kerala	Iritty	First Floor, Survey no.93/106, 93/107, 93/108, MH Arcade, Keezhur PO, Iritty - 670703, District – Kannur, Kerala
533	Begum Bazar	Telangana	Hyderabad	Second Floor, 14-4-319, Sadhbhavna Heights, Gosha Mahal, HDFC Bank Building, Opposite Seven Heaven Hotel, Begum Bazar, Hyderabad – 500012, Andhra Pradesh
534	Dibrugarh	Assam	Dibrugarh	Second Floor, Gabharupathar Tinali, Naliapool, Near Gabharupathar Outpost, Dibrugarh - 786001, Assam
535	Greater Noida	Uttar Pradesh	Greater Noida	First Floor, Plot No.8, Tugalpur Haldona, Park I, Greater Noida - 201306, Dist. Gautam Buddha Nagar

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536	HDB Collection 50% and CD business (50%)	West Bengal	Kolkata	56E, Stephen House, Third Floor, Hemanta Basu Sarani, Ward No.46, Kolkata - 700001
537	Tanuku	Andhra Pradesh	Tanuku	Third Floor, Sai Swapna Heights, Door No.20-10-16, Shop No.2 & 3, Narendra Center, Tanuku – 534211, Andhra Pradesh
538	Guwahati - 2	Assam	Guwahati	Second Floor, Basistha Road, Patta No.2214, Dag No.2987, Opposite Dispur Telephone Exchange, Guwahati – 781006, Assam
539	Channapatna	Karnataka	Channapatna	First Floor, Fatima Imam Complex, No-1354-58, Site No.1714, Mysore Bangalore Main Road, Above Axis Bank, Sathanoor Circle, Channapatna – 562160
540	Deesa	Gujarat	Deesa	Second Floor, Office No.24, 25 & 26, Pushpanjali Heights, Ward No.2, Near Jalaram Temple, Opposite New bus Stop, Deesa – 385535, District – Banaskantha, Gujarat
541	Bolpur	West Bengal	Bolpur	Second Floor, HDFC Building, Dag No. 737, Khatian No.14636, 14637, 14638, Bolpur Court, Shantiniketan, Bolpur – 731204, District – Birbhum, West Bengal
542	Jigani	Karnataka	Jigani	First Floor, No.559/2, 3, Opposite 24*7 Government Hospital, Jigani Main Road, Near Gowrishankara Traders building, Next To Muthoot Fincorp, Anekal Taluka, Jigani - 560105, District – Bangalore, Karnataka
543	Perundurai	Tamil Nadu	Perundurai	First Floor, JMN Towers, D.No.67, Survey No.63/1, Sakthi Mandabam Road, Perundurai – 638052, District – Erode, Tamil Nadu
544	Kovaipudur	Tamil Nadu	Coimbatore	First Floor, M R Complex, S F No.196/3E, D.No.1, Siva Nagar, 100 Feet Road, Kovaipudur, Sundakkumuthur Village, Perur, Coimbatore – 641042, Tamil Nadu
545	Jhargram	West Bengal	Jhargram	Second Floor, ICICI Building, Dag No.234, Khatian No.142, Raghunathpur Main Road, Jhargram – 721507, West Bengal
546	Sitamarhi	Bihar	Sitamarhi	First Floor, Opposite Union Bank, Ward No.22, Khata No.107, Dumra Road, Rajopati, Sitamarhi - 843301, Bihar



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547	Baikunthpur	Chhattisgarh	Baikunthpur	First Floor, In front of Agarwal Motors (TVS Showroom), Ward No.5, Survey No.403/3, Bhatipara Main Road, Baikunthpur – 497335, District – Koriya, Chhattisgarh
548	Mathura 2	Uttar Pradesh	Mathura	First Floor, B-1, Indrapuram Colony, Plot No.1, Above union Bank, Khasra No.121 & 122, Aurangabad Road, Mathura – 281006, Uttar Pradesh
549	Hunsur	Karnataka	Hunsur	First Floor, Basaveshwara Complex, Near Corporation Bank, B M Road, Hunsur – 571105, District – Mysore, Karnataka
550	Kakinada 2	Andhra Pradesh	Kakinada	Second Floor, D.No.70-1-28, Surya Prabha Complex, Above Syndicate Bank, Nadamlithota Junction, Beside HP Petrol pump, Kakinada – 533003, District - East Godawari, Andhra Pradesh
551	Tallakulam	Tamil Nadu	Madurai	Second Floor, D.No.100/1, Palam Station Road, Ward No.12, Above Yes Bank, Goripalayam, Sellur, Madurai – 625012, Tamil Nadu
552	Pathanamthitta	Kerala	Pathanamthitta	First Floor, Thattavara Complex, Survey No.367/B, St. Peter's Junction, Ring Road, Pathanamthitta – 689645, Kerala
553	Agra - 4	Uttar Pradesh	Agra	First Floor, Chansauriya Complex, H.No.31, Above Bank of Baroda, Shastripuram Chauraha, Agra – 282007, Uttar Pradesh
554	Dhulian	West Bengal	Dhulian	First Floor, New Dakbanglow More, Opposite State Bank of India, Pakur Road, Village & Post – Chakshapur, Dhulian – 742202, District – Murshidabad, West Bengal
555	Palam	Delhi	New Delhi	First Floor, Municipal No.RZ1/13, Old Plot No.3 & 4, Khasra No.69/7, Raj Nagar, Palam Colony, New Delhi – 110077
556	Goalpara	Assam	Goalpara	Second Floor, Hamid Market, Panchanaratna Road, Ward No.14, House No.33, Kismotpur, Goalpara – 783101, Assam
557	Rohini	Delhi	New Delhi	Second Floor, Pocket E2, Plot No.27, Sector 7, Near ICICI Bank, Rohini – 110085, New Delhi

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558	Siwan	Bihar	Siwan	Second Floor, Holding No.777, New Holding No.2, Ward No.24, P.S. No.231, Babuniya Road, Makhadum Saray Chowk, Above Bandhan Bank, Siwan – 841226, Bihar
559	Mansa	Punjab	Mansa	First Floor, Khasra No.1088, Water Works Road, Mansa – 151505, Punjab
560	Thirumangalam	Tamil Nadu	Madurai	First Floor, Old No.507, New D.No.507/2, R S no.35/1C, Above City union Bank, Madurai Road, Thirumangalam, Madurai – 625706, Tamil Nadu
561	Puttur	Karnataka	Puttur	First Floor, No.17-1-4, 22B/A – 1-2, Daniel Arcade, Above Suddi Sowharda Sahakari Bank, Yelmudi, Puttur – 574201, District - Dakshina Kannada, Karnataka
562	Ellenabad	Haryana	Ellenabad	Khewat No-746/824, Ground Floor, Mamera Road Bypass, Sirsa Hanumangarh Bypass, Ellenabad – 125102, District Sirsa
563	Sholinghur	Tamil Nadu	Vellore	First Floor, New Door No.2, Old Door No.1, Post Office Street, Sholinghur Town Panchayat, Wallaja Taluka, District – Vellore – 631102, Tamil Nadu
564	Thanjavur - 2	Tamil Nadu	Thanjavur	First Floor, Swarna Complex, Door No.5, Natarajapuram North, Above Muthoot Fincorp, Survey No.163/4, 163/4A, M C Road, Near Medical College, Thanjavur - 613009, Tamil Nadu
565	Ambasamudram	Tamil Nadu	Ambasamudram	Ground Floor, D.No.22, First Floor, SF No.229/1A1, Papanasam Main Road, Opposite Agastiar Koil, Ambasamudram – 627401, District – Tirunelveli, Tamil Nadu
566	Ballabgarh	Haryana	Ballabgarh	First Floor, FCA 54, Above Nanital Bank, Property No.1967/A, New Chawla Colony, Near 100 feet Road, Ballabgarh – 121004, District – Faridabad, Haryana
567	Bhopal - 4, Kolar Main Road	Madhya Pradesh	Bhopal	First Floor, Plot No.13, Above Bank of India, Mandakini Colony, Shri Ram Bhawan, Kolar Main Road, Bhopal – 462042, Madhya Pradesh
568	Gudivada	Andhra Pradesh	Gudivada	Second Floor, Door No.11/136, GVR Central, Above HDFC Bank, Opposite Axis Bank, Eluru Road, Gudivada – 521301, District – Krishna, Andhra Pradesh

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569	Hindupur	Andhra Pradesh	Hindupur	First Floor, New Door No.18-1-154A, 18-10-4/1, Old Door no.13/333, KAS Complex, Above Axis Bank, MF Road, Ward No.18, Hindupuram - 515201, District - Anantapuram, Andhra Pradesh
570	Kushinagar	Uttar Pradesh	Kushinagar	First Floor, Lari Manzil, Chawni, Plot No.2357/6, Kasia Road, Padrawna, Kushinagar – 274304, Uttar Pradesh
571	Palamner	Andhra Pradesh	Palamner	First Floor, D.No.225, Gudiyatham Road, Ward No.6, Survey No.308-2, Palamner – 517408, District – Chittoor, Andhra Pradesh
572	Sultanpur	Uttar Pradesh	Sultanpur	First Floor, House no.1899, Gata No.411, Above IDBI Bank, In front of Arya Samag Mandir, Badhmandi, Shahganj, Khairabad, Sultanpur - 228001, Uttar Pradesh
573	Taliparamba	Kerala	Taliparamba	Third Floor, Combust Point, Chiravakku Junction, N.H., Taliparamba – 670141, District – Kannur, Kerala
574	Deogarh	Odisha	Deogarh	First Floor, at Municipality Sahi, Unit No.8, Near Bus Stand, Above Union Bank, Survey No.151, Holding No.234, Deogarh – 768108, Odisha.
575	Varanasi - 2	Uttar Pradesh	Varanasi	First Floor, S5/38 – 199, Above Central Bank of India, Plot No.199, Vindwasini Nagar, Panch Koshi Road, Orderly Bazar, Varanasi – 221002, Uttar Pradesh
576	Gandhi Nagar 2, New Delhi	Delhi	New Delhi	Second Floor, IX/1795 & IX/1766, Gali No.1, Circular Road, Kailash Nagar, Gandhi Nagar, New Delhi – 110031
577	Kanjirappally	Kerala	Kanjirappally	First Floor, Trade Center Building, Ward No.8, Building No.399/B4, MYCA Junction, Kanjirappally – 686507, District – Kottayam, Kerala
578	Bhopal - 5, Bairagarh	Madhya Pradesh	Bhopal	S-1, Second Floor, STC Palm Square Villa, Tapariya State, Plot No.10, Near Dominos, STC Golf Colony, Village – Nayapura, Lalghati, Tehsil – Huzur, Bhopal – 462021, Madhya Pradesh
579	Thodupuza	Kerala	Thodupuza	Ground Floor, Room No. 5/38-F, 5/38-G, Kandrickal Building, Mangattukavala Bye Pass Road, Thodupuza - 685585, District – Idukki, Kerala

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580	Sivasagar	Assam	Sivasagar	Second Floor, Dutta Complex, Patta No.1458, Dag No.2692, Hospital Road, GNG Path, Ward No.12, Near Assam Gramin Vikash Bank, Sivasagar – 785640, Assam
581	Puttur	Andhra Pradesh	Puttur	First Floor, Door No.15-197/3, Survey No.128-11, Karvetinagaram Road, Puttur – 517583, District – Chittoor, Andhra Pradesh
582	Bagalkot	Karnataka	Bagalkot	First Floor, Unit No.1, Sector No.34, Plot No.21, Third Main Road, Navanagar, Bagalkot – 587103, Karnataka
583	Islampur	West Bengal	Islampur	Second Floor, Beside NH 31, R/S plot No.2681, Khatian No.724/80, Powerhouse Para, Islampur – 733702, District - Uttar Dinajpur, West Bengal.
584	Farrukhabad	Uttar Pradesh	Farrukhabad	First Floor, 7/289, Fatehpur Road, Barhpur, Farrukhabad – 209625, Uttar Pradesh
585	Jehanabad	Bihar	Jehanabad	First Floor, Hanuman Nagar, Raza Bazar, Mohalla – Daulatganj, P S No.382, Plot No.549, 550 & 551, Khata No.23, Jehanabad – 804408, Bihar
586	Shamli	Uttar Pradesh	Shamli	Second Floor, Municipal No.241/2, M S K Road, Ch. Shardaram Complex, Dhiman Pura, Shamli – 247776, Uttar Pradesh
587	Bihar Sharif	Bihar	Bihar Sharif	First Floor, Ramchandra Pur Road, Near Big Bazar, Khata No.29, Plot No.268, Ward No.17/22, Above Pal Electronic, Bihar Sharif – 803101, District – Nalanda, Bihar
588	Srikakulam	Andhra Pradesh	Srikakulam	Second Floor, Kameshwari Complex, Door No.2-3-15, Survey No.113, Above IDBI Bank, Near Illsipuram Junction, Sana Street, Srikakulam – 532001, Andhra Pradesh
589	Bijohnagar	Assam	Bijohnagar	Third Floor, Mahendra jaymoti Market, Near Indian Bank, Uparhali Bijoy Nagar, P.S. Palashbari, Bijohnagar - 781122, District – Kamrup, Assam
590	Baltana	Punjab	Baltana	First Floor, SCO No.7, Kalgidhar Enclave, Kalka Shimla Highway, Baltana, Zirakpur, Punjab -140603

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591	Gopalapatnam	Andhra Pradesh	Visakhapatnam	Second Floor, Door No.10-129, 10-130, 10-131, 10-132,10-133,10-134, Plot No. C/27, Survey No.4/C, ULC Survey No.4/8, Gopalapatnam – 530027, District – Visakhapatnam, Andhra Pradesh
592	Budaun	Uttar Pradesh	Budaun	First Floor, Raj Complex, Near Datta Ganj Chungi, Khasra No.462, Above Canara Bank, Budaun – 243601, Uttar Pradesh
593	Mangalagiri	Andhra Pradesh	Mangalagiri	First Floor, Door No.1-437, Survey No.113/1, Above HDFC Bank, Beside New Kennedy High School, GT Road, Kothapetha, Ward No.1, Mangalagiri, Vijaywada – 522503, District – Guntur, Andhra Pradesh.
594	Bikaner - 3	Rajasthan	Bikaner	Second Floor, Harsh Complex, N H 15, Magha Ram Colony, Gajner Road, Bikaner – 334004, Rajasthan
595	Babrala	Uttar Pradesh	Babrala	First Floor, Indra Chowk, Plot No.26, Above State Bank of India, Babrala – 243751, District – Sambhal, Uttar Pradesh
596	Mirzapur	Uttar Pradesh	Mirzapur	Ground Floor, House No.87, Ward No.10, Triveni Campus, Ratanganj, Mirzapur – 231001, Uttar Pradesh
597	Hyderabad - Rajendra Nagar	Telangana	Hyderabad	Second Floor, H. No.3-4-176, North East Part, Near Bank of Baroda, Rajendra Nagar Rev Mandal and MPP, Rajendra Nagar Municipality, District – Ranga Reddy, Hyderabad – 243122
598	Thiruperumbudur	Tamil Nadu	Thiruperumbudur	First Floor, Plot No.4, Survey No.134, Chennai Bangalore Main Road, Thiruperumbudur – 602105, District – Kanchipuram, Tamil Nadu
599	Berhampore	West Bengal	Berhampore	Ground Floor, 11/2 Kali Krishna Banerjee Road, Near Yahama Showroom, Berhampore - 742101, District – Murshidabad, West Bengal
600	Hoskote	Karnataka	Hoskote	Municipal Katha No.2669/2247/1983/1543, Second Floor, Opp. Government School, Near Panchmukhi Ganesha Temple, Hoskote Flower Market Bus Stop, KR Road, Hoskote - 562114
601	Morena	Madhya Pradesh	Morena	Ground Floor, Ward No.34, Fiza Plaza, M S Road, Opp. Janpad Panchayat, Morena - 476001

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602	Loni	Uttar Pradesh	Loni	First Floor, Plot No.74-75, Khasra no.823/1, Ganga Enclave, Near Johripur Metro Station, Loni – 201102, District – Ghaziabad, Uttar Pradesh
603	Nilambur	Kerala	Nilambur	First Floor, C T Tower, No.9/6 X & 9/6 W, Survey No.264/4-2,5, Ward No.23, Minerwappadi, Nilambur – 679329, District – Malappuram, Kerala
604	Jhumri Telaiya	Jharkhand	Jhumri Telaiya	Shop No.2, Ground Floor, Opposite J K Tower, Patratu Chowk, Bye Pass Road, Jhumri Telaiya – 825409, District – Koderma, Jharkhand
605	Jattari	Uttar Pradesh	Jattari	Ground Floor, Jattari Road, Opposite Nagar Panchayat, Jattari – 202137, District – Aligarh , Uttar Pradesh.
606	Meerapur	Uttar Pradesh	Meerapur	Ground Floor, Ramraj Road, Near Sidharth Public School, Kaithora, Khasra No.578, Meerapur – 251315, District - Muzaffarnagar, Uttar Pradesh
607	Bhadrak	Odisha	Bhadrak	Second Floor, Plot No.353/2585, Khata No.676, Khatian No.723/146, Holding No.53, Mauza Kuansh, Bhadrak – 756100, Odisha.
608	Godhra	Gujarat	Godhra	Third Floor, Office No.1, Signature Complex, Opposite Church Gandhi Chowk, Navrang Society, Gandhi Chowk Circle, Survey No.493/6A, Godhra – 389001, District – Panchmahal, Gujarat
609	Forbesganj	Bihar	Forbesganj	Ground Floor, Korihara Road, Union Bank Building, Tauzi No.8/1, Khata No.62, Plot No.735, Ward No.2, Forbesganj – 854318, District – Araria, Bihar.
610	Thamarassery	Kerala	Thamarassery	First Floor, EC Complex, Behind Bus Stand, Thamarassery – 673573, District – Kozhikode, Kerala.
611	Gachibowli	Telangana	Hyderabad	Second Floor, 1-73/JH/22/2F, Plot No.22, Survey No.50, Gachibowli Village, Serilingampallay Mandal, Under GHMC, Serilingampallay Circle, Raidurgam, Gachibowli, Hyderabad - 500032
612	Vizianagaram	Andhra Pradesh	Vizianagaram	Ground Floor, D.No.4-2-22, Santhapeta South Ward, Ward No.4, Kotha Agraharam Area, Vizianagaram - 535001

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613	Suchitra	Telangana	Hyderabad	Second Floor, Plot No.106, Survey No.83, Block No.6, Venkateshwara Enclave, Jeedimetla Village, Quthbullapur Mandal, Suchitra, Jeedimetla, GHMC Circle, District – Ranga Reddy, Telangana – 500067.
614	Ellampillai	Tamil Nadu	Ellampillai	Door No.153-3, First Floor, Survey No.27/2B, 27/3, Salem Main Road, Magudanchavadi SRO, Ellampillai Village, Ellampillai – 637502, District – Salem, Tamil Nadu.
615	Mananthavady	Kerala	Mananthavady	Second Floor, Stylo Corner Building, Resurvey No.70/1, Block No.3, Above HDFC Bank, Valliyoorkavu Road, Mananthavady - 670645, District – Wayanad, Kerala
616	Guntur - 3	Andhra Pradesh	Guntur	Upper Ground Floor/First Floor, Sri Mansion, Door No.55A, 55B, 55B-2, 55B3A, B3B, 56-1A, 1B, 1C, 1D, 1E, 56-2, 57-2, 57-B, 57-B-2, Asst No.2071, Door No.3-14-11, Main Road, Nallapadu Village, Patabhipuram, Guntur – 522004, Andhra Pradesh.
617	Basti	Uttar Pradesh	Basti	Second Floor, House No.89A, Mohalla Pikanu Shiv Gulam Malviye Road, Above Utkarsh Small Finance Bank, Gandhi Nagar, Basti – 272002, Uttar Pradesh
618	Jamkhed	Maharashtra	Jamkhed	First Floor, Panchratna Complex, Near State Bank of India, Bus Stand, Jamkhed – 413201, District – Ahmednagar, Maharashtra
619	Vijaywada - 6	Andhra Pradesh	Vijayawada	Second Floor, 54-15-14/1, Sai Prabha Complex, R S No.453/4B, Municipal Ward No.31, Revenue Ward No.2, Service Road, Bharathi Nagar, Srinagar Colony Area, Gunadala, Vijayawada – 520008, District – Krishna, Andhra Pradesh
620	Ahmedabad Navrangpura	Gujarat	Ahmedabad	Radhika, Second Floor, Near Law Garden Road, Opposite Mayor Bungalow, Navarangpura, Ahmedabad – 380009.
621	Malerkotla	Punjab	Malerkotla	Second Floor, Saraswati Complex, Opposite SDM Residence, Mall Road, Malerkotla – 148023, District – Sangrur, Punjab.

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622	Ankleshwar	Gujarat	Ankleshwar	Third Floor, Shop No.23 & 24, Rajkamal Arcade, A – Wing, Survey No.503/2/B, 503/2/B, Opposite Mamlatdar Office, Ankleshwar – 393002, Gujarat
623	Rajkot CV	Gujarat	Rajkot	Office No.305, Third Floor, Four Plus Realities, Sardarnagar Main Road, Astron Chowk, Rajkot – 360001, Gujarat
624	Shevgaon	Maharashtra	Shevgaon	First Floor, Laxmi Nagar, Plot No.12, Survey No.1130/2, Shevgaon – 414502, District – Ahmednagar, Maharashtra.
625	Dhorighat	Uttar Pradesh	Dhorighat	Second Floor, Above PNB Bank, Dhorighat – Azamgarh Road, Dhorighat – 275303, District – Mau, Uttar Pradesh
626	Hyderabad - Begumpet CD business 50% HDB Collections 12.5% and HDFC Bank Collections 37.5%)	Telangana	Hyderabad	Fifth Floor, D.No.1-10-60, 61,62, 63, 64 & 65, Survey No.30,38,39 & 40, Municipality No.2547/44, Suryodaya Building, Begumpet Village, Secunderabad Municipality, Hyderabad - 500016
627	Ghazipur	Uttar Pradesh	Ghazipur	Second Floor, House No.25A, Visheshwar Ganj, Above Vijaya Bank, Lanka Vishweshwarganj Road, Ghazipur – 233001, Uttar Pradesh.
628	Vizag - 3	Andhra Pradesh	Visakhapatnam	First Floor, Unit No.102, Front Portion, Mukundha Enclave, Midhilapuri Colony Road, Survey No.248/10, Madhurwada, Vishakhapatnam - 530048, Andhra Pradesh.
629	Perinthalmanna	Kerala	Perinthalmanna	Second Floor, Kulathingal Complex, Near KSRTC Bus Stand, Mannarkad Road, Perinthalmanna - 679322, District – Malappuram, Kerala
630	Sitapur	Uttar Pradesh	Sitapur	Second Floor, Above Corporation Bank, Vijay Lakshmi Nagar, 7 Station Road, Sitapur – 261001, Uttar Pradesh.
631	Shahjahanpur	Uttar Pradesh	Shahjahanpur	First Floor, Rajeshwari Rastogi Chowk, Plot No.39, Mohalla Khinni Bagh, Near Ram Prasad, Bismil Park, Near Kachahari, Shahjahanpur – 242001, Uttar Pradesh.
632	Kollegal	Karnataka	Kollegal	First Floor, Amogh Arcade, PID No.2-7-94, Ward No.6, Dr. B R Ambedkar Road, Near Kollegala Town Police Station, Kollegala – 571440, District – Chamarajanagara, Karnataka.



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633	Bikramganj	Bihar	Bikramganj	First Floor, Singh Market, Station Road, Tenduni Chowk, PO Bikramganj – 802212, District – Rohtas, Bihar.
634	Rajam	Andhra Pradesh	Rajam	First Floor, Center Portion, Door No.12-40, Survey No.142-1P, Madhav Bazar, Rajam – 532127, District – Srikakulam, Andhra Pradesh
635	Rajahmundry - 2	Andhra Pradesh	Rajahmundry	Second Floor, D.No.7-26-21, Ward No.2, Block No.9, T S No.692/P, Maturi Vari Street, Near Oriental Bank of Commerce, Innsepeta, Rajahmundry – 533101, Andhra Pradesh.
636	Mangalore - 3 (Thokkottu)	Karnataka	Mangalore	Door No.2-6/27(1), Second Floor, REB Complex, Survey No.67/1A, NH-66, Opposite to Thokkottu Bus Stand, Peramannur Village, Thokkottu, Mangalore – 575017, District – Dakshina Kannada, Karnataka.
637	Kosi Kalan	Uttar Pradesh	Kosi Kolan	First Floor, Bansal Tower, 130/12H, Near Canara Bank, Agrasen Nagar, Kosi Kalan – 281403, District – Madhura, Uttar Pradesh.
638	Palasa	Andhra Pradesh	Palasa	First Floor, D.No.12-22a, Patta No.372, Survey No.219/2, K. T. Road, Kasibugga Village, Palasa - 532222, District – Srikakulam, Andhra Pradesh.
639	Umbergaon	Gujarat	Umbergaon	Ground Floor, Shop No.18, B-Wing, Royal Lake City, Near Akra Maruti Lake, Opposite Indian Oil Petrol Pump, Umbergaon – 396170, District – Valsad, Gujarat.
640	Bobbili	Andhra Pradesh	Bobbili	First Floor, Ward No.5, Block No.17, Bobbili – 535558, District – Vizianagaram, Andhra Pradesh.
641	Sonepur	Odisha	Sonepur	First Floor, IDBI Bank Building, Survey No.79, Unit No.2, Mauza – Sonepur – 767017, Odisha.
642	Phulera	Rajasthan	Phulera	Second Floor, P.No.A-7, Rathore Complex, New Colony, Phulera – 303338, District – Jaipur, Rajasthan.
643	Bihta	Bihar	Patna	First Floor, Kamakhya Kripa Complex, Near Electric Office, Bihta, District – Patna, Bihar – 801103.

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644	Meerut - 3	Uttar Pradesh	Meerut	First Floor, Shop No. F - 1, 2, 3, 10, 11, C-8, Krishna Plaza, Pallavpuram Phase - 1, Pocket - J, Roorkee Road, Meerut – 250001, Uttar Pradesh
645	Kottarakkara	Kerala	Kottarakkara	First Floor, Brothers building, Opposite Sarathy, Pulamon PO, Survey No.73/23, 31/1-1, Kottarakkara – 691531, District – Kollam, Kerala.
646	Agartala	Tripura	Agartala	First Floor, Holding No.237/A, No.2, Ronaldsay Road, Near Joynagar Bus Stop, Sadar, Agartala - 799001
647	Agra - 5	Uttar Pradesh	Agra	First Floor, HIG -78, Plot No.781, Near State Bank of India, Gulmohar Enclave, Shastrinagar, 100 Feet Road, Shamshabad Road, Agra – 282001.
648	Gopalganj	Bihar	Gopalganj	Second Floor, Banjari Road, Sarda Complex, Ward No.13, Opposite State Bank of India, Near Bihar Gramin Bank, Gopalganj – 841428, Bihar.
649	Balumath	Jharkhand	Balumath	First Floor, S P Complex, Sahid Complex, Near State Bank of India, Balumath – 829202, District – Latehar, Jharkhand.
650	Khairtal	Rajasthan	Khairtal	First Floor, Above Yes Bank, Kishangarh Road, Khairtal – 301404, District – Alwar, Rajasthan.
651	Madhubani	Bihar	Madhubani	First Floor, Station Road, Town Club Filed Gate, Survey No.33, Khata no.245/5, 228, 227, Above R.B.L Bank, Madhubani – 847211, Bihar
652	Mohaniya	Bihar	Mohaniya	First Floor, Ward No.15, Near Power Sub Grid, Bhabhua Road, Mohaniya – 821109, District – Kaimpur, Bihar.
653	Vijaywada - 7	Andhra Pradesh	Vijayawada	First floor/Upper Ground Floor, Flat No.4, Bhavani Towers, D.No.76-8-10/1, Swathi Theatre Road, Besides Union Bank of India, Bhavanipuram, Vijayawada – 520012, Andhra Pradesh.
654	Sultanpur Lodhi	Punjab	Sultanpur Lodhi	First Floor, Above Kotak Mahindra Bank, Sahid Udham Singh Chowk, Model Town Area, Sultanpur Lodhi – 144626, District – Kapurthala, Punjab.
655	Sardarshahar	Rajasthan	Sardarshahar	Second Floor, Near Roadways Bus Stand, Arjun Club Road, Sardarshahar – 331403, District – Churu, Rajasthan.

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656	Birbhum	West Bengal	Birbhum	First Floor, Lotus Press More, Rampurhat, Birbhum – 731224, West Bengal.
657	Dhanbad	Jharkhand	Dhanbad	Second Floor, Univesta Tower, Sahyogi Nagar, Sector – 1, Main Road, Saraidhela, Dhanbad – 828127, Jharkhand.
658	Jalalabad	Uttar Pradesh	Jalalabad	Upper Ground Floor, Yakupur, Farrukhabad- Bareilly List, Above Singh Sales Corporation, Opposite Balla Ji Dham, Jalalabad – 242221, District - Shahjahanpur, Uttar Pradesh.
659	Zamania	Uttar Pradesh	Zamania	Ground Floor, Khan Katra, Pandey More, Gata No.49, Zamania – 232329, District – Ghazipur, Uttar Pradesh.
660	Harda	Madhya Pradesh	Harda	First Floor, A-26, Nehru Colony, Infront of Bank of India, Harda – 461331, Madhya Pradesh.
661	Nagda	Madhya Pradesh	Nagda	Ground Floor, Plot No.280, Ward No.11, Shanu Palace Building, Jawahar Marg, Infront of Bus stand, Nagda – 456335, Madhya Pradesh
662	Aundh-Baner	Maharashtra	Pune	Upper Ground Floor/ First floor, Kalananad Apartment, Kapil Malhar Chowk, Above CCD, Baner, Pune – 411045, Maharashtra.
663	Ratia	Haryana	Ratia	First Floor, Sanjay Gandhi Chowk, Near HDFC Bank, Ratia – 125051, District – Fatehabad, Haryana.
664	Sahaswan	Uttar Pradesh	Sahaswan	First Floor, Besides SBI Bank, Saifulaganj, Above Max2 Hospital, Sahaswan – 243638, District – Budaun, Uttar Pradesh.
665	Barhi	Jharkhand	Barhi	Second Floor, Puja Complex, Canara Bank Building, Barhi – 825405, District – Hazaribagh, Jharkhand.
666	Chandwa	Jharkhand	Chandwa	Ground Floor, Shop No.2 & 3, P S No.285, Khata No.82, Plot No.1068 & 986, Main Road, Besides Muskan Restaurant, Chandwa – 829203, District – Latehar, Jharkhand.
667	Gaya	Bihar	Gaya	First Floor, Nagmatiya Road, Near Railway Hospital, G R Tower, Gaya – 823001, Bihar.

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668	Sirhind	Punjab	Sirhind	Second Floor, Above Bank of Maharashtra, Opposite Bither Hospital, Bhatti Kanda, Sirhind- Fatehgarh – 140406, District – Fatahgarh Sahib, Punjab
669	Balrampur	Chhattisgarh	Balrampur	Ground Floor, Satyam Hotel Building, Survey No.437, Gram Bhanora, Main Road, Balrampur – 497119, Chhattisgarh
670	Datia	Madhya Pradesh	Datia	Ground Floor, Plot no. 709, Ward no. 32, Housing Board Colony, Infront of Galla Mandi, Near Bus Stand, Datia – 475661, Madhya Pradesh.
671	Balrampur	Uttar Pradesh	Balrampur	First Floor, Opposite PWD Office, Anandbagh, Station Road, Balrampur – 271201, Uttar Pradesh.
672	Lalganj	Uttar Pradesh	Lalganj	First Floor, Above LIC Office, Khasra No.591, Masirpur, Lalganj – 276202, District - Raebareli , Uttar Pradesh.
673	Balurghat	West Bengal	Balurghat	First Floor, Village Narayanpur, Khatian No.2308, Plot No.C S 183, R.S.287, Balurghat – 733131, District - Dakshin Dinjapur, West Bengal.
674	Dhamnod	Madhya Pradesh	Dhamnod	First Floor, Besides HDFC Bank, Ward No.3, Mangal Nagar, AB Road, Dhamnod – 454552, Madhya Pradesh.
675	Umaria	Madhya Pradesh	Umaria	Ground Floor, Khaleswar Naka, Ward No.9, P H No.53, Umaria Shadol Road, Near Anandam Building, Umaria – 484661, Madhya Pradesh.
676	Samana	Punjab	Samana	First Floor, Royal Complex, Ghagga Road, Malkana, Samana – 147101, District - Patiala, Punjab.
677	Nagpur - 4	Maharashtra	Nagpur	First Floor, Plot No.456, Medical Road, Chandanbai Temple Layout, Opposite Arora Scooters, Nagpur – 440009, Maharashtra.
678	Noida Sector 15	Uttar Pradesh	Noida	Third Floor, Bhagmal Complex, Sector 15, Nayabans, Khasra No.319, Noida - 201301, District - Gautam Budh Nagar, Uttar Pradesh
679	Maihar	Madhya Pradesh	Maihar	First Floor, Annapurna Complex, Above Punjab National Bank, Sarla Nagar Road, Near Civil Court, Maihar – 485771, District – Satna, Madhya Pradesh.

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680	Hamirpur	Uttar Pradesh	Hamirpur	Ground Floor, Mehar Puri, Ward No.16, Besides PNB Bank, Hamirpur – 210301, Uttar Pradesh.
681	Jodhpur - 4	Rajasthan	Jodhpur	Ground Floor, Plot No.194-195, Saraswati Nagar, Basni, Jodhpur - 342005
682	Piduguralla	Andhra Pradesh	Piduguralla	D.No.1-118, First Floor, Beside HDFC Bank, Main Road, Piduguralla – 522413
683	Sanawad	Madhya Pradesh	Sanawad	First Floor, Jawahar Marg, Ward No.16, Indore Road, Sanawad – 451111, District – Khargone, Madhya Pradesh.
684	Latehar	Jharkhand	Latehar	First Floor, Shop No.2A, Near Water Tank, Khata No.49, Plot No.108, Besides TVS Showroom, Latehar – 829206, Jharkhand.
685	Amritsar	Punjab	Amritsar	Second Floor, Unit No. S F.1, Vakia Rakhba Amritsar Urban Circle No.110, Central Mall Road, Khasra No.996, Amritsar – 143001, Punjab.
686	Udyog Nagar, New Delhi	Delhi	New Delhi	Second Floor, D-8, Udyog Nagar, Rohtak Road, New Delhi – 110041.
687	Bisalpur	Uttar Pradesh	Bisalpur	First Floor, Above HDFC Bank, Ward No.1, 12 Pather, Bisalpur – 262201, District – Pilibhit, Uttar Pradesh
688	Karnaprayag	Uttarakhand	Karnaprayag	First Floor, Badrinath Road, Near GMVN, Prem Nagar, Karnaprayag – 246444, District – Chamoli, Uttarakhand.
689	Kasargod	Kerala	Kasargod	First Floor, A K Survey No.144/1, Building Door No.10/117, Arcade, Adkathbail, Kudlu, Kasargod – 671124, Kerala.
690	Barwala	Haryana	Barwala	First Floor, Shop No.91/12/58, Ward No.11, Opposite Basao Market, Main Road, Barwala, District – Hissar, Haryana - 125121
691	Garmukteshwar	Uttar Pradesh	Garmukteshwar	Ground Floor, Thana Road, Municipal No.5/523, Ward No.6, Mohalla Nai Basti, West Town, Garmukteshwar – 245205, District – Hapur, Uttar Pradesh.
692	Jambusar	Gujarat	Jambusar	First Floor, Shop No.8 & 9, Bombaywala Complex, City Survey No.5114 Kavi Road, Jambusar – 392150, Gujarat

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693	Kemri	Uttar Pradesh	Kemri	Ground Floor, Mohalla Gosiya Masjid, Khasra No.1480, Gata No.120, Near Sharif Ahmad Ata Chakki, Kashba – Kameri, Tehsil – Bilashpur, District – Rampur, Uttar Pradesh - 244928
694	Maniya	Rajasthan	Maniya	First Floor, Tehsil Road, Maniya – 328024, District – Dholpur, Rajasthan.
695	Samakhiali	Gujarat	Samakhiali	Office No.25, Sadhu Shopping Center, Survey No.47, Near New Bus Stand, Samakhiali – 370150, Gujarat.
696	Ambikapur	Chhattisgarh	Ambikapur	Second Floor, Shriram Tower, Ambedkar Chowk, MG Road, Survey Number – 243/253, Ambikapur – 497001, District – Surguja, Chhattisgarh
697	Noida - 4	Uttar Pradesh	Noida	First Floor, Plot No.23, Main Road, Mamura, Sector 66, Noida – 201301, District – Ghaziabad, Uttar Pradesh.
698	Dholka	Gujarat	Dholka	Ground Floor, Shop No.6, Survey No.14, Sai Elegance Complex, Near Axis Bank, Bavla Road, Kalikund, Dholka – 382225, Gujarat.
699	Hazaribagh	Jharkhand	Hazaribagh	First Floor, Patratu Chowk, Ranchi Road, Hazaribagh – 825308, Jharkhand.
700	Chandausi	Uttar Pradesh	Chandausi	Upper Ground Floor, Bagwati Vihar, Mandi Bypass, Near Cishwakarma Dharmkanta, Chandausi – 232104, Uttar Pradesh.
701	MG Road, Pune	Maharashtra	Pune	First Floor, Sterling Center, Office No.129B, Survey No.390, MG Road, Pune – 411001.
702	Bareilly - 3	Uttar Pradesh	Bareilly	Second Floor, Shiv Prateek Properties LLP, R S Tower Station Road, Near Bandhan Bank, Bareilly – 243003, Uttar Pradesh.
703	Kanina	Haryana	Kanina	First Floor, Utkarsh Rao Building, Ward No.13, Khatoni No.35, Near Gehra Mor, Kanina, District – Mahendragarh, Haryana - 123027
704	Ambajogai	Maharashtra	Ambajogai	Ground Floor, Jai Complex, Opp. Deendayal Nagari Sahakari Bank, Ambajogai – Parli Road, Ambejogai-431517
705	Anuppur	Madhya Pradesh	Anuppur	Second Floor, Ward No.9, IDBI Bank Building, Zaithari Road, Survey No. 685/4 & 658/3, Ward No.9, Anuppur, Madhya Pradesh – 484224.

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706	Malout	Punjab	Malout	Ground Floor, Opposite Punjab Resort, Main GT Road, Malout, Khasra No. 44/2, Khewat No.835, District – Muktsar, Punjab – 152107.
707	Nalgonda	Telangana	Nalgonda	First Floor, Door No.6-7-10, Plot No.2 & 3, Ward No.6, Block No.7, Survey No.1254, Shivaji Nagar Center to Panagal X Road, Nalgonda - 508004
708	Kalpetta	Kerala	Kalpetta	Second Floor, Tee Key Arcade, Near SKMJ School, Kalpetta – 673121, District – Wayanadu, Kerala.
709	Bhognipur	Uttar Pradesh	Bhognipur	First Floor, Kalpi Road, Near HP Petrol Pump, Bhognipur - 209111, District – Kanpur, Uttar Pradesh.
710	Kishanganj	Bihar	Kishanganj	First Floor, Subhas Chowk, Survey No.131, Ward No.29, Tauzi no.1242, Holding No.371, Nisha Market, Kishanganj - 855108, Bihar.
711	Mecheri	Tamil Nadu	Mecheri	Ground Floor, Mettur Main Road, Ward No.11, Survey No.261A/3A2D, Mecheri, District – Salem, Tamil Nadu – 636453.
712	Shirdi	Maharashtra	Shirdi	Ground Floor, Gangwal Wholesale Market, Near Samata Pathsanstha, Survey No.114/29, Nagar Manmad Road, Shirdi – 423109, District – Ahmednagar, Maharashtra.
713	Jorhat	Assam	Jorhat	First Floor, Assam Trunk Road, Ward No.4, Municipal Holding No.66, Near Malpani Nurshing Home, Jorhat – 785001, Assam.
714	Khordha	Odisha	Khordha	First Floor, Room No.3, Laxminarayan Mandup, Godipokhari, Near Bank of India, Khordha – 752055, Odisha.
715	Thiruchendur	Tamil Nadu	Thiruchendur	Ground Floor, P.No.5, Survey No.342/3D, Ward No.19, Thirunelveli Road, Keela (East), Kumarapuram, Thiruchendur - 628215, District - Thoothukudi, Tamil Nadu.
716	Mungeli	Chhattisgarh	Mungeli	Ground Floor, Behind Isaaf Micro, Pandariya Road, Near Sai Fuels, Ward No.20, Maharana Pratap Ward, Mungeli – 495334, Chhattisgarh

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717	Gandhinagar	Gujarat	Gandhinagar	First Floor, Plot No.199, District Shopping Center, Sector 21, Near Sattadhar Restaurant, Behind Allahabad Bank, Gandhinagar – 382021, Gujarat
718	Kothrud, Pune	Maharashtra	Pune	Third Floor, Fourth Floor, Shop no. 17 , 18, 19 , 20 27, 28, 29, 30, 31, 32, 33, 34, Geetai Sankul, Square Gurha Slathia, Ideal Colony, Paud Road, Kothrud – 411038, Pune.
719	Bhor	Maharashtra	Bhor	First Floor, Prithviraj Complex, Beside Canara Bank, Survey No.810A, Bhor – 412213, District – Pune, Maharashtra.
720	Wai	Maharashtra	Wai	Upper Ground Floor, Unit No.10, Survey No.71/2, Khamkar Park, Yashwant Nagar, Near Shaydari Nagar Bus Stop, Taluka – Wai, District – Satara, Maharashtra - 412803.
721	Chikhli	Maharashtra	Chikhli	Upper Ground floor/ First Floor, Survey No.154, Rajesh Colony, Anand Nagar, Ward No.19, Chikhli Jalna Road, Chikhli – 443201, District – Buldhana, Maharashtra.
722	Thalassery	Kerala	Thalassery	Second Floor, Door No.45/2028, Thovarayi Complex, Lognas Road, Thalassery - 670101, District – Kannur, Kerala.
723	Nakrekal	Telangana	Nakrekal	First Floor, H.No.13-32, NH 69, Survey No.360, Main Road, Nakrekal - 508211, District – Nalgonda, Telangana
724	Golaghat	Assam	Golaghat	First Floor, K K Path, Dag No.2269, Patta No.1068, Ward No.8, Golaghat – 785621, Assam.
725	Pimpri, Pune - 2	Maharashtra	Pimpri	First Floor, Office No.7, Survey No.111, Hissa No.10A, CTS No.7891, Shyma Arcade, Main Road, Pimpri – 411017, Maharashtra.
726	Shrigonda	Maharashtra	Shrigonda	Upper Ground Floor, Dhanshri Building, Hall No.1, Daund Jamkhed Road, Near Nagar Bypass Road, Shrigonda – 413701, District – Ahmednagar, Maharashtra.
727	Sidhi	Madhya Pradesh	Sidhi	First Floor, Ward No.20, Survey No.15/1, Near Alka Chaya Lodge, Waidhan Road, Daniha, Sidhi – 486661, Madhya Pradesh.



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728	Vrindavan	Uttar Pradesh	Vrindavan	First Floor, 168, Above Union Bank, Anaz Mandi, Vrindavan – 281121, District – Madhura, Uttar Pradesh.
729	Shahpura	Rajasthan	Shahpura	Second Floor, Hanumant Plaza, Opposite Main Bus Stand, Shahpura – 303103, District – Jaipur, Rajasthan.
730	Phalodi	Rajasthan	Phalodi	First Floor, 343, Indira Colony, Nagore Road, Gaurav Path, Phalodi – 342301, District – Jodhpur, Rajasthan.
731	Una	Himachal Pradesh	Una	Una City Center, Una - Nangal Road, near Petrol Pump, Una (HP) – 174303
732	Shapar	Gujarat	Shapar	Office No.7, Second Floor, Sapphire Tower, Opp. Shapar Veraval Bus Stand, Rajkot Shapar Highway, Shapar – 360024.
733	Patna - 2	Bihar	Patna	Second Floor, M G Arcade, Ward No.37, Circle No.11, Plot No.143, Holding No.48/59/60, Opposite Bazar Indian, Above Sahara India, Patna – 800004, Bihar
734	Samastipur	Bihar	Samastipur	Second Floor, Muktapur Bazar Samiti, Ward No.51, Thana No.17, Tauzi No.119,, Above Canara Bank, Samastipur – 848101, Bihar.
735	Nagaur	Rajasthan	Nagaur	First Floor, Plot No. 9, Hanumanbag Colony, Block 2, Opposite Central Bank of India, Ajmer Road, Nagaur – 341001, Rajasthan.
736	Shirur - 2	Maharashtra	Shirur	First Floor, 2136, Revenue Colony, Plot No.57A, CTS No.1969/A, Taluka – Shirur, District – Pune, Maharashtra – 412210.
737	Bettiah	Bihar	Bettiah	Second Floor, Urvashi Road, Infront of Bank of Baroda, Khata No.85, Ward No.36, Plot No.1085, Bettiah, District – West Champaran, Bihar – 845438.
738	Baroda - Nizampura (CV)	Gujarat	Baroda	12-A, First Floor, Parmeshwar Park Society, Opp. Swaminarayan Nagar, Near Mehsana Nagar Char Rasta, New Chani Road, Nizampura, Vadodara – 390002
739	Bajna	Uttar Pradesh	Bajna	Ground Floor, Pathak Douji Nagar, Bajna – 281201, District – Mathura, Uttar Pradesh.
740	Thammampatti	Tamil Nadu	Thammampatti	First Floor, Thammampatti Main Road, Survey No.119/1, Opposite State Bank of India, Thammampatti – 636113, District – Salem, Tamil Nadu

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741	North Lakhimpur	Assam	North Lakhimpur	First Floor, J J Store Building, Thakurbari Road, Ward No.9, North Lakhimpur, Assam – 787001.
742	Huzurnagar	Telangana	Huzurnagar	Ground Floor, H.No.16-176/2, Old Bus Stand Road, Huzurnagar – 508204, District – Suryapet, Telangana.
743	Bhandara	Maharashtra	Bhandara	First Floor, Sarkar Nagar, Besides Jindal HP Petrol pump, Opposite Honda Showroom, Nagpur Highway Road, Bhandara – 441904, Maharashtra.
744	Jewar	Uttar Pradesh	Jewar	Second Floor, Amba Compound, Amba Mall, Jhazer Road, Jewar – 203135, District - Gautam Buddha Nagar, Uttar Pradesh.
745	Sankarapuram	Tamil Nadu	Sankarapuram	First Floor, SF No.37/2A3, (Old 37/2), Kallakurichi Main Road, Near Lakshmi Vilas Bank, Kattuvannanpur Village, Sankarapuram – 606401, District – Villupuram, Tamil Nadu.
746	Najibabad	Uttar Pradesh	Najibabad	First Floor, Haridwar Road, Above HDFC Bank, Najibabad – 246763, Wahid Road, District – Bijnor, Uttar Pradesh
747	Gurgaon - 3	Haryana	Gurgaon	SCO No.2 & 3, Sector 31, Near Market, Above HDFC Bank, Gurgaon – 122003, Haryana
748	Dabra	Madhya Pradesh	Dabra	First Floor, Babele Complex, In front of Kewat Dharamshala, Goyal Colony, Dabra – 475110, District - Gwalior, Madhya Pradesh.
749	Ponneri	Tamil Nadu	Ponneri	Door No.76/2, First Floor, Above Indian Bank, Thayuman Chetty Street, Ponneri, District - Thiruvallur, Chennai - 601204
750	Kanchikacherla	Andhra Pradesh	Kanchikacherla	First Floor, D.No.7-131, Opposite State Bank of India, Main Road, Kanchikacherla – 521180, District – Krishna, Andhra Pradesh
751	Purnia	Bihar	Purnia	Second Floor, Bharat Tower, Jail Chowk, NH 31, Plot No.328, Ward No.5, Holding No.30, Khata No.123, Tauzi No.1335, Purnia – 854301, Bihar.
752	Sahebganj	Jharkhand	Sahebganj	First Floor, Shop No.2, Subhash Chowk, Jeruwa Bari, Sahebganj – 816109, Jharkhand.

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753	Yemmiganur	Andhra Pradesh	Yemmiganur	Ground Floor, D.No.1/1646, Survey No.280/A(P), Near Weavers's Colony, Adoni Bypass Road, Yemmiganur – 518301, District – Kurnool, Andhra Pradesh.
754	Mahabubabad	Telangana	Mahabubabad	First Floor, H.No.1-6-83/A1, Survey No.305, Narsampet Bypass Road, Mahabubabad – 506101, Telangana.
755	Dudu	Rajasthan	Dudu	First Floor, Above State Bank of Bank, Near Shanti Nath Digambar Jain mandir, Ajmer Road, Dudu – 303008, District – Jaipur, Rajasthan
756	Sivakasi	Tamil Nadu	Sivakasi	Block No.2, Old No.36A/E, D.No.110D, 15th Street, Velayutha Rastha, Opposite State Bank of India, North Street, Sivakasi – 626123, District - Virudhunagar, Tamil Nadu.
757	Khanna	Punjab	Khanna	Office No.1 & 2, Second Floor, Surya Tower, G T Road, Near Bus Stand, Khanna, Ludhiana – 141401, Punjab.
758	Mahesh Nagar, Jaipur	Rajasthan	Jaipur	Second Floor, Showroom No.12, JDA Market, Ridhi Sidhi Mansarovar Link Road, Mahesh Nagar, Jaipur – 302018, Rajasthan
759	Namakkal	Tamil Nadu	Namakkal	Second Floor, Andavar Plaza, Ward No.5, No.610 B, Salem Main Road, Nammakal - 637001
760	Vikasnagar	Uttarakhand	Vikasnagar	First Floor, Bela Tower, Near State Bank of India, Ward No.3, Property No.3/432, Main Road, Vikasnagar – 248198, District – Dehradun, Uttarakhand.
761	Indore - 7	Madhya Pradesh	Indore	Second Floor, The Business Buy, 19/4-1, New Palasia, Behind New Apna Sweets, Indore – 452001, Madhya Pradesh.
762	Omalur	Tamil Nadu	Omalur	Second Floor, 1/170-5, Dharmapuri Main Road, Survey No.122/1B8, Anna Nagar, Omalur - 636455, District – Salem, Tamil Nadu.
763	Aurangabad	Maharashtra	Aurangabad	First Floor & Second Floor, Chhabda Central, Vidya Nagar, Seven Hills, Jalna Road, Aurangabad – 431009, Maharashtra.
764	Madurai	Tamil Nadu	Madurai	First Floor, Ward No.72, D.No.248/B, 24/B1, 248/C, 248/C1, Near Harish Bakery, Kamrajar Salai, Madurai, Tamil Nadu – 625009

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765	Sankari	Tamil Nadu	Sankari	First Floor, Ponnusamy Gounder Complex, First Floor, Survey No.171/5A, Ward No.4, Tiruchengode Main Road, Sankari – 637301, District – Salem, Tamil Nadu.
766	Guwahati - 3	Assam	Guwahati	Second Floor, Divine Towers, A-2, A T Road, Shantipur, Old Ward No.11, New Ward No.5, Above HDFC Bank, Bharalmukhi, Guwahati – 781009, Assam.
767	Kalyani	West Bengal	Kalyani	First Floor, B-14/2 (S), Near Buddha Park, Ward No.19, Kalyani - 741235, District – Nadia, West Bengal.
768	Ateli	Haryana	Ateli	First Floor, Narnaul Rewari Road, Ward No.11, Opposite Surendra Hospital, Ateli – 123021, District – Mahendragarh, Haryana.
769	Barshi	Maharashtra	Barshi	First Floor, 2514- A /4, Telgirani Chowk, Latur Road, Above J K Tyre Adista Agency, Barshi – 413401, District – Solapur, Maharashtra.
770	Jaipur (Johari Bazar)	Rajasthan	Jaipur	Second Floor, Shop No.10, House No.2209, Johari Bazar, Jaipur – 302003, Rajasthan
771	Alipurduar	West Bengal	Alipurduar	Ground Floor, Ward No.14, Khatian No. 1519/1, Shantinagar, Near Hindi High School, Alipurduar – 736121, West Bengal
772	Mandideep	Madhya Pradesh	Mandideep	First Floor, Plot No.203, Sector – B, Indra Nagar, Above DCB Bank, NH-12, Mandideep - 462046, District Raisen
773	Chengalpet (Shift)	Tamil Nadu	Chengelpattu	First Floor, Plot No.79, 80, 81, Shop No.1 & 2, Thirukalukundram Main Road, Near HP Petrol Bunk / Thirukalukundram Fly Over Bridge, Melamiyur Village, Chengalpet – 603001, Tamil Nadu.
774	Consumer Durable & DSA	Gujarat	Ahmedabad	First Floor, Office No.104, Prerna Arcade, Rajnagar Non Treading Associations, Opposite Doctor House, Parimal Cross Road, Above DCB Bank, Taluka – Sabarmati, Ahmedabad – 380006, Gujarat.
775	Coimbatore - Peelamedu	Tamil Nadu	Coimbatore	First Floor, No.7, Swathi Towers, Bharathi Street, Survey No.491/3, Above SBI Bank, M K Palayam Road, Peelamedu, Coimbatore – 641004, Tamil Nadu

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776	Vaniyambadi	Tamil Nadu	Vaniyambadi	Second Floor, Plot No.17 & 18, Ward No.2, Block No.9, C A N Road, MPG Complex, Above Mahindra Finance, Musilimpur, Noorulapettai, Vaniyambadi - 635751, Tamil Nadu.
777	Silchar	Assam	Silchar	Second Floor, N N Dutta Road, Ward No.23, Holding No.153/B, Near Jain Mandir, Silchar, District – Cachar, Assam – 788001.
778	Gandhipuram, Coimbatore	Tamil Nadu	Coimbatore	Uttam Complex, 1st Floor, 9-12, Rajaji Street, Ram Nagar, Gandhipuram, Coimbatore – 641009, Tamilnadu
779	Rudauli	Uttar Pradesh	Rudauli	First Floor, Besides State Bank of India, Belasar Chouraha, Rudauli – 224120, District – Faizabad, Uttar Pradesh.
780	Laksar	Uttarakhand	Laksar	Ground floor, Mavi Complex, Khasra No.53, Gordhanpur Road, Laksar - 247663, District – Haridwar, Uttarakhand
781	Kheragarh	Uttar Pradesh	Kheragarh	Ground Floor, New Tehsil Road, Ward No.11, Khasra No.583, 652, 644 & 645, Kheragarh – 283121, District – Agra, Uttar Pradesh.
782	Rajampet	Andhra Pradesh	Rajampet	First Floor, Survey No.943/920, Door No.6/1003 & 6/1004, Ward No.6, Hyder Nagar, R S Road, Near Rajampet Municipality, Rajampet – 516115, Andhra Pradesh.
783	New Delhi, Rajendra Place	Delhi	New Delhi	First Floor, A – 61, Rajouri Garden, Village Basai Darapur, New Delhi – 110027.
784	Kadiri	Andhra Pradesh	Kadiri	First Floor, T S No.205-1A, D No.14/225-10, College Road, Near Anjaneya Swamy Temple, Sydapuram Grama Polam, Kadiri – 515591, District – Anantpur, Andhra Pradesh.
785	Aliganj	Uttar Pradesh	Aliganj	First Floor, Etah Road, Above Jio Center, Khasra No.755, Aliganj – 207247, District – Etah, Uttar Pradesh.
786	Gurgaon (Sohana)	Haryana	Sohana	First Floor, Near Sohana Bus Stand, Above Indusind Bank, Khata No.1101, Sohana -122103, District – Gurgaon, Haryana.
787	Shujalpur	Madhya Pradesh	Shujalpur	First Floor, The City Center, Shop No.121-122, MG Road, Near Gandhi Park, Shujalpur, District – Shajapur - 465333, Madhya Pradesh.

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788	Chennai, Padi, Mogapair	Tamil Nadu	Chennai	D. No.4/553, First Floor, Pari Street, Mogappair East, J J Nagar, Chennai - 600037.
789	Yousufguda	Telangana	Hyderabad	Second Floor, Flat No.201, MCH No.8-2-43 & 8-2-44 & 44/201, Narayanagiri, Panjagutta Srinagar Colony, Main Road, Yousufguda , Hyderabad – 500073, Andhra Pradesh
790	Gwalior - 2	Madhya Pradesh	Gwalior	First Floor, Shiv Kripa Building, Ward No.57, Infront of Hotel Sudarshan, Jinsi Road No.1, Lashker, Gwalior – 474001, Madhya Pradesh.
791	Baraut	Uttar Pradesh	Baraut	First Floor, 14/181, Khasra No.92, Near HDFC Bank & Axis Bank, Main Binoli Road, Near Railway Station, Delhi Road, Baraut – 250611, District – Baghpat, Uttar Pradesh.
792	Godhra - 2	Gujarat	Godhra	First Floor, House No.377/1, Dev Plaza, Survey No.44/3, Plot No.12, Near IDBI Bank, Vavdi Road, Godhra – 389001, Gujarat.
793	Kurnool - 2	Andhra Pradesh	Kurnool	Second Floor, Plot No.14, Survey No.714/A, Near D. No.87/1120-6, Above Federal Bank, Opposite Big Bazar, Kalyani Nagar, Nagi Reddy Revenue Colony, Kurnool – 518003, Andhra Pradesh.
794	Moradabad - 2	Uttar Pradesh	Moradabad	Second Floor, Sharda Plaza, Khasra No.212, Above Axis Bank, Main Delhi Road, Opposite Kashi Ram Gate, Moradabad – 244001, Uttar Pradesh.
795	Kishangarh - 2	Rajasthan	Kishangarh	Shop No.2 & 3, Plot No.A-1, Ground Floor, Laxmi Vihar Colony, Madanganj, Kishangarh – 305701, District – Ajmer, Rajasthan
796	Siliguri	West Bengal	Siliguri	First Floor, Milestone, Office No.1 & 2, Plot No.55, Ward No.42, Khatian No.600/16, Bhakti Nagar Checkpost, Sevoke Road, Siliguri – 734001, West Bengal
797	Chinyalisour	Uttarakhand	Chinyalisour	Ground Floor, Near Petrol Pump, Khasara No.498 – 499, Nagini Shor, Chinyalisaur – 249193, District – Uttarkashi, Uttarakhand
798	Jaipur (Durgapura)	Rajasthan	Jaipur	Second Floor, P No.303, Mahaveer Nagar 2, Adjoining Bank of India, Maharani Farm, Durgapura – 302020, Jaipur , Rajasthan.

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799	Subhash Road, Deharadun (Renewal)	Uttarakhand	Dehradun	No.33 (Old No. 13), Subhash Road, Dehradun -248001
800	Pollachi	Tamil Nadu	Pollachi	94/4-3, First Floor, New Scheme Road, Above Karur Vysya Bank, Pollachi, Coimbatore Dt., 642002
801	Thiruvalla	Kerala	Thiruvalla	1203/31/8, Ward No.26, Seesa Arcade, First Floor, Ramanchira, M C Road, Pathanam Thitta, Tiruvalla – 689107
802	Laxmi Nagar	Delhi	New Delhi	Second Floor, U-158/1-A, Khasra No.142, Vikas Marg, Shakarpur, Main Vikas Marg, Above DCB Bank, Shakarpur, Delhi – 110092.
803	Rajkot, Heera Panna	Gujarat	Rajkot	130, Heera Panna Commercial Complex, Dr. Yagnik Road, Rajkot, 360001.
804	Panipat	Haryana	Panipat	Second Floor, SCF 50, Sector-11, Phase 1, HUDA, Panipat - 132103
805	Perambalur	Tamil Nadu	Perambalur	First Floor, Door No.9/2 & 9/3, S.F No.289/6B, Perambalur – Trichy Road, Near Chellam Hospital, Perambalur Village, Perambalur – 621212
806	Gobind Puri	Delhi	New Delhi	First floor, 1712, B/5, Gobind Puri, New Delhi-110019
807	Lalitpur	Uttar Pradesh	Lalitpur	Happu Tower, First Floor, Opp. Axis Bank Ltd., Rajghad Road, Lalitpur – 284403
808	Karnal	Haryana	Karnal	SCO-234, First Floor, Sector 12, Phase – 1, Karnal – 132001
809	New Delhi, Adarsh Nagar	Delhi	New Delhi	Ground Floor, B-20, Main Road Majlis Park, Adarsh Nagar, New Delhi - 110033
810	Tonk	Rajasthan	Tonk	Plot No-14, Ground Floor, Near Hero Showroom, Sawaimadhopur Road, Tonk-304001
811	Gurukul, Ahmedabad	Gujarat	Ahmedabad	Office No.408, 4th Floor, J B Tower, Opp Doordardarshan Tower, Thaltej, Ahmedabad - 380052
812	Gurgaon	Haryana	Gurgaon	2nd floor, SCO no. 37, Sector 12-A, Gurgaon.
813	New Delhi, Tilak Nagar	Delhi	New Delhi	2nd Floor, Plot No.2, Block-4A, Second Floor, Tilak Nagar, New Delhi - 110018
814	Mandi	Himachal Pradesh	Mandi	Second Floor, Sahib Complex, Khewat No.65/65, Khatoni No.89/90, Opposite Indira Market, Mandi – 175001, Himachal Pradesh.

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815	Mithapur	Gujarat	Mithapur	Ashish Complex, First Floor, Shop No.3, Near Navnit Hotel, Surajkaradi, Taluka: Okhaandal, District: Devbhumi Dwarka, Mithapur – 361347
816	Bangalore, Malleswaram	Karnataka	Bangalore	No.1, Second Floor, 14th Cross, Sampige Road, Malleshwaram, Bangalore – 560003.
817	Gohana	Haryana	Gohana	First Floor, Khasara No.1860, Rohtak Road, In front of Truck Union, Gohana – 131301, District – Sonipat, Haryana.
818	Varachha, Surat	Gujarat	Surat	Third Floor, Blue Point, Shop No.305 & 306, Opposite D-mart, Survey No.125, 149, 150 & 153, Block no.149/1, TPS No.22, Sarthana Varchha Road, Surat – 395006, Gujarat.
819	Shastri Nagar - New Delhi	Delhi	New Delhi	Second Floor, E2/257, Shastri Nagar, New Delhi-110052
820	Beed	Maharashtra	Beed	First Floor, House No.295 & 296, Morale Complex, Ward No.1, Opposite Divya Garden Hotel, Gut No.3, Vidya Nagar West, Barshi Road, Opposite S P Office, Beed – 431122, Maharashtra.
821	Nagpur - 3	Maharashtra	Nagpur	Plot No. 1112/1, First Floor, CA Road, Gandhibagh, Nagpur-440002
822	Banashankari, Bangalore	Karnataka	Bangalore	No.3783, Second Floor, 13th Cross Road, PID No.56-9-3783, Next to Promed Hospital, Banashankari, 2nd stage, HDFC Bank Building, Near Indira Nursing Home Bus Stop, Basavanagudi, Bangalore – 560070.
823	Malegaon	Maharashtra	Malegaon	Shop No.7 & 18, Ground Floor, Bhala Complex, Near Nanavati Petrol Pump, Old Agra Road, Motibaug Naka, Malegaon, Nashik - 423203
824	Guna	Madhya Pradesh	Guna	First Floor, Survey No.462/4, Saiyad Pura, Heera Bag, Ward No.76, Near New Collected Building, Guna, Madhya Pradesh – 473001
825	Laxmi Road, Pune	Maharashtra	Pune	275, Stilt Floor, Narayan Peth, Mali Niwas, Kelkar Road, Opp. Nighojkar Mangal Karyalaya, Near Baba Bhide Bridge, Narayan Peth, Pune City, Pune – 411030
826	Erode - 2	Tamil Nadu	Erode	Vinayaka Complex, 147/2, First Floor, Perunthurai Road, Opp. Ganesh TVS, Erode – 638009



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827	Gajraula	Uttar Pradesh	Gajraula	First Floor, Ward No.10, House No.2/2, Mohalla Attarpura, Opp. Corporation Bank, Gajraula- 244235 Tehsil-Dhanaura, District - Amroha
828	Ulhasnagar	Maharashtra	Ulhasnagar	Shop No.6, Ground Floor, Ashiyana Apartments, Shahad Road, Opp. Chopra Court, Ulhasnagar (W), Thane - 421003
829	Almora	Uttarakhand	Almora	Ground Floor, Lower Mall Road, Near Base Hospital, NH-87, Almora - 263601
830	Muzaffarpur	Bihar	Muzaffarpur	First Floor, Shop No.2, NH 28, Bhagwanpur, Opp. Central Bank of India, Muzaffarpur - 842001
831	Jaipur - 17	Rajasthan	Jaipur	Office No.405 & 406, Fourth Floor, Geetanjali Tower, Jai Ambey Colony, Bambai Walo Ka Bag, Madrampura, Civil Lines, Rajasthan – 302007.
832	Baddi	Himachal Pradesh	Baddi	First Floor, Shop No.2, Village Swarajmagra, Gujjaran, Khasara No.486/364/243, Baddi - 173205, Himachal Pradesh.
833	Bhopal - 6	Madhya Pradesh	Bhopal	First Floor, Plot No.6/7 B, Malviya Nagar, Near People General Hospital, Bhopal – 462003, Madhya Pradesh.
834	Katraj, Pune	Maharashtra	Pune	Office No.B1, part of First Floor, Pinnac Commercial & Residential Complex, Dnyaneshwar Co.op. Society, Pune-Satara Road, Dhanakwadi, Pune – 411043
835	Bhavnagar	Gujarat	Bhavnagar	Office No.213, Second Floor, Shoppers Plaza, Near Patrima Chowk, Ward No.7, Sheet No.259, S No.1912/A, Plot No.2115/A, Opposite Bandhan Bank, Waghawadi Road, Bhavnagar - 364002
836	Malviya Nagar, New Delhi	Delhi	New Delhi	E1/11, First Floor, Malviya Nagar, New Delhi-110015
837	New Delhi, Daryaganj,	Delhi	New Delhi	3832/11, Capital House, FF Pataudi House Road, Old Daryaganj Delhi - 110002
838	Jaipur (shift)	Rajasthan	Jaipur	E - 145, Second Floor, Ramesh Marg, Opposite Sardar Patel Marg, C - Scheme, Jaipur, Pin -302001
839	Sasaram	Bihar	Sasaram	First Floor, Chandan Market, Old G T Road, Mauza Mirzapur, Ward No.6A (Old), 34 (New), Thana No.139, Holding No.692, Diliya, Sasaram, Rohtash, Bihar - 821115

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840	Agar	Madhya Pradesh	Agar	First Floor, City Center, Survey No.341/1/1, Chhawani Naka Square, Agar – 465441, Madhya Pradesh.
841	Satna	Madhya Pradesh	Satna	First Floor, Rewa Road, Near Indian Overseas Bank & AU Small Finance Bank, Besides Tiwari Tower, Plot No.111/111, Arazi No.251/1/KA/2, 251/1/KA/3 and 252/3, Bamhangawan, Raghuraj Nagar, Satna – 485001, Madhya Pradesh.
842	Dilsukhnagar, Malakpet	Telangana	Hyderabad	1st Floor, 101, Srinivasa Tower, Premises bearing Municipal No.16-11-1/1/2 (portion of Old No.13 in survey No.87) situated at Saleem Nagar, Malakpet, Hyderabad - 500036
843	Thrissur	Kerala	Thrissur	Second Floor, Door No.14/488/26 TC, Sun City Complex, SH22 Road, Near Koorkancheri Service Co-op. Bank, Thrissur – 680007, Kerala.
844	Dahisar	Maharashtra	Mumbai	Second Floor, Unit No.206, Tanishka, Tanvi Complex, S.V.Road, Near Dahisar Petrol Pump, Dahisar East, Mumbai - 400068
845	Wardha	Maharashtra	Wardha	First Floor, Gandhi Complex, Main Road, Arvi Naka Chowk, Wardha - 442001
846	Nasirabad	Rajasthan	Nasirabad	1173, Second Floor, Subhash Ganj, Nasirabad - 305601
847	Kishanpole, Jaipur	Rajasthan	Jaipur	Plot No.15, Second Floor, Govind Nagar (East), Dashara Kothi, Aamer Road, Jaipur – 302002
848	Naidupeta	Andhra Pradesh	Naidupeta	D.No.3-11-65, First Floor, Kalahasti Road, Near RTC Bus Stand, Naidupeta – 524126
849	Gondia	Maharashtra	Gondia	First Floor, Roongta Complex, Jai Stambha Chowk, Near LIC Zonal Office, Ganesh Nagar Road, Gondia - 441601, Dist. Gondia
850	Chalisgaon	Maharashtra	Chalisgaon	Second Floor, Shop No.3, Gajanan Market, Ganesh Road, Chalisgaon – 424101
851	Aurangabad - 3	Maharashtra	Aurangabad	Ground Floor, Plot No.1, Yashshri Co-Operative Housing Society, N-8/H-1, Cidco, Aurangabad – 431003
852	Sillodh	Maharashtra	Sillodh	Ground Floor, Plot No.5, Pitru Chhaya Building, Shrikrishna Nagar, Ambedkar Chowk, Tilak Nagar Road, Opp. Water Tank, Sillodh – 431112

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853	Yavatmal	Maharashtra	Yavatmal	First Floor, Kuberkunj, 226, Ward No.12, Dhamangaon Road, Near Timber Bhavan, Rajendra Nagar, Yavatmal – 445001, Maharashtra
854	Hapur	Uttar Pradesh	Hapur	Second Floor, V3 Square, Khasra No.95/2, (North Part), Near Indian Oil Pump, Village Chamri, Mohalla Dasmesh Nagar, Tehsil - Hapur, District - Ghazipur, Uttar Pradesh - 245101
855	Sambhal	Uttar Pradesh	Sambhal	First Floor, Near Asian Haseena Begum Hospital, Main Chandausi Road, Sambhal - 244302, Uttar Pradesh.
856	Jhajjar	Haryana	Jhajjar	Khewat No.1187, R.No.155, Kila No.2/2/1 (1-10), First Floor, Rohtak Road, Opp. State Bank of India, Jhajjar – 124103
857	Bhopal 2	Madhya Pradesh	Bhopal	Plot No.6-C & 6-D, Ground Floor, Harisons House, Opp. Raj Bhavan, Malviya Nagar, Bhopal – 462003
858	Latur	Maharashtra	Latur	Second Floor, Yash Plaza, Kava Road, Near Shivneri Gate, Latur – 413512, Maharashtra
859	Dhule (Shift)	Maharashtra	Dhule	Madhur Shobha Complex, Plot No.11, Ground Floor, Chalisgaon Road, Near Holi Child High School, Chafuli, Maruti Nagar, Dhule – 424001
860	Nanded	Maharashtra	Nanded	First Floor, M.C.No.3-3-806, CTS No.11752, Survey No.93/A, Ward No.23, Bhagat Singh Road, Nanded - 431602
861	Borivali - 2	Maharashtra	Mumbai	306/A, B wing, Jalaram Business Center, Ganjawala Lane, Near Chamunda Circle, Borivali (West), Mumbai – 400092
862	Hyderabad, Punjagutta	Telangana	Hyderabad	4th Floor, Gokul Towers, Punjagutta Main Road, opp. Model House Hyderabad-500082
863	Neemuch - 2	Madhya Pradesh	Neemuch	First Floor, 4, Bhagwati Plaza, Ward No.25, Above ICICI Bank, Firozshaw Road, Neemuch – 458441, Madhya Pradesh.
864	Pen	Maharashtra	Pen	Gala No.103, First Floor, SR Complex Co-operative Housing Society Ltd, Opposite Raigarh Bazar, Pen Dharmatar Road, Survey No.123B, Pen – 402107, District – Raigarh, Maharashtra

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865	Mysore	Karnataka	Mysore	Nakshathra, 858/859, CH-20, Narayanshashtri Road, Devaraja Mohalla, Mysore-570024
866	Parbhani	Maharashtra	Parbhani	First Floor, Survey No.380, Ward No.28, Kabra Complex, Station Road, Near Peda Hanuman Mandir, Parbhani - 431401
867	Bhiwandi	Maharashtra	Bhiwandi	Third Floor, Shop No. 307, Mahipatrai Chambers, Bhiwandi Kalyan Road, Above Vijay Sales, Bhiwandi - 421302, Dist. Thane
868	Hingoli	Maharashtra	Hingoli	First Floor, House No.3 -155 part, Prathmeshwar Building, Opp. LIC Office, Station Road, Hingoli - 431513, Dist. Hingoli
869	Ongole	Andhra Pradesh	Ongole	3rd Floor, Guptha's Square, A Block, Shop No.3, No: 5-6, Sathya Narayana Puram, Kurnool Road (60 feet Road), Ongole. 523002
870	Karnal - 4	Haryana	Karnal	Second Floor, Plot No.214, Sector – 12, Main Market, Karnal – 132001, Haryana.
871	Khandwa	Madhya Pradesh	Khandwa	First Floor, Trade Center, Indore Main Road, Khasara No.350, 354/2, 255/3, 356/3, New No.518, Swami Vivekanand, Ward No.31, Plot No.1, Near Bank of Baroda, Khandwa – 450001, Madhya Pradesh
872	Perambur, Sembium	Tamil Nadu	Chennai	1st Floor, No. 210 (Old No: 226), Paper Mills Road, Perambur, Chennai - 600011
873	Sardulgarh	Punjab	Sardulgarh	Ground Floor, Khewat No. 49/166, Auto Market, Sirsa Road, Sardulgarh - 151507, Dist. Mansa
874	Kankavli	Maharashtra	Kankavli	First Floor, F-16, Manohar Shilp, B Wing, Kalmath , Kankavli - 416602, Dist. Sindhudurg
875	Baramati	Maharashtra	Baramati	First Floor, Mahati Complex, Above Bandhan Bank, Shriram Nagar, Bhigwan Road, Baramati - 413102, Dist. Pune,
876	Kumbakonam	Tamil Nadu	Kumbakonam	Moopanar Towers, No: 44, 45 Nageswaran North Street, Kumbakonam, Pincode - 612001
877	Ganaur	Haryana	Ganaur	Khewat No.43, Khata No.53, First Floor, Railway Road, Harinagar, Ganaur-131101 Sonapat

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878	Bijnor	Uttar Pradesh	Bijnor	Second Floor, B - 14, Nai Basti, Opposite Khanna Petrol Pump, Nagina Road, Civil Line, Bijnor – 246701, Dist. Bijnor
879	Ghatol	Rajasthan	Ghatol	First Floor, F – 57, Jeevan Jyoti Complex, Survey No.4827, Old Bus Stand, Ghatol – 327623, District – Banswara, Rajasthan.
880	Amroha	Uttar Pradesh	Amroha	Second Floor, Khasara No.3723, Atrasi Tiraha, Near Raj Pathology, Mohalla Shakoorpura, Amroha – 244221, Uttar Pradesh.
881	Veraval	Gujarat	Veraval	Second Floor, Rushikesh Arced, Office No. 201, 202, 203, 204, Above Kotak Mahindra Bank, Tower Chowk, Veraval – 362265.
882	Jamshedpur	Jharkhand	Jamshedpur	Third Floor, Birenu Tower, 10 SNP Area, Sakchi, Jamshedpur - 831001
883	Jaggaihpeth	Andhra Pradesh	Jaggaihpeth	Door No.4-282/6, First Floor, Chillakallu, Opp. Axis Bank, Jaggaihpeth Mandalam, Jaggaihpeth – 521178
884	Chandikhole	Odisha	Chandikhole	First Floor, LIC Building, NH -5, Chandikhol - 754296 District – Jajpur
885	Ramesh Nagar	Delhi	New Delhi	First Floor, Plot No.33, Khasara No.2518/1662/3, 2496/1979, 2497/1929, Main Najafgarh Road, Near State Bank of India, Village – Bassai Darapur, New Delhi - 110027
886	Suratgarh	Rajasthan	Suratgarh	First Floor, Shop No.37, Near New Bus stand, Back of Syndicate Bank, Suratgarh – 335804, District – Ganga Nagar, Rajasthan
887	Jhadol	Rajasthan	Jhadol	First Floor, Mahadev Plaza, Near PNB Bank, Jhadol – 313702
888	Sikandrabad	Uttar Pradesh	Sikandrabad	First Floor, SDM Colony, GT Road, Municipal No.897, Khata No.707, Khet No.1372, Sikandrabad – 203205, District – Bulandshahr, Uttar Pradesh.
889	Tirupur	Tamil Nadu	Tiruppur	1st Floor, Tulasi Towers, 63(1) Binny Compound Main Road, Tirupur - 641601
890	Poonamalle	Tamil Nadu	Chennai	1st Floor, No.52 A, Mangadu Main Road, Kumananchavadi, Kamaraja Nagar, Poonamalle, Chennai-600056
891	Kanchipuram	Tamil Nadu	Kanchipuram	First Floor, Door No.62A, T S No.1562, 1562/1, 4th Division, Sengazhuneerodai Street, Kanchipuram – 631502, Tamil Nadu

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892	Bhagalpur	Bihar	Bhagalpur	First Floor, Shivam Complex, Beside Vishal Mega Mart, Holding No. 120 and 127, Nawab Bagh Colony, Ward 32, Police line Road, Tilkamanjhi, Bhagalpur - 812001, Bihar.
893	Nangloi	Delhi	New Delhi	First Floor, Plot No.657, Khasara No.657, Next to Union Bank, Opposite Metro Pillar No.499, Mundka, Delhi Rohtak Road, Delhi – 110041.
894	Nagda - 2	Madhya Pradesh	Nagda	First Floor, Jawahar Marg, Survey No.455/1/2, Near Boys High Secondary School, Nagda - 456335, Madhya Pradesh
895	Jaora - 2	Madhya Pradesh	Jaora	Ground Floor, Guru Nanak Mohalla, Ward No.27, Municipal No.14/2, Opposite Police Station, Station Road, Jaora - 457226, District - Ratlam, Madhya Pradesh
896	Sehore - 2	Madhya Pradesh	Sehore	First Floor, Plot No.3, Aditi Apartment, Near Jaiswal Hospital, Bus Stand, Sehore - 466001, Madhya Pradesh
897	Ratlam - 2	Madhya Pradesh	Ratlam	First Floor, Reliable Trade Center, Ward No.15, Tax Assessment No.80, Station Road, Ratlam - 457001, Madhya Pradesh
898	Mandsaur - 2	Madhya Pradesh	Mandsaur	First Floor, Ward No.5, Plot No.3, Survey No.231/3, 421/2, Radhesham Nagar, Near Geeta Bhawan, Mandsaur - 458001, Madhya Pradesh
899	Dewas - 2	Madhya Pradesh	Dewas	First Floor, Plot No.11, Ram Nagar, AB Road, Above Indian Allahabad Bank, Dewas - 455001
900	Dhule - 2	Maharashtra	Dhule	Ground Floor, K & L Commercial Complex, Shop No.5, Opposite Manohar Theatre, City Survey No.3285/A/2, Agra Road, Dhule - 424001
901	Shirpur	Maharashtra	Shirpur	First Floor, Above Bank of Maharashtra, Main Road, City Survey No.1555/A-1D-2, Ward No.2, Shirpur - 425405, District - Dhule, Maharashtra
902	Nanded - 2	Maharashtra	Nanded	Ground Floor, Shop No.7, Millennium, Tower, Gat No.120, Ward No.1, Nanded Malegaon Road, Near Taroda Naka, Nanded - 431605
903	Sangamner	Maharashtra	Sangamner	S.No.124, Ground Floor, Opp. Sahyadri College, Sangamner, Dist. Ahmednagar, Pin - 422604

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904	Gomatinagar	Uttar Pradesh	Lucknow	Second Floor, Hari Complex, TCV- 118,Vibhuti Kand, Behind Waves Gomatinagar, Lucknow - 226010
905	Hingoli - 2	Maharashtra	Hingoli	Shop No.55, First Floor, Nidhi Trade Center, Survey No.143, CTS No.5223/79, Plot No.1, M C No.23-2393, Nanded Road, Hingoli - 431513, Maharashtra
906	Bhadra	Rajasthan	Bhadra	Ward No.27, Khata No.111/114, Ground Floor, Hissar By Pass, Near Bus Stand, Bhadra – 335501
907	Shirwal	Maharashtra	Shirwal	First Floor, Shop No.06, Punya Complex, First Floor, Bhau Tambe Nagar Road, Shirwal - 412801, Dist. Satara
908	Mira Road	Maharashtra	Mira Road	J-Wing, Shop no. 105, 106 and 107, First Floor, Poonam Shruti CHS, Latif Park, Mira Bhayander Road, Mira Road, Thane - 401107
909	Dungerpur	Rajasthan	Dungerpur	First Floor, Hotel Nikunj Plaza, Ward No.26, Shivaji Nagar Vistar Yojna Main Road, Bypass Hospital Road, Shashtri Colony, Dungerpur – 314001.
910	Bathinda	Punjab	Bhatinda	1st floor, S.C.F 123, Goniana-Bathinda Road, Near Hotel Sweet Milan, Bathinda
911	Tanjavur	Tamil Nadu	Thanjavur	VRM Towers, 2648, South Main St, Tanjavur - 613009
912	Shahada	Maharashtra	Shahada	First Floor, Survey No.198 A/B/C, Shop No.21, Kharedi Vikri Sangh, Pushpakamal Market, Shahada - 425409, Dist. Nandurbar
913	Chandrapur	Maharashtra	Chandrapur	First Floor, Shop No.F1,F2,F17 & F18, Prestige Plaza, Vivek Nagar, Mul Road, Shastri Nagar, Chandrapur - 442402
914	Udaipur	Rajasthan	Udaipur	Second Floor, 29/452, Municipal No.452, Ward No.29, Bhopa Magri, Hiran Magri, Sector - 3, Main Road, Udaipur – 313002
915	Sumerpur	Rajasthan	Sumerpur	Second Floor, Near Mansarowar Hotel, Plot No.32, Khasra No.183, 184, 185, Tehsil Road, Sumerpur, District - Pali, Rajasthan - 306902
916	Arrah	Bihar	Arrah	Second Floor, Mahabir Complex, Mahajan Toli No.1, Hospital Road, Ward No.22, Above HDFC Bank, Arrah - 802301, District – Bhojpur, Bihar

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917	Jodhpur	Rajasthan	Jodhpur	Second Floor, 27/39 and 40, Adarsh Society, ITI Chouraha, Light Industrial Area, Above HDFC Bank, Near Shastri Circle, Jodhpur, Rajasthan - 342003
918	Sagwara	Rajasthan	Sagwara	First Floor, Shree Balaji Complex, Near Panchayat Samiti, Sagwara – 314025, District – Dungarpur, Rajasthan
919	Dhupguri	West Bengal	Dhupguri	First Floor, Saha Complex, Plot No.811, Falakata Road, Ward No.4, Opposite Dhupguri High School, Dhupguri – 735210, District - Jalpaiguri, West Bengal
920	Gorkhpur - 2	Uttar Pradesh	Gorakhpur	First Floor, Prashant Tower, Part of Arazi No. 14/128, 15 & 10, Near Transport Nagar Police Chowki, Mauja Mehwa Ahatmali, Mehwa Chungi, Opposite Old T P Nagar, Gorakhpur - 273016
921	Narwana	Haryana	Narwana	Ground Floor, Opposite Mini Secretariat, Main Highway, Property No.37/20, Khasara No.304, Narwana – 126116, District – Jind, Haryana.
922	Kamla Nagar, New Delhi	Delhi	New Delhi	Second Floor, Plot No.11, Block - A, Ward No.XIII, Kamla Nagar, GT Road, Delhi – 110007
923	Vellore	Tamil Nadu	Vellore	Second Floor, Land Mark Building, East Main Road, Gandhinagar, Katpadi, Vellore - 632006
924	Devgadh Baria	Gujarat	Devgadhbaria	Shop No.2144/1/5 & 2144/1/6, First Floor, Rajmahal Road, Revenue Account No.877, Revenue Survey No.454/1, Near Old Octroi Chowki, PTC college road, Devgadhbria – 389380, District – Dahod, Gujarat.
925	Nayagarh	Odisha	Nayagarh	Ward No.12, First Floor, Satkar Complex, Infront of PWD Bunglaw, Main Road, Mew Town, Nayagarh – 752069.
926	Bhopal	Madhya Pradesh	Bhopal	First Floor, Kwalitiy Business Center, Plot No. 7, Zone II, MP Nagar, Bhopal (MP) 462016
927	Ambala	Haryana	Ambala	2nd floor, #6340/8 Ahluwalia Building Ambala Cantt - 133001
928	Umri	Maharashtra	Umri	Second Floor, Dr. Sawai Building, Survey No.179/1, 124/1 and 124/2, MC No.90/1, Ward No.9, Umri – 431807, District – Nanded, Maharashtra.



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929	Kuchaman	Rajasthan	Kuchaman	First floor, 746, Above Indusind Marketing and Financial Services Ltd., Opp. Karni Petrol Pump, Deedwana Road, Kuchaman City, Distt. Nagaur, Rajasthan, Pin - 341508
930	Mahidpur - 2	Madhya Pradesh	Mahidpur	First Floor, Axis Bank Building, Survey No.171/2, Mahidpur Road, Bheem kheda, Mahidpur – 456443, District – Ujjain, Madhya Pradesh.
931	Piparcity	Rajasthan	Piparcity	Ground Floor, Jai Mishri Market, Property No.76, Khasra No.1333, Opposite K K Market, Near New Roadways Bus Stand, Jodhpur Road, Piparcity - 342601, District - Jodhpur, Rajasthan.
932	Indapur	Maharashtra	Indapur	First Floor, Plot No.1/A, Shop No.7, Chaityana Mega Mart, A Wing, Indapur Baramati Road, Shriram Chowk, Indapur - 413106, Taluka Indapur, Dist. Pune
933	Kurukshetra	Haryana	Kurukshetra	1st floor, SCO-39, Sector-17, Kurkshetra, Pin-136118
934	Kavali	Andhra Pradesh	Kavali	Koustubam Nilayam, Shop No.C, D.No.10-1-2B, Main Road, First Floor, Opp. Coronation Reading Room, Railway tation Road, Kavali – 524201 District - Nellore
935	Bhankrota - 2	Rajasthan	Jaipur	Ground Floor, Plot No.18 & 19, Neer Sagar B, Bhankrota – 302026, District – Jaipur, Rajasthan.
936	Meerut	Uttar Pradesh	Meerut	Third Floor, Plot No.43, Scheme No.1, Mangal Pandey Nagar Commercial Area, Near Broadway Hotel, Meerut – 250004, Uttar Pradesh.
937	Kakinada	Andhra Pradesh	Kakinada	Aiyyappa Towers, Phase I, 3rd Floor, Subhash Road, Suryaraopeta, Kakinada – 533003, Andhra Pradesh
938	Tohana	Haryana	Tohana	SCO-43, First Floor, Gupta Colony, Chandigarh Road, Tohana, Dist. Fatehabad- 125120
939	Ratlam	Madhya Pradesh	Ratlam	50, First Floor, Dr. Rajendra Prasad Marg, Ward No.32, Near Rotary Garden, Garden Chatri Pull, Ratlam - 457001, Madhya Pradesh.
940	Amalner	Maharashtra	Amalner	First Floor, Shop No.8, Aditya Corner, Ward No.1, Town Planning No.65/1, Behind D R Kanya High School, Taluka – Amalner, District – Jalgaon, Maharashtra - 425401

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941	Bhopalgarh	Rajasthan	Bhopalgarh	First Floor, Bharat Gas Agency, Mahaveer Nagar, Near SBI Bank, Khasara No.948/6, Plot No.5 & 6, Bhopalgarh - 342603, District - Jodhpur, Rajasthan.
942	Rishabhadeo	Rajasthan	Rishabhadeo	Ground Floor, Gahti Gate, Khatta No.226, Aaraji No.1218, Rishabhadeo - 313802, District - Udaipur, Rajasthan.
943	Basmath	Maharashtra	Basmath	First Floor, Plot No.53, Survey No.157, Hutatma Bhirji Nagar Sahakari Gruhnirman Sanstha Maryadit, Basmath Mudhi Road, Near BSV College, Basmath – 431512, District – Hingoli, Maharashtra.
944	Bansur	Rajasthan	Bansur	First Floor, R K Mall, Patta No.042, Ward No.32, Infront of Public Welfare Department, Narayanpur Road, Bansur – 301402, District – Alwar, Rajasthan
945	Deogarh	Rajasthan	Deogarh	Ground Floor, Ashirwad Plaza, Teen Batti Chouraha, Ward No.3, Khasara No.4132, Opposite Bus Stand, Deogarh – 313331, District – Rajsamand, Rajasthan.
946	Badnawar	Madhya Pradesh	Badnawar	First Floor, Shiv Shakti Nagar, Plot No.2 & 3, Survey No.2026/2, Ward No.2, Lala Lajpat Rai Marg, Badnawar – 454660, District – Dhar, Madhya Pradesh.
947	Shujalpur - 2	Madhya Pradesh	Shujalpur	First Floor, House No.59/1, M G Road, Above Yes Bank, Survey No.1964/2, Shamli No.1964/3, Ward No.10 (New No.15), Shujalpur – 465333, Madhya Pradesh.
948	Mhow - 2	Madhya Pradesh	Mhow	First Floor, 132, Sanghi Street, Ward No.2, Mhow - 453441, District – Indore, Madhya Pradesh.
949	Dhariawad	Rajasthan	Dhariawad	Ground Floor, Near New Bus Stand, Aaraji No.219, 221, 223, 225, 227, 235, Rawala Bhag, Dhariawad - 313605, District - Pratapgarh, Rajasthan.
950	Malkapur	Maharashtra	Malkapur	Shop No.11, Ground Floor, Badri Complex, Buldhana Road, Malkapur – 443101 District Buldhana
951	Kannad	Maharashtra	Kannad	Ground Floor, Shop No.12, Survey No.40/1A, Plot No.2, BZP Pride, Chajed Nagar, Pishore Road, Kannad - 431103, District – Aurangabad, Maharashtra

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952	Osian	Rajasthan	Osian	First Floor, Near State Bank of India & LIC Office, Khasara No.1563/7, Plot No.10D & Plot No.10E, Station Road, Osian - 342303, District - Jodhpur, Rajasthan.
953	Anandpuri	Rajasthan	Anandpuri	Ground Floor, Main Bus Stand, Anandpuri, Banswara , Rajasthan - 327031
954	Gulabpura - 2	Rajasthan	Gulabpura	Ground Floor, 71, Adarsh Colony, Khasara No.19, 23, 24, Huda Road, Gulabpura – 311021, District – Bhilwara, Rajasthan.
955	Chhatarpur	Madhya Pradesh	Chhatarpur	First Floor, Near Kotak Mahindra Bank, Khasara No.610, Ward No.35, Pahra House, Sagar Road, Chhatrapur – 471001, Madhaya Pradesh
956	Sangli	Maharashtra	Sangli	First Floor, Siddhivinayak Forum, F3 , C S No. 519, Opposite Zila Parishad, Sangli – 416416, Maharashtra
957	Bijolia	Rajasthan	Bijolia	Ground Floor, Bundi Bhilwara Road, Patta No.270, Patrawali No.56, Near New Bus Stand, Bijoliya Kalan - 311602, District – Bhilwara, Rajasthan.
958	Lunawada	Gujarat	Lunawada	First Floor, Shop No.I-113, New Survey No.517, (Old Revenue Survey No.303), Block No. I, Nandan Arcade, Modasa Road, Lunawada – 389230, District – Mahisagar, Gujarat.
959	Ramganj Mandi	Rajasthan	Ramganj Mandi	First Floor, Pareta Farm House, Ward No.1, Khasra No.29, Opposite Bank of Baroda, Suket Road, Ramganj Mandi – 326619, District – Kota, Rajasthan.
960	Barmer	Rajasthan	Barmer	Ground Floor, 222, NH – 15, opp. Kailash International Hotel, Barmer- 344001
961	Mahalaxmi Nagar	Madhya Pradesh	Indore	First Floor, Above Canara Bank, Plot No.15, Radhika Palace Colony, Mahalaxmi Nagar, Main Road, Indore – 452001, Madhya Pradesh.
962	Freeganj	Madhya Pradesh	Ujjain	Office No.108 & 109, First Floor, Patidar Tower, Bhawan Nagar Palika Nigam Kramank 66,66/1, 66/2, Saheed Park, Freeganj, Ujjain – 456010, Madhya Pradesh.
963	Station Road	Madhya Pradesh	Shamgarh	First Floor, Station Road, Ward No.8, Bhukhand No.4028, Infront of Central Bank of India, Shamgarh – 458880, District – Mandsaur, Madhya Pradesh.

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964	Tamsa Road	Maharashtra	Hadgaon	Shop No.3, First Floor, Hall No.5, MC No.310, Old Ward No.25, New Ward No. 17, Kamlai Apartment, Survey No.234/1, Tamsa Road , Hadgaon - 431712, District – Nanded, Maharashtra.
965	Bhadgaon Road	Maharashtra	Chalisingaon	First Floor, Plot No.2, Final Plot No.291, CTS No.4572 & 4573, Ward No.15, Smrutinandan, Opposite Wani Mangal Karyalay, Bhadgaon Road, Chalisingaon - 424101, District – Jalgaon, Maharashtra.
966	Takipura	Madhya Pradesh	Depalpur	Ground Floor, Bhukhand No.132, Survey No.10/4, Village Takipura, Depalpur, District – Indore, Madhya Pradesh - 453115.
967	Palwal	Haryana	Palwal	Khasra No.1628, Second Floor, Bye Pass Road, Opp. SRS Value Bazar, Main Mathura Road, Palwal – 121102
968	Gulabpura	Rajasthan	Gulabpura	Shop No.5, Ground Floor, Manikya Lal Verma Colony, Kharigram Road, Near Head Post Office, Bhilwara Road, Gulabpura – 311021
969	Ujjain	Madhya Pradesh	Ujjain	Third Floor, Old HN – 269, Block No.36, New No.27, Laddha's Dream, Amar Singh Marg, Freeganj, Ujjain – 456010.
970	Amravati Road	Madhya Pradesh	Burhanpur	First Floor, Amravati Road, Khasra No.652, Near IDFC Bank, Infront of Nimar Hospital, Burhanpur – 450331, Madhya Pradesh.
971	Kathlal - 2	Gujarat	Kathlal	First Floor, Office No.5-6, Madhav Plaza, Ahmedabad Road, Kathlal – 387630, District – Kheda, Gujarat.
972	Morva Hadaf	Gujarat	Morva Hadaf	First Floor, Shivdhara Complex, Survey No.782, Near Police Station, Morva Hadaf – 389115, District – Panchmahal, Gujarat.
973	Khatushyamji	Rajasthan	Khatushyamji	Ground floor, Plot No. 5B, Danta Road, Near Pwd office, Ward No 2, Khatushyamji - 332602, District - Sikar, Rajasthan.
974	Mangalpura Road	Rajasthan	Jhalawar	First Floor, Above Union Bank, Ward No.15, Mangalpura Road, Jhalawar - 326001, Rajasthan.
975	Gangar Talai	Rajasthan	Gangar Talai	Ground & First Floor, Anandpuri Road, Survey No.1823/23, Panchayat Samiti, Gangar Talai - 327601, District – Banswara, Rajasthan

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976	Sadar Bazar	Madhya Pradesh	Hoshangabad	First Floor, Near LIC Office, Nazul Sheet No.51, Plot No.8/1, Old Ward No.17, New Ward No.7, Near Said Darshan Mall, Sadar Bazar, Hoshangabad – 461001, Madhya Pradesh.
977	Panchkula	Haryana	Panchkula	Third Floor, SCO 8, Sector 5, Panchkula, Haryana – 134113.
978	Trichy	Tamil Nadu	Trichy	First Floor, Door no.36/2, Old T.S.no.3817 & 3824 Part, New T.S.no.11, Old Ward – III, New Ward – G(B), New Block no.13, Salai Road, Chinthamani, Thiruthanthoni Village, Trichy – 620003.
979	Bus Stand	Rajasthan	Abu Road	First Floor, Ward No.8, Opposite Bus Stand, Hotel Kavita Inn, Abu Road - 307206, District – Sirohi, Rajasthan
980	Hatpipliya	Madhya Pradesh	Hatpipliya	Ground Floor, Ward No.12, Nevri Bagli Marg, Survey No.748, Hatpipliya – 455223, District – Dewas, Madhya Pradesh
981	Gogunda	Rajasthan	Gogunda	Ground floor, Khasra No.5628/1, Near Police Station, Bus Stand Road, Gogunda – 313705, District – Udaipur, Rajasthan.
982	Dharampur - 2	Gujarat	Dharampur	First Floor, Survey No.1784/B and 1783/B, Opposite Valsad Sahakari Bank, Dharampur – 396050, District – Valsad, Gujarat.
983	Chikhli	Gujarat	Chikhli	First Floor, Shop No.109, 110, Center Point, Gram Panchayat No.172/3, Survey No.216-A, B, C & 217, Chalta No.34 & 35, Shit No.7, Village Chikhli - 443201, District – Navsari, Gujarat
984	Santrampur	Gujarat	Santrampur	Ground Floor, Shop No.8, Bhura Complex, City Survey No.2339, Bypass Chowkadi, Santrampur – 389260, District – Mahisagar, Gujarat
985	Fatehnagar	Rajasthan	Fatehnagar	Ground Floor, Plot No.137, Ward No.14, Udaipur Chittorgarh Road, Fatehnagar – 313205, District – Udaipur, Rajasthan
986	Zirakpur	Punjab	Zirakpur	SCO No.12, Second Floor, Main Silver City, Zirakpur - 140603, District – Mohali, Punjab.
987	Vinay Nagar	Madhya Pradesh	Gwalior	First Floor, A-5, Ward No.3, Sector – 4, Vinay Nagar, Koteswar Road, Gwalior – 474012, Madhya Pradesh.

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988	Biaora	Madhya Pradesh	Biaora	First Floor, Survey No.46/4/5, Champapura Old A. B. Road, Biaora – 465674, Dist. Rajgarh
989	Shahdol	Madhya Pradesh	Shahdol	Second Floor, Kartar Cottage, Khasra No. 58/3, Ward No.23, Burhar Road, Shahdol – 484001, Madhya Pradesh
990	Khopoli	Maharashtra	Khopoli	First Floor, Office No.102, Sudhneel Apartment, Plot No.98, Survey No.40,41,42,43, 51 & 55, Behind Nehru Garden, Shashtri Nagar, Khopoli - 410203, District – Raigad, Maharashtra.
991	Khategaon	Madhya Pradesh	Khategaon	First Floor, Premises 153, Ajnas Road, Azad Marg Ward No.3, Near Shishu Vihar School, Khategaon - 456336, District – Dewas, Madhya Pradesh
992	Alambaugh, Lucknow	Uttar Pradesh	Lucknow	Third Floor, Office No.301, 302 & 303, Plot No.A4/1, A-4/2, A-4/3, A-5, A-6, A-7, A-7/1, A-7/2 and A-7/3, Khasra No.678/1, J B Metro Heights, Near RTO Office, Kanpur Road, Gram – Behsa, Ward – Raja Bijli, District – Lucknow, Uttar Pradesh - 226001
993	Degana	Rajasthan	Degana	First Floor, Rameshwar Complex Above Muthoot Fincrop, Sadar Bajar, Degana – 341503, District – Nagaur, Rajasthan
994	Chandangaon	Madhya Pradesh	Chindwara	First Floor, Ward No.38, Zone 2, Infront of Dhahake Complex, Khasara No.252/7, Water Suppl Road, Chandangaon, Chhindwara – 480003, Madhya Pradesh.
995	Seoni Malwa	Madhya Pradesh	Seoni Malwa	First Floor, Ward No.15, Near Geeta Takies Main Road, Plot No.100/1/11, Seoni Malwa - 461223, District – Hoshanganbad, Madhya Pradesh.
996	Airport Road	Madhya Pradesh	Indore	First Floor, House No.4, Sankhla Colony, Survey No.131/15, Ward No.6, Airport Road, Near Akhand Dham Asharam, Indore – 452005, Madhya Pradesh
997	Neemuch	Madhya Pradesh	Neemuch	First Floor, 230, Teachers Colony, Radhakrishna Nagar, Main Road, Above India Bank, Neemuch - 458441
998	Meghraj Cross Road	Gujarat	Modasa	F-12, First floor, Ameer Arced, Survey No.769, Plot No.1 & 2, Meghraj Cross Road, Shamlaji - Godharan Road, Modasa – 383315, District – Aravalli, Gujarat.

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999	Jhalod	Gujarat	Jhalod	First Floor, Old Survey No.2315, New Survey No.2321, Old Tenement No. 458/1, Opposite Visvakarma Temple, Dahod Road, Jhalod – 389170, District – Dahod, Gujarat.
1000	Bavla	Gujarat	Bavla	First Floor, Shop No.45 & 46, Shivganga Complex, City Survey No.318/45, New Survey No.4311, Bavla – 382260, District – Ahmedabad, Gujarat.
1001	Bhiloda	Gujarat	Bhiloda	First Floor, Shop No.4, Near Sagar Plaza, Survey No.872, Block C, Hathmati River Bridge, Bhiloda – 383245, District – Aravalli, Gujarat.
1002	Salumbar	Rajasthan	Salumbar	First Floor, Ward No.2, Above Bank of Baroda bank, Main road, Salumbar - 313027, District - Udaipur, Rajasthan.
1003	Nathdwara	Rajasthan	Nathdwara	First Floor, Bhandari Complex, Nai Rd, Khasara No.1399 & 1400, Nathdwara - 313301, District – Rajsamand, Rajasthan.
1004	Sathupally	Telangana	Sathupally	First Floor, H.No.7-121, 7-122, Dr. Rajabaapaiah Hospital Street, Main Road, Sathupally - 507303, District – Khammam, Telangana.
1005	Chhani	Gujarat	Baroda	First Floor, Shop No.5, Kanha Platinum, Tower – B, Fulwadi Cross Road, Survey No.298, TP -13, Chhani Jakat Naka, Chhani – 390024, District – Vadodara, Gujarat.
1006	Pardi	Gujarat	Pardi	First Floor, 101, 102, MB Complex, Near Old Bus Stand, Near ICICI Bank, Pardi – 396125, District – Valsad, Gujarat.
1007	Idar	Gujarat	Idar	First Floor, 200, 201 (as per panchayat unit no.180, 181), Damodar Complex, Survey No.39, Idar – 383430, District – Sabarkanta, Gujarat.
1008	Morinda	Punjab	Morinda	Second Floor, 348/6, Sugar Mill, Morinda - 140141, Dist. Rupnagar
1009	Arya Samaj Road	Madhya Pradesh	Shivpuri	First Floor, House No.126, Ward No.2, Puranik Sadan, Arya Samaj Road, Shivpuri – 473551, Madhya Pradesh.
1010	Dehgam	Gujarat	Dehgam	First Floor, Hall No.1, Kumkum Complex, City Survey No.437/2, Station Road, Dehgam -382305, District - Gandhinagar, Gujarat.

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1011	Krishnanagar	West Bengal	Krishnanagar	Second Floor, Ward No. 18, Holding No. 6/1, Pandit L.K. Maitra Road, Near Krishnagar Sadar, District Hospital, Krishnanagar - 741101, District - Nadia, West Bengal.
1012	Hyderabad Central (Begumpet)	Telangana	Hyderabad	Shree Balaji PSR Tower, 1st Floor, H.No:1-8-616/1, Prakash Nagar, Begumpet, Hyderabad - 500016
1013	Warud	Maharashtra	Warud	First Floor, Ratnaparki Guruji Smruti Sankul, Survey No.82/9, Ward No.9, Takiya Road, Above Tulsi Tiles Ring Road, Pardi Chowk, Warud – 444906, District – Amravati, Maharashtra.
1014	Nizamabad	Telangana	Nizamabad	First Floor, H No.5-6-144, Khaleel Wadi, Near Indur Medical, Nizamabad – 503001, Telangana.
1015	Daltonganj	Jharkhand	Daltonganj	Second Floor, Narasimha Heights, Holding No.3040, Survey No.188, Tauzi No.91B, Old Ward No.17, New Ward No.20, Plot No.2616, Redma Chowk, Daltonganj – 822101, District – Palamu, Jharkhand.
1016	Gwalior Main Road	Madhya Pradesh	Dabra	First Floor, Ward No.8, Near Ramgarh Pool, Survey No.403 & 404, Gwalior Main Road, Dabra – 475110, District – Gwalior, Madhya Pradesh.
1017	Alwar	Rajasthan	Alwar	Plot No.14, Second Floor, Scheme No.1, Vijay Mandir Road, Near Bhagat Singh Circle, Alwar – 301001
1018	Jaora	Madhya Pradesh	Jaora	Ground Floor, Mahaveer Shopping Complex, Police Kotwali Road, Tehsil Jaora, Jaora - 457226, District – Ratlam, Madhya Pradesh
1019	Dharmanagar	Tripura	Dharmanagar	First Floor, Ward No.13, Plot No.7150/7151, Bazar Road, Dharmanagar – 799253, Tripura
1020	Damoh Naka	Madhya Pradesh	Jabalpur	Shop No.102/4, First Floor, Gopal Arcade, Plot No.213, Ward No.23, Main Road, Damoh Naka, Jabalpur – 482002, Madhya Pradesh.
1021	Seth Phool Chand Nagar	Madhya Pradesh	Mandideep	First Floor, Plot No.7 & 8, Seth Phool Chand Nagar, Ward No.1, Mandideep - 462046, District – Raisen, Madhya Pradesh.



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1022	Parvat	Gujarat	Parvat	First Floor, Shop No.150, Midas Square, Godadara Road, Block No.37, T P Scheme No.61, Final Plot No.37/B/2, Parvat - 395010, District – Surat, Gujarat.
1023	Gota, Ahmedabad	Gujarat	Ahmedabad	Shop No.105, Ground Floor, Shukan Mall, Near CIMS Hospital, Science City Road, Sola, Ahmedabad – 380060
1024	Indri	Haryana	Indri	Ground & First Floor, Ward No.10, Opp. State Bank of Patiala, Khewat khatauni No.40, Khasra No.62/25/4/ (0-15), Amar Market, Near Patwar Khanan, Indri - 132041.
1025	Kochi	Kerala	Kochi	Second Floor, Building No.56/2348-B, Survey No.739/1/11, Vykati Vikas Kendra India, “The Art of Living”, SBT Avenue, 13th Cross Road, Near Passport Office, Panampilly Nagar, Ernakulam – 682036.
1026	Dindigul	Tamil Nadu	Dindigul	Survey No.8/6B, Door No.C.10, First Floor, Palani Road, Near O.C Pillai Nagar, Pallapatty, Dindigul - 624001
1027	Cant Road	Madhya Pradesh	Guna	First Floor, Survey No.681/1, Seth Phoolchand Nagar, Mandideep, P H No.65, Ward No.30, Govind Garden, Cant Road, Guna – 473001, Madhya Pradesh.
1028	Bangalore, Vijaynagar	Karnataka	Bangalore	2nd Floor, 2079/43, Railway line, Pipeline, RPC Layout, 9th Cross, II Stage, Vijaya Nagar, Bangalore - 560040
1029	Adoni	Andhra Pradesh	Adoni	First Floor, Plot No.10, L P no.141/1981, Survey No.752/2 & 349/2, Yaggati Erappa Nagar Colony, Opposite Chekuri Function Hall, Mandigiri Village, Sadapuram GP, Adoni – 518301, District – Kurnool, Andhra Pradesh.
1030	Vastrapur	Gujarat	Vastrapur	Ground Floor, Shop No.5, Panchvati Paradise, Block No.A, Survey No.791, TPS No. 114, FP No.43, Near Avadh Residency, Ratan Pura Gam, Vastrapur, Ahmedabad, Gujarat - 382418.
1031	Godi Road	Gujarat	Dahod	Ground Floor, Pavandham Society, Survey No.986/A/1/2, C S No.5582/1, Hissa No.1, Near Patel Hotel, Godi Road, Dahod – 389151, Gujarat.

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1032	Jawaharlal Nehru Colony	Madhya Pradesh	Harda	Ground floor, Ward No.16, Plot No.150, Jawaharlal Nehru Colony, Post – Harda, Tehsil Harda – 461331, Madhya Pradesh.
1033	Dhemaji	Assam	Dhemaji	First Floor, Joon Complex, Ward No.5, Bharalichuk, N.H.15, Patta No. 29, Dag No. 168, Dhemaji – 787051, Assam
1034	Howrah	West Bengal	Howrah	2/1, Third Floor, Bhajan Lal Lohia Lane, Howrah - 711101
1035	Ranchi	Jharkhand	Ranchi	1st Floor, Nile Complex, Shop-03, Old HB Road, Kata Toli, Dist:: Ranchi, Pin-834001, Jharkhand
1036	Dharampur	Gujarat	Dharampur	Office No.3, First Floor, opp. State Hospital, Dharampur – 396050
1037	Hamirpur	Himachal Pradesh	Hamirpur	First Floor, Ward No.8, House No.9, Near Petrol Pump, Above Parvanoo Bank, Nadaun Chowk, Hamirpur – 177001, Himachal Pradesh.
1038	Hissar	Haryana	Hissar	Second Floor, SCO 76, Urban State 2, Hissar125001, Haryana.
1039	Sonipat	Haryana	Sonipat	Second Floor, Plot No.9, 292/20, City Walk Mall, Teacher Colony, Khasara No.7852/7209/4119, Atlas Road, Sonipat, Haryana - 131001
1040	Jowai	Meghalaya	Jowai	Second Floor, Lumpyrtuh, Mihmyntdu, Survey No.335/2003, Near Play Ground, Jowai – 793150, District - West Jaintia Hills, Meghalaya.
1041	Jalna	Maharashtra	Jalna	First Floor, City Pride Complex, Shop No.28, 29, 30, 31, Railway Station Road, CTS No.9685, Near Swami Garage, Opposite Impact Advertising, Jalna – 431203, Maharashtra.
1042	Chickballapur	Karnataka	Chickballapur	Gokul Complex, Ground Floor, Muthingaraya Temple Road, Near Milk Dairy, Vapasandra, Ward No.31, Chickballapur – 562101
1043	Mohali	Punjab	Mohali	SCF 16 & 17, 2nd Floor, Phase 10, Mohali Punjab, Pincode 160062
1044	Allahabad - 1	Uttar Pradesh	Prayagraj	First Floor, LDA Center, Sardar Patel Marg, Nazul Land No.8C/B, Civil Station, Pargana and Tehsil Sadar, Allahabad - 211001

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1045	Davangere	Karnataka	Davangere	Chinmay Tower, 1st Floor, 6th Main Road, 6th Cross RJ Extension, Davanagere – 577002
1046	Ghaziabad	Uttar Pradesh	Ghaziabad	First Floor, 89, Harvansh Nagar, Opposite Police Chowki, Near Reliance Mart, New Arya Nagar, Ghaziabad – 201002, Uttar Pradesh
1047	Amaravati	Maharashtra	Amaravati	Vimaco Tower, Near Bus Stand, Opp. Usmania Masjid, Amravati - 444601
1048	Tirupati	Andhra Pradesh	Tirupati	1st Floor, Flat No:V, M.M. Complex, New Balaji Colony, Tirupati - 517502
1049	Basavakalyan	Karnataka	Basavakalyan	Ground Floor, Property No.30/345, Survey No.4/10, Plot No.2, Block No.30, Tripurant Tq, Basvakalyan - 585327 Dist. Bidar
1050	Nuzvidu	Andhra Pradesh	Nuzvidu	D.No.17-195, First Floor, Kothapeta, Near to Apsara Theatre, Main Road, Nuzvidu – 521201 District Krishna
1051	Chirala	Andhra Pradesh	Chirala	D.No.15-22-38, First Floor, Kotla Bazar, Muntaz Center, Chirala – 523155 District Prakasam
1052	Dhubri	Assam	Dhubri	G T B Road, First Floor, Above SBI ATM, Ward No.1, Patta No.546, Daag No.1059, Dhubri – 783301, Assam.
1053	Haridwar	Uttarakhand	Haridwar	Second Floor, Property No.56, M M Arcade, Ward No.56, Near Hotel Fortune Ganga, Vivek Vihar, Delhi Road, Yojana Awas Vikas colony, Haridwar – 249401
1054	Tadepalligudem	Andhra Pradesh	Tadepalligudem	Second Floor, Door No.12-7-9, Ganesh Rice Mill Road, Ward No.3, Tadepalligudem - 534102, Dist. west Godavari
1055	Ajmer	Rajasthan	Ajmer	Plot No.6&7, Mukund Garden, Near Railway Line, Nasirabad Road, Ajmer-305001
1056	Sikka Motikhavdi	Gujarat	Motikhavdi	Shop No.A, Ground Floor, Near Hotel Jaykishan, Opp. Kundaliya Petrol Pump, Motikhavdi, Jamnagar – 361140
1057	Narol Gam Road	Gujarat	Ahmedabad	First Floor, Office No.112, Shoolin Arcade, Final Plot No.30 of Town Planning Scheme No.55, Revenue Survey No.312, Narol Isanpur Birdge, Near Narol Circle, Narol Gam Road, Isanpur, Taluka – Maninagar, Ahmedabad - 382405.

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1058	Mahabubnagar	Telangana	Mahabubnagar	Third Floor, H No.7-5-113/11/A, Laxmi Nagar Colony, GKR Complex, Survey No.240, Mahabubnagar, Telangana – 509001.
1059	Shimoga	Karnataka	Shimoga	First Floor, Ward No.29, Durgigudi Extension, Khata No.373 - 458, PID No.125, Neharu Road, Near Gopi Circle, Savarline Road, Next to Navarathna International Hotel, Opposite Indian Overseas Bank, Shimoga – 577201.
1060	Ghatkopar	Maharashtra	Mumbai	Unit No.301, Third Floor, Shree Platinum Commercial Premises Co-operative Society Ltd., Platinum Mall, Praful Jyoti Road No. 7, Jawahar Lane, Near BMC Office, Opp. Ghatkopar East Railway Station, Ghatkopar (East), Mumbai – 400077
1061	Hosur	Tamil Nadu	Hosur	Second Floor, Sri Krishna Tower, No.6/25B1, T.S.F No.75, Bypass Road, Block No.11, Ward No.D, Hosur – 635109, District – Krishnagiri, Tamil Nadu.
1062	Garhshankar	Punjab	Garhshankar	Khasra No.350, Oasis Tower, First Floor, Anandpur Sahab Road, Near Bank of India, Garhshankar – 144527, District Hoshiarpur.
1063	Hoshiarpur	Punjab	Hoshiarpur	City Center, Opposite Maharaja Palace Hotel, Sutehri Road, Hoshiarpur, Pin - 146001
1064	Wilson House	Maharashtra	Mumbai	First and Second Floor, Wilson House, Old Nagardas Road, Near Amboli Subway, Andheri East, Mumbai – 400069
1065	Satara	Maharashtra	Satara	Third Floor, Hotel Preeti Executive and Commercial Complex, P8/1, MIDC Highway 4, Ajantha Chowk, Satara – 415004
1066	Ahmednagar 2 (MG Road)	Maharashtra	Ahmednagar	First Floor, 10/32, M G Road, Telikhunt, In Front of Waman Haripet Jewellers, Ahmednagar – 414001
1067	Phaltan	Maharashtra	Phaltan	LIC Building, Second Floor, Survey No. 3312, Plot No.63, 64, Ravivar Peth, Pune-Pandharpur Road, Phaltan – 415523, District - Satara, Maharashtra

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1068	Erode	Tamil Nadu	Erode	First Floor, 33/3, 3rd Street (Main Road), T S No.10, Ward No.4, Block No.5, Thirunagar Colony, Erode – 638003.
1069	Solapur	Maharashtra	Solapur	Second Floor, T. P. No. 01, Final Plot No.9/8, Municipal House No. 267/8, Vibhaag No.21/72, Raviwar Peth, Solapur - 413002, Maharashtra.
1070	Gariahat	West Bengal	Kolkata	195/4, Rash Behari Avenue, Kolkata – 700156
1071	Ichalkaranji	Maharashtra	Ichalkaranji	Ground Floor, Shop No.6,7,8 & 9, Pratik Plaza, Yashavant Colony, Kolhapur Road, Ichalkaranji – 416115, Dist. Hatkanagle
1072	Phagwara	Punjab	Phagwara	2nd Floor, Khullar Tower, Near Main GT Road, Phagwara, Pin Code – 144401
1073	Dewas	Madhya Pradesh	Dewas	2nd Floor, Malwa Shahnai Complex, above HDFC Bank, Opposite Diamond Tower, AB Road, Dewas – 455001, MP
1074	Gandhidham	Gujarat	Gandhidham	2nd floor, above SIDBI, Banking Square, in front of ICICI Bank, Tagore Road, Gandhidham - 370201, Gujrat
1075	Visnagar	Gujarat	Visnagar	First Floor, Shop No.F8, F9, F10, F11, Tirupati Metro Mall, New Survey No.4523, Opposite Sona Complex, Near Kansa Cross Road, Visnagar – 384315, District – Mehsana, Gujarat.
1076	Chitradurga	Karnataka	Chitradurga	First Floor, Survey No.52/2, Khata No.2748/ 2686, Kasaba Hubballi, Turuvanur Road, Medehalli Layout, Kelagote, Chitradurga – 577002, Karnataka.
1077	Gangtok	Sikkim	Gangtok	Lower Ground Floor, ST Forest Complex, Near Forest Office & Shangril Hotel, Debrali, Gangtok, Sikkim – 737102
1078	Agra	Uttar Pradesh	Agra	Third Floor, Sanjay Plaza, Block No.115, SanjayPlace, Hari Parvat Ward, Agra – 282002, UttarPradesh.

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1079	Narayangaon	Maharashtra	Narayangaon	SR.No. 255, Hissa No. 4+5+6+/B, Second Floor, Diamond Plaza, Pune Nashik Road, Savaleram Market, Opposite Bank of Maharashtra, Narayangaon - 410504, Taluka – Junnar, District – Pune
1080	Greems Road, Infiniti Building, Chennai	Tamil Nadu	Chennai	First Floor, Infiniti Building, R S No. 43/94, Block No. 8, O S No. 95, 96, 97, C C No. 2950, Greames Road, Thousand Lights, Near MRF Building, Nungambakkam, Chennai- 600006
1081	Hubli (Shift)	Karnataka	Hubli	First Floor, B- Block, Mohindra Palaza, CTS No.441/A6/1, CTS No.441/A/11/B2, CTS Ward No.1, Travells Bungalow, Deshpande Nagar, Hubli- 580029
1082	Medak	Karnataka	Medak	First Floor, Door No- 1-9-1/1/e/6, Sri Siddhilingeswara Complex, Near GKR Gardens, Ramdas Chowrasta, Azam Pura, District Medak, Telangana- 502110
1083	Dharuhera (Shift)	Haryana	Dharuhera	First Floor, Behind Indusland Bank, Near Rao Service Station, Zaildar Building, Dharuhera, District- Rewari, Haryana- 123106
1084	Nohar (Shift)	Rajasthan	Nohar	Second Floor, Janta Tower, Near Bihani Chowk, Station Road, Nohar, Rajasthan – 335523
1085	Chhindwara (Shift)	Madhya Pradesh	Chhindwara	First Floor, Plot No- 6/3, House No- 716/1, Block No- 177, P.H. N. 22, R. N. M. Chhindwara- 01, Vivekanand Colony, Ward No- 39, Tehsil & District Chhindwara, Madhya Pradesh - 480001
1086	Nagpur	Maharashtra	Nagpur	First Floor, Plot No.6, PH No.39, Aai Apartment, Uday Nagar Main Road, New Subhedar Layout, Ashirwad Nagar, Near NIT Garden, Nagpur – 440002
1087	Washim	Maharashtra	Washim	Shop No.14, First Floor, Patni Commercial Complex, Risod Naka, Washim – 444505
1088	Hazira Ichhapore	Gujarat	Hazira Ichhapore	Shop No.109, First Floor, Swagat Business Hub, Hazira – Surat Road, Ichhapore Char Rasta, Surat – 394510
1089	Rajkot, Bhaktinagar	Gujarat	Rajkot	3rd floor, Plot no 40A, Near Bhakti Nagar Circle, Rajkot 360002
1090	Kadi	Gujarat	Kadi	Shop No.8A, Second Floor, Diamond Plaza, Near Swaminarayan Mandir, Kadi – 382715

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1091	Deoghar	Jharkhand	Deoghar	Second Floor, L Tower, VIP Chowk, Madhusudan Chhorat, Court Road, Near V2 Mall, Deoghar, Jharkhand -814112
1092	Barpeta	Assam	Barpeta	Second Floor, Ward No.10, Barpeta Road, Village Simalaguri, Near and Opposite Dilip Cinema Hall, Barpeta, Assam- 781315
1093	Ajmer Road - Bhilwara	Rajasthan	Bhilwara	First Floor, Office No.12, 13 & 14, Surbhi Square, Opposite Gayatri Ashram, Ajmer Road, Bhilwara – 311001, Rajasthan.
1094	Ludhiana 3	Punjab	Ludhiana	1st Floor, Atam Tower, Sunder Nagar, Ludhiana, Pin – 141007
1095	Hazra, Kolkata	West Bengal	Kolkata	First Floor, Above UCO Bank, Premises No.10, Sadananda Road, Near Khaza Biryani Center, P.S. Kalighat, Ward No.83, Kolkata – 700026
1096	Kathlal	Gujarat	Kathlal	Shop No.65/9/1, First Floor, S A Complex, Nadiad Road, Near Janta Hospital, Kathlal – 387630
1097	Bodeli	Gujarat	Bodeli	3088, First Floor, Block No.181, C.S.No.18, Besides Amrut Hotel, Dabhoi Road, Bodeli – 391145
1098	Patiala	Punjab	Patiala	Second Floor, SCO - 12, Bhupendra Road, Maharani Indra Skeem, Patiala - 147001
1099	Bangalore, Hanumanth Nagar	Karnataka	Bangalore	Second Floor, Tirumala Arcade, 28, 6th Main 50 Feet Road, Hanumanth Nagar, Bangalore - 560050
1100	Ahmedpur	Maharashtra	Ahmedpur	E-203, First Floor, Above Majge Clinic, Main Road, Ahmedpur – 413515 District Latur
1101	Chandigarh	Chandigarh UT.	Chandigarh	First floor, Sco No- 34, Sec- 7, Chandigarh, Madhya Marg- 160019
1102	Asansol	West Bengal	Asansol	38 & 39, Third Floor, Laxmi Narayan Avenue, Murgasol, Ushagram, Asansol-713303
1103	Gurukul -2, Ahmedabad	Gujarat	Ahmedabad	Office A-201, 2nd floor, Shilp Square – A, Above ICICI Bank, opp. Himalaya Mall, Drive-in Road, Ahmedabad - 380052
1104	Kotputli	Rajasthan	Kotputli	Second Floor, Opp Anaj Mandi, Bansur Alwar Road, Khasra No. 1225, Mohalla Basadi, Kotputli, District- Jaipur, Rajasthan- 303108
1105	Yamunanagar (Shift)	Haryana	Yamunanagar	SCO 45, 2nd Floor, Sector 17, Commercial Belt, Urban Estate, Opp Pandit Automobiles, Jagadri- Yamuna Nagar- 135003

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1106	Vapi (ML)	Gujarat	Vapi	Office No.14, First Floor Highland Park Co-op Commercial Society, Survey No- 334/1, Daman Road , Chala Vapi, District Valsad, Gujarat- 396191
1107	Nawada (Change of LL)	Bihar	Nawada	First Floor, Holding No.398/3, Ward No.7/13, Old Jail Road, Sinha Market, Near Madhay Bihar Gramin Bank, Nawada – 805110, Bihar
1108	Bhankrota (Jaipur)	Rajasthan	Jaipur	Plot No -1, Ganesh Vishar Colony, Mukundpura Road, Bhankrota, Jaipur, Rajasthan- 302027
1109	Rampur Bhushan	Himachal Pradesh	Rampur Bushahr	Ward No. 6, Dackolar, PO Shingla Near Choramandalam, Rampur Bushahr, Tehsil Rampur, District- Shimla, Himachal Pradesh-172001
1110	Roorkee (Shift)	Uttarakhand	Roorkee	First Floor, Near Essar Petrol Pump, Rampur Chungi, Deheradun Road. Roorkee, Utrakhand -247667
1111	Rohru	Himachal Pradesh	Rohru	Second Floor, Khasra No. 438/115/4 (Old) and 1394 (New), Muhal Nagar Panchyat Gangtoli, J D Complex, Shimla Road, Rohru, Himachal Pradesh- 171207
1112	Najafgarh	Delhi	New Delhi	Plot No- 46-A, Main Najafgarh Road, Masoodabad, Chara Mandi Najafgarh, New Delhi, 110043
1113	Jabalpur (Renewal)	Madhya Pradesh	Jabalpur	3rd Floor, 1183 & 1187, Badshah Plaza,, Chanchalabai College Road, Wright Town, Jabalpur (MP)
1114	Vasai	Maharashtra	Vasai	Second Floor, K T Empire, Above State Bank of India, Station Road, Vasai west – 401202, District – Palghar, Maharashtra.
1115	Mall Road, Ludhiana (Shift)	Punjab	Ludhiana	Unit No.”FUF-9-10”, 2nd Floor, “Kunal Tower”, Mall Road, Ludhiana -141001 Punjab
1116	Kamareddy	Telangana	Kamareddy	2nd floor, H. NO .5-3-626/1, New bus stand road, Above Jockey and sleep well show room, Kamareddy, Kamareddy (District), Telangana- 503111
1117	Phagi	Rajasthan	Phagi	First Floor, Kalp Braksh- 21, Opp. Panchayat Samiti, Jaipur Road, Phagi, Jaipur, Rajasthan- 303005



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1118	Silvassa	Dadra & Nagar Haveli and Daman & Diu	Silvassa	Office No- 207, Building A-1, 2nd Floor, Landmark, Silvassa, Dadra & Nagar Haveli – 396230
1119	Chhapra (Shift)	Bihar	Chhapra	Second Floor, Gita Complex, Shanda Bazar Samiti, Marhaura Main Road, Beside Gram Shakti Bank, Chapra- 841301, Bihar
1120	Jhansi	Uttar Pradesh	Jhansi	First Floor, Ansal Plaza, Khasra No. 377/2, Kanpur Road, Jhansi, Uttar Pradesh
1121	Sanchoe (Shift)	Rajasthan	Sanchoe	First Floor, Bhagwandas Market, NH- 68, Barmer Road, Sanchoe
1122	Parbatsar	Rajasthan	Parbatsar	Jiwan Complex, Kishangarh Road, Parbatsar, Nagaur, Rajasthan- 341512
1123	Mathura (Shift)	Uttar Pradesh	Mathura	C2/C3, Radhika Vihar, Phase II, city center Mall Mathura
1124	Ghogamba (ML)	Gujarat	Ghogamba	First Floor, Shop no.15 / B-3, Shree Hari Shopping Center, Mohan Park, Near Taulka Pachyat kachri, Main Road, Gogamba, Gujarat- 389365
1125	Jabalpur- South Civil Lines	Madhya Pradesh	Jabalpur	First Floor, 797, Shanti Kunj, South Civil Lines, Subhas Chandra Banerjee Ward, University Road, Jabalpur, Madhya Pradesh- 482001
1126	Chhabra (ML)	Rajasthan	Chhabra	Kumbhraj Road Near Bharat Petrol Pump, Chhabra, Baran, Rajasthan-325220
1127	Jalgaon (Shift)	Maharashtra	Jalgaon	Balaji Acrade 10, Housing Society, Pimprala Road Jalgaon - 425001
1128	Pune, Hadapsar	Maharashtra	Pune	First Floor, 84/4, Tupe Complex, Hadapsar Main Road, Besides Karnataka Bank Hadapsar, Pune - 411028
1129	Ambernath	Maharashtra	Ambernath	Ground Floor, Shop No.7 & 8, Laxmi Sagar Apartment, Shiv Mandir Road, Ambernath East, Ambernath – 421501
1130	Ghatal (Change of LL)	West Bengal	Ghatal	Second Floor, Above Damodarn Home, Opposite Punjab National Bank, Dag No.470, Khatian No.195, Holding No.266/8, Municipal Ward No.16, Ghatal – 721212, West Bengal.
1131	Thisayanvilai (Shift)	Tamil Nadu	Thisayanvilai	Door No. 7/1C, Highways Tirunelveli Road, Selvamaruthur, Thiysanavillai, Tamil Nadu- 627657

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1132	Karaikudi (Renewal)	Tamil Nadu	Karaikudi	M.A.M. Complex, 1st floor, 100 feet Road , Karaikudi – 630001
1133	Vidisha (Renewal)	Madhya Pradesh	Vidisha	First Floor, Gopal Complex, Above Bank of India & Bank of Maharashtra, Rajiv Nagar, Ward no.35, Vidisha, MP
1134	Nalbari (Shift)	Assam	Nalbari	First Floor, Barama Road, Ward No 11, Opp. LIC Office Building, District P.S- Nalbari, Nalbari, Assam- 781335
1135	Berhampur (Shift)	Odisha	Berhampur	2nd Floor, Anubhav Complex, Kompalli Main Road, Opp. Tahasil Office, Berhampur, Ganjam, Odisha- 760004
1136	Thanagazi	Rajasthan	Thanagazi	Khasra No 2857/1616, Ground Floor, Parashram Nagar, Thana Gazi, Alwar, Rajasthan-301022
1137	Bhubaneswar (Renewal)	Odisha	Bhubaneswar	Plot No. 358/3478 & 357/3477, Ground Floor, Mouza: Jaydev Vihar, Near Biju Pattnaik College, Bhubaneswar, Unit No. 16, Tahsil: Bhubaneswar - 751001, Dist: Khurda, Orissa
1138	Gayatri Nager (Durgapura)	Rajasthan	Jaipur	305, Dalda Factory Road, Mahaveer Nagar 2, Gayatri Nagar B, Durgapura, Jaipur, Rajasthan- 302020
1139	Shrirampur (Shift)	Maharashtra	Shrirampur	First Floor, Sai Suraj complex, Gandhi Tower, Plot No. 1/74, Samner Road, Shrirampur - 413709
1140	Chikkamangalore	Karnataka	Chikkamangalore	Municipal Assessment No.8586/6519 (Old No.82/854/6519), M S Complex, First Floor, Vijayapura Extension, Chikkamangalore – 577010
1141	Viramgam	Gujarat	Viramgam	First Floor, Shop No. 115 , Avadh Palza, Opp. ITI College, Near New Over bridge, Viramgam - Bahuchraji Road, Viramgam- 382150
1142	Guwahati (Shift)	Assam	Guwahati	First Floor, Joynagar, Tripura Road, House No. -112, Opposite Reliance Smart, Dispur- 781022
1143	Guntur (renewal)	Andhra Pradesh	Guntur	Third Floor, 5-87-89, Anu Sri Plaza, 2nd lane, Lakshmi Puram Main road, Guntur - 522007
1144	Basari (Renewal)	Rajasthan	Basari	Ground Floor, Maharaj Bagh Circle, Tehsil Bari, Bari Basari - 328021, Dist Dholpur

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1145	New Delhi, Shahdera	Delhi	New Delhi	Ground and First Floor, 713-714, Main GT Road, Kabool Nagar Shahdara, New Delhi – 110032
1146	Kota (Shift)	Rajasthan	Kota	90, Shopping Center, Chawani, Kota 324007
1147	Aligarh (Shift)	Uttar Pradesh	Aligarh	209-A, Songra House Market, Marris Road, Aligarh- 202001
1148	Indore, Hanuman Road (Renewal)	Madhya Pradesh	Indore	First Floor, 987, Sudama Nagar, Ranjeet Hanuman Road, Opp. Petrol Pump, Above Punjab National Bank, Indore - 452009
1149	Rampur (Shift)	Uttar Pradesh	Rampur	First Floor, Rahe Murtuza Shokat Ali Road, Above Bank of India, Civil Lines, Rampur – 244901
1150	Khandwa, Cristal Complex	Madhya Pradesh	Khandwa	Cristal complex Jawahar Ganja Apposite Mishra Nursing hospital Khandwa-450001
1151	Ludhiana, Cheema Chowk	Punjab	Ludhiana	Second Floor, 148, Industrial Area -A, Bhogal Tower, Near Cheema Chowk Ludhiana, Punjab-141003
1152	Kotri Gumanpura Road	Rajasthan	Kota	First Floor, Plot No- 148, Kotri Gumanpura Road, Kaka Complex, Kota, Rajasthan- 324007
1153	Laxmi Bai Marg	Madhya Pradesh	Jhabua	House No. 47, Ward No. 5, Laxmi Bai Marg Jhabua, Madhya Pradesh- 457661
1154	Marthahalli, Bangalore (Renewal)	Karnataka	Bangalore	Ground Floor, UKS Height, M20, Jeevan Bhima Nagar Main Road, Jeevan Bhima Nagar, Bangalore-560071
1155	Greams Road, Chennai	Tamil Nadu	Chennai	4th Floor, No.68/2, Murugesu Naicker Office Complex, “Loyal Towers”, Left Wing, Greams Road, Chennai 600006
1156	Chamba (Shift)	Himachal Pradesh	Chamba	Second Floor, Block 1, Khata No. 268/ 294, Khasra No- 361, 365, 372, 374, 480, Mohala Sultanpur, Tehsil- Chamba, District Chamba, Himachal Pradesh - 176314
1157	VNC College Road	Karnataka	Hospet	First Floor, Rajpur Skies Building, VNC College Road, Basaveshwara Badavane, 16th Ward, College Road, Hospet- 583201
1158	Mangalore	Karnataka	Mangalore	Second Floor, Panchmal, Opp. Flower Market, Car Street, Manglore - 575001
1159	Debari	Rajasthan	Debari	Ground Floor, Plot No- 238, Vaishali Nagar, A Block Debari, District - Udaipur, Rajasthan- 313024
1160	Madurai - 2	Tamil Nadu	Madurai	1st Floor, GV Towers, 2/3, Mellakal Road, Kochadai, Madurai -625010

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1161	Kodad (Shift )	Telangana	Kodad	House No. 12-107/7, First Floor, Papireddy Plaza, Beside KVB Bank, Kodad Municipality, Suryapet- District, Telangana- 508206
1162	Trivandrum (Shift)	Kerala	Trivandrum	Third Floor, New Jyothi Towers, Opp Thampanoor UP School, SS Kovil Road, Thampanoor, Trivandrum- 695001
1163	Kallakurichi (Shift)	Tamil Nadu	Kallakurichi	Door No- 59/2, 2nd Floor, SF No. 271/4, Adjacent to Sundaram Finance Ltd, Gopuram Towers, Durugam Road, Kallakurichi- 606202
1164	Nellikuppam Road (Cuddalore)	Tamil Nadu	Cuddalore	45, Red Cross Road, 1st Floor (Rear Side), Nellikuppam Main Road, Semandalam (Near KN College), Cuddlore, Tamil Nadu- 607001
1165	Limkheda	Gujarat	Limkheda	First Floor, Shop No.782/6, Vijay Complex, Survey No.56, Revenue Account No.584, Limkheda – 389140, District – Dahod, Gujarat
1166	Noida, Sector 63	Uttar Pradesh	Noida	Building No- H- 70, Sector- 63, Noida 201301
1167	Dungla	Rajasthan	Dungla	Main Bus Stand, Dungla, Chittorgarh, Rajasthan-312402
1168	Bhopal, Hoshangabad Road	Madhya Pradesh	Bhopal	Office No- 214, Second Floor, Chinara Incube Business Centre, Hoshangabad Road, Bhopal- 462026
1169	Jayal	Rajasthan	Jayal	First Floor, Bus Stand Road, Near SBI Bank, Jayal, Nagaur, Rajasthan-341023
1170	Sihora	Madhya Pradesh	Sehora	Pandey Bhavan, Dev Bhumi Chowk, In Front Of NH 30 Road, Sihora, Jabalpur 483225
1171	Buldhana	Maharashtra	Buldhana	First Floor, Plot No- 2357, Vijaynagar Chikhli Road, Sunderkhed Buldhana, Maharashtra- 443001
1172	Pirawa	Rajasthan	Pirawa	First Floor, Opp. Police Station, Near Hero Showroom, Pirawa, Jhalawar, Rajasthan-326034
1173	Barbil	Odisha	Barbil	Second Floor, Kritikunj, Opposite Hari Om Bhawan, Unit No.13, Ward No.15, Khata No.145/4, Khasra No.265/861, Barbil Joda Highway, Barbil – 758035, District – Kendujhar, Odisha.

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1174	Katni	Madhya Pradesh	Katni	Building No- 1126, Lalbahaddur Shastri Woard, Mauja Kuthla , Katni, Madhya Pradesh- 483501
1175	Sangriya	Rajasthan	Sangriya	First Floor, 8B-110, Kudi Bhagatasani Housing Borad, Sec-8, Rajasthan- 342005
1176	Chakan (Shift)	Maharashtra	Chakan	Ground Floor, Ghanwat Plaza, Talegaon-Chakan Road, Nanekarwadi, Pune- 410501
1177	Chhota Udepur	Gujarat	Chota Udaipur	First Floor, Makrani Moinahemad Iqbal, Near Pujab National Bank, Kawant Main Road, Chhota Udepur, Pin Code- 391165
1178	Faridabad - 3	Haryana	Faridabad	Second Floor, SCF - 9, Ashoka Enclave, Part – 1, Main Market, Sector 34, Faridabad - 121003
1179	Seoni, Jyarat Naka	Madhya Pradesh	Seoni	Front Off Hundai Showroom Jyarat Naka, Seoni, Madhya Pradesh -480661
1180	Akola, Gaddam Plots	Maharashtra	Akola	Gaddam Plot, Near chandak mangal karyalaya , Railway station Akola -444001
1181	Deugaon Raja	Maharashtra	Deugaon Raja	First Floor, Opp. HDFC Bank Chikhli Road Deugaon Raja, Maharashtra- 443204
1182	Petlawad	Madhya Pradesh	Petlawad	Ground floor, Chawada Complex, Bamaniya Road, Petlawad - 457773, Madhya Pradesh
1183	Jintur	Maharashtra	Jintur	House No- 769, Near Water Tank, Parbhani Road, Jintur- 431509
1184	Ashoknagar	Madhya Pradesh	Ashok Nagar	Dubey Colony, Near by Rajshree Hotel, Ashok Nagar, Madhya Pradesh- 473338
1185	Jalandhar, Kapurthala Chowk	Punjab	Jalandhar	SCO 16, 2nd Floor, Improvement Trust Market, Near Adarash Place, Kapurthala Chowk, Pin - 144001
1186	Jaipur, Time Square	Rajasthan	Jaipur	218, Time Square, 2nd Floor, Central Spine, Vidhydhar Nagar, Jaipur-302023
1187	Dhar (Shift)	Madhya Pradesh	Dhar	First Floor, Municipal Ward No. 2, Plot No.21 & 22, Kashibaug Colony, Indore Ahmedabad Highway, Dhar, Madhya Pradesh- 454001
1188	Ambattur	Tamil Nadu	Ambattur	Old no. 14&15 New No.150, First Floor, Redhills Road, Bharathi Nagar, Pudur, Ambattur, Chennai-600053
1189	Nashik (Shift)	Maharashtra	Nashik	First Floor, Office No- 101, 102 and 103, Genesis Apartment, S. No- 603/3A, CTS No- 7293/1A, Final Plot No- 140, TPS-II, Behind Sopan Hospital and Roongta Supermus, Near Durga Mumbai Naka, Shri Hari Kute Marg, Nashik- 422002

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1190	Belgaum (Shift)	Karnataka	Belgaum	First Floor, Chandrabhaga, CTS No- 1290/A, Ramling Khind Galli, Belagavi, Taluka & District- Belagavi, Karnataka- 590001
1191	Partur, Samrth Niwas	Maharashtra	Partur	Plot No. 2163, Samrth Niwas Near Siddhivinak Hospital, Main Road Partur – 431501
1192	Nandyal	Andhra Pradesh	Nandyal	D.No.25/237-B, First Floor, Survey No.711/1,2, 711/F(P), Srinivasa Nagar, Nandyal – 518501
1193	Nandurbar (Shift)	Maharashtra	Nandurbar	1st Floor Ashadeep Complex Nandurbar, District- Nandurbar, Maharashtra- 425412
1194	Ahmedpur, Nanded Latur Road	Maharashtra	Ahmedpur	Ground Floor, Sai Complex, Opp. Vishwakarma, Nanded Latur Road, Ahmedpur- 413515
1195	Shajapur	Madhya Pradesh	Shajapur	Ward No- 3, In front of Circuit House, Near Collector Bungalow, A. B. Road, Dayanand Saraswati Colledge, Aadarsh Colony, A. B. Road Shajapur, Madhya Pradesh- 465001
1196	Nilanga	Maharashtra	Nilanga	Ground Floor, Bhagyashree Complex, Near terana Project, Next to Pruthviraj Paint, Main Road Nilanga, Latur- 413521
1197	Phulambari	Maharashtra	Phulambari	Shivshakti Niwas, Ground Floor - 03 Shultabad Road, Near Devanagari Hospital, Phulambari, District- Auragabad - 431111
1198	Bikaner	Rajasthan	Bikaner	25, 1st Floor, Panchwati Circle, Gurukripa Complex, Sardul Ganj, Bikaner
1199	Bowenpally	Telangana	Secunderabad	Maha Lakshmi Trade Centre, Survey No.155, Second Floor, Above IDBI Bank, Chinna Thokatta Village, Diamond Point Road, Bowenpally, Secunderbad – 500011
1200	Raver	Maharashtra	Raver	Ground Floor, GUT No. 712/1, Plot No. 44, Hari Om Nagar, Near New Savada Road, Raver Ta. Raver District, Jalgaon, Maharashtra- 425508
1201	Villupuram	Tamil Nadu	Villupuram	RAR Complex, 2nd Floor, Old No.13 New No.43, Kaniyakulam Road, Villupuram- 605602
1202	Waghodiya Ring Road	Gujarat	Baroda	Shop No. FF23 , Tower- E, Shri Siddheshwar Heritage, Nr.Palm Green Duplex, Opp. L&T Knowledge City, Waghodiya Ring Road, Vadodara- 390019

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1203	Basti, Malviya Road	Uttar Pradesh	Basti	First Floor, 99 A, Pikaura Shiv gulam Malviya Road, Basti, Uttar Pradesh- 272001
1204	Ambika Nagar, Tharad	Gujarat	Tharad	Second Floor, Shop No- 205 & 206, Dhanlaxmi Shopping Center, Ambika Nagar, Tharad, Banaskantha- 385565
1205	Sardarpur Road, Dhar	Madhya Pradesh	Dhar	Sardarpur Road, Post office, Rajgarh, District- Dhar, Madhya Pradesh- 454116
1206	Durgapur, Shift	West Bengal	Durgapur	3rd Floor, Raj Lakshmi Bhawan, Gurudwara Road, Durgapur- 713213
1207	Pachora	Maharashtra	Pachora	Prabhakar Badgujar, Bhadgaon Road , LIC office Near Patil Devyog Mangal Karyalay Opp, Pachora, Maharashtra- 424201
1208	Lalitpur, RTO Office Road	Uttar Pradesh	Lalitpur	RTO Office Road Hardila, Lalitpur, Uttar Pradesh- 284403
1209	Wilson Garden (Shift)	Karnataka	Bangalore	HDFC Building- 10th Cross Wilson Garden -560027
1210	Satana	Maharashtra	Satana	Doulat Building, Charphata Chowk, Satana –Nashik, Maharashtra- 423301
1211	Begusarai	Bihar	Begusarai	Har Har Mahadev Chowk, Chhitrou House, East Of HDFC Bank, Post-RTS, Begusarai - 851117
1212	Tuticorin	Tamil Nadu	Tuticorin	160W/16 D, First Floor, Kurinchi Nagar Main Road, (Rear side of New Bus Terminus), Tuticorin-628002
1213	Amaravati	Maharashtra	Amaravati	1 <sup>st</sup> Floor, Daroga Plot Near Dwarkadhish Apartment, Rajapeth, Amravati, Maharashtra- 444601
1214	Mehkar	Maharashtra	Mehkar	First Floor, Tulja Main Road, Mehkar, Buldhana, Maharashtra- 443301
1215	Karad	Maharashtra	Karad	Office No. 705, 1st Floor, 438 Silver Land Building, Near IDBI Bank, Shaniwar Peth, Karad, Maharashtra- 415110
1216	Thane	Maharashtra	Thane	First Floor, Office No- 104 of C wing and Office No- 01 of D Wing, Elegance, Teen Hath Naka, Near Forest Office, Thane (W), Maharashtra- 400601
1217	Ambad	Maharashtra	Ambad	First Floor, Shreekrushna Complex, Opp. bus stand, Jalna - Beed Road, Ambad, Maharashtra- 431204
1218	Wani, Wani-Warora Road	Maharashtra	Wani	First Floor, Beside Bajoria Lawn, Plot No- 03/01 Wani – Warora Road Wani, Yavatmal, Maharashtra- 445304

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1219	Rajajipuram, Lucknow	Uttar Pradesh	Lucknow	K18/22 B Block, Rajajipuram, Lucknow, Uttar Pradesh- 226018
1220	Fatehpur (Shift)	Uttar Pradesh	Fatehpur	First Floor, 78-A, Tambeshver Nagar, G T Road, Bank Of Baroda Building, Fatehpur, Uttar Pradesh- 212601
1221	Barabanki, Haidergarh Road	Uttar Pradesh	Barabanki	First Floor, Muneshwar Vihar Clolony, Haidergarh Road, Barabanki, Uttar Pradesh– 224116
1222	Ambajogai, Guruwar Peth	Maharashtra	Ambajogai	1st Floor, Mutha Complex, Guruwar Peth, Ambajogai- 431517
1223	Udgir, Nanded Road	Maharashtra	Udgir	Venkatesh Blog, Anand Nagar, Nanded Road, Udgir, Maharashtra- 413517
1224	Kanpur	Uttar Pradesh	Kanpur	4th floor, Sai Square, 45, Bhargava Estate, Civil Lines, Kanpur – 208001.
1225	Bhilwara	Rajasthan	Bhilwara	Second Floor, 14-B, Prem Bhawan, Pur Road, Gandhi Nagar, Bhilwara - 311001
1226	Saharanpur, Delhi Road	Uttar Pradesh	Saharanpur	Ground Floor, Near Hotel R Plaza Delhi Road, Saharanpur, Uttar Pradesh- 247001
1227	Shahjahanpur	Uttar Pradesh	Shahjahanpur	Azizganj, SH29, New New Park situated at Mohalla- Azizganj, Tehsil-Sadar and District- Shahjahanpur, Uttar Pradesh- 242226
1228	Piparcity, Jodhpur Road	Rajasthan	Piparcity	Ground Floor, Jai Mishri Market, Property No. 76, Khasra No.1333, Opposite K K Market, Near New Roadways Bus Stand, Jodhpur Road, Piparcity - 342601, District - Jodhpur, Rajasthan
1229	Jagatsinghpur	Odisha	Jagatsinghpur	Panisala, Behind Collector Office, Jagatsinghpur, PO- Jagatsinghpur, Odisha- 754103
1230	Balangir, Railway Station Road	Odisha	Balangir	In front of FCI Godown, Railway Station Road, Balangir, Odisha-767001
1231	Danta Ramgarh	Rajasthan	Danta Ramgarh	First Floor, Dev plaza, Roadways Bus stand , Sikar, Rajasthan 332702
1232	Phusro	Jharkhand	Phusro	First Floor, Bank of India Building, Main Road, Phushro, District- Bokaro, Jharkhand- 829144
1233	Bajju	Rajasthan	Bajju	First Floor, Mistri Market, Near Mahendra Agency, Ranjitpura Road, Bajju, Rajasthan- 334305
1234	Kendrapara	Odisha	Kendrapara	Near DCB Bank, At- Guhalsingh; PO- Thakur Patna, Kendrapara, Odisha- 754211



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1235	Kadipur	Uttar Pradesh	Kadipur	House No.13(B), Mohalla- Shashtri Nagar, Sultanpur Road, Tehsil – Kaadipur, District – Sultanpur, Uttar Pradesh – 228145
1236	Bayad	Gujarat	Bayad	Block - B , First Floor Shop No. 24/1 , R R City Center, Modasa Road , Bayad , Aravalli , Gujarat – 383325
1237	Rajpipla, Surya Plaza	Gujarat	Rajpipla	Ground Floor, Shop No. 14, Surya Plaza, Santosh Chokdi, Rajpipla, Gujarat - 393145
1238	Aurangabad, CIDCO	Maharashtra	Aurangabad	N-2 CIDCO Mahajan Colony API Corner Plot No 38, Aurangabad, Maharashtra- 431001
1239	Samastipur, Bhardwaj Palace	Bihar	Samastipur	First Floor, Bhardwaj Palace, S.H 50, B.alloth, Opposite Bandhan Bank, Samastipur, Bihar- 848101
1240	Idar, Balaji Complex	Gujarat	Idar	First Floor Shop No. D /101, Balaji Complex, Idar Himmatnagar Highway, Idar, Sabarkantha, Gujarat- 383430
1241	Chandigarh, Sector-47 (Shift)	Chandigarh UT.	Chandigarh	SCO No - 70, First Floor, Sector - 47 D Chandigarh Pin No - 160047
1242	Kolhapur	Maharashtra	Kolhapur	Office Number 1 and 3, 1st floor, Mahaxmi Vyapar Sankul , Shahupuri 1st lane, Kolhapur- 416001
1243	Red Hills	Tamil Nadu	Chennai	Plot No.5, S.No.97/2b, Door No.162, Second Floor, GNT Road, Naravarikuppam, Redhills, Chennai – 600052
1244	Raya	Uttar Pradesh	Raya	Building No. 252/6 and 260/3, situated at Mohalla Kundanpuri, Sadabad Road, Raya District, Mathura, pin code 281204
1245	Gudhachandraji	Rajasthan	Gudhachandraji	Khasra No 1753, Ground Floor, Three Shop, Gangapura Road, Guddchandji Tehsil Nadauti District Karoli, Rajasthan- 322213
1246	Bhagalpur, Gupta Complex	Bihar	Bhagalpur	First Floor, Gupta Complex, , Shop No-1A, Bhikanpur, Gumti No-3, Bhagalpur - 812001
1247	Chaksu	Rajasthan	Chaksu	First Floor, Shop No- 17 and 18, Jagdish Colony, Block B-1, Ward No- 18, Chaksu, Jaipur, Rajasthan 303901
1248	Bandikui	Rajasthan	Bandikui	Second Floor Sharma Clinic & Diagnostics center Baswa Road, Bandikui, Rajasthan- 303313
1249	Omerga	Maharashtra	Omerga	Ganga Niwas Opposite Tahsil & ADD District Court N. H. No. 65 Omerga District- Osmanabad, Maharashtra- 413606
1250	Malpura	Rajasthan	Malpura	Ground Floor, 51, 52, Sanjay Market Malpura Tonk Rajasthan- 304502

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1251	Ramganj Mandi, Mataji Road	Rajasthan	Ramganj Mandi	Opposite China Twon Hotel Mataji Road Ramganj Mandi Rajasthan- 326519
1252	Kherli	Rajasthan	Kherli	Ground Floor Gangesh Market, Gaurav Marriage Hall Ke Samne Near Anaj Mandi Kherli Alwar Rajasthan- 321606
1253	Darbhangha, Bela More Road	Bihar	Darbhangha	First Floor, Khasra No- 1739, Bela More Road, Mahant Nagar, Basudeopur, Darbhanga, Bihar- 846005
1254	Darbhangha (Shift)	Bihar	Darbhangha	First floor, Khasra No-1739, Bela More Road, Mahant Nagar, Basudeopur, Darbhanga, Bihar-846005
1255	Muzaffarnagar	Uttar Pradesh	Muzaffarnagar	Property No- 72/519, Main Jansath Road, Mohalla State Bank Colony (Almaspur Andar), District- Muzaffarnagar, Uttar Pradesh- 251002
1256	Jalgaon, Pimprala Road	Maharashtra	Jalgaon	Ground Floor, Plot No 191, Gut No. 191 Sidhivinak Colony, Pimprala road Near Bhawani Mandir Jalgaon
1257	Deodhar	Gujarat	Deodhar	Heeraba Complex, 1st Floor Bhabhar Khimara Highway, Near Aadhars High School, Deodhar, Gujarat- 385330
1258	Aonla	Uttar Pradesh	Aonla	Anand Vihar Colony, Near sLIC Office, Awadhanpur Mod, Anola, District- Bareilly Uttar Pradesh- 243301
1259	Sikandra Rao	Uttar Pradesh	Sikandra Rao	Second Floor, Lala Ka Nagla G.T Road, Sikandrarao Above HDFC bank, Hathras, Uttar Pradesh – 204215
1260	Bhopalgarh, Shree Balaji Hospital	Rajasthan	Bhopalgarh	Ground Floor, Shree Balaji Hospital, Bhopalgarh, Jodhpur 342603
1261	Bansur, G K Road	Rajasthan	Bansur	Ground Floor, Subhash Chowk GK Road Bypass Bansoor Alwar Rajasthan- 301402
1262	Saharsa	Bihar	Saharsa	First Floor, Refuse Colony, Bangao Road, Near Alok Petrol Pump, Saharsa, Bihar- 852201
1263	Jeypore, Brahmuni Gaon	Odisha	Jeypore	1st Floor, Brahmuni Gaon, Jeypore, Koraput, Odisha- 764001
1264	Vaduj	Maharashtra	Vaduj	First Floor, Dahiwadi Road, A/P Vaduz, Above Bank of Baroda, Taluka, Vaduj, Maharashtra- 415506
1265	Vita	Maharashtra	Vita	Avenue Building, Above Revansiddh Medical, Khanapur Road, Near Sai Hospital, Vita, Maharashtra- 415311

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1266	Guskara	West Bengal	Guskara	2nd Floor, Alok Dhara, Near Post Office, Station Road, Guskara, Purba Bardhaman, Burdwan, West Bengal - 713128
1267	Tezpur (Shift)	Assam	Tezpur	First Floor, Hati Pilkhana, N.T.Road, Tezpur, Sonipat, Assam - 784001
1268	Gaya	Bihar	Gaya	First Floor, Gaya Bodhgaya Road, Opp Sanjay Singh College, Gaya- 824231
1269	Mau, Bhati	Uttar Pradesh	Mau	House No- 372/D-1. Village- Bhati, Bahadurganj Road, Tehsil- Sadar, Mau, Uttar Pradesh- 275101
1270	Burdwan (Shift)	West Bengal	Burdwan	Third Floor, Pabirhata, GT Road, R S Dag No.240, L R Dag No.565, Khatian No.111, Ward No.14, Holding No.139, Opposite State Bank of India, Burdwan – 713101, West Bengal
1271	Jammu	Jammu	Smailpur	Second Floor, Greater Kailash, Sainik Colony Lane, Behind Volkswagen, Opp. Barbeque Nation, Above PNB Bank, Jammu- 180011
1272	Sitamarhi, Punaora Road	Bihar	Sitamarhi	Ground Floor, Punaora Road, Near Maa Janki petrol pump, Sitamarhi, Bihar- 843302
1273	Aizwal	Mizoram	Aizwal	Canteen Road, Falklan Veng, Aizwal, Mizoram- 796017
1274	Madhepura	Bihar	Madhepura	First Floor, Purvi bypass road, jaypal patti chowk, Beside R.B.L finance, Madhepura, Bihar- 852113
1275	Vijayawada, Tikkle Road	Andhra Pradesh	Vijayawada	Door No- 39-9-19/1, 2nd Floor, Sri Venkateshwara Swami Temple Road, Above Canara Bank, Labbipet, Vijayawada, Andhra Pradesh- 520010
1276	Narayangaon (Shift)	Maharashtra	Narayangaon	Dharmraj Plaza, 1st Floor, Office No. 115, Pune Nashik National Highway, Narangaon, Maharashtra- 410504
1277	Khatauli	Uttar Pradesh	Khatauli	33, G T Road Khatouli Near Punjab National Bank, Khatouli Uttar Pradesh- 251201
1278	Chakiya	Bihar	Chakiya	Second Floor, Block Road, Power House Chowk, Above Reliance Trend, Chaiya, District- Motihari, Bihar- 845412
1279	Ganj Dundwara	Uttar Pradesh	Ganj Dundwara	Krishna Complex, Gandhi Road Ganj Dundwara, Uttar Pradesh- 207242
1280	Mansa, Sajjan Nagar Society	Gujarat	Mansa	Navrang Complex, 1st Floor Office No. 2, Near Honda Show Room, Gandhinagar- Mansa Highway, Mansa, Gujarat- 382845

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1281	Hajipur	Bihar	Hajipur	Late Munsu Ray, Raj Munshi Complex, Appolo Dental Hospital Ram Prasad Chowk Hajipur, District- Vaishali, Bihar- 844101
1282	Jagdishpur, Jagdishpur- Ayodhya Road	Uttar Pradesh	Jagdishpur	Near Nihalgarh Railway Station, Ground Floor, Jagdishpur - Ayodhya Road, Jagdishpur, District- Amethi, Uttar Pradesh- 227809
1283	Harur (Shift)	Tamil Nadu	Harur	Door No- 10/472-3, First Floor, Above Muthoot Finance, Thiru- Vi- Ka Nagar, Salem Bye Pass Road, Harur, Tamil Nadu- 636903
1284	Khammam (Shift)	Andhra Pradesh	Khammam	House No. 15-8-210/B, 3rd Floor, Above SBI Bank, Srinagar Colony, Wyr Road, Khammam, Khammam District, Telanagana- 507002
1285	Kannauj, PWD Road	Uttar Pradesh	Kannauj	Indra Maket, Gole Kaua, PWD road, Kannauj, Uttar Pradesh- 209727
1286	Gorakhpur, Swarn City	Uttar Pradesh	Gorakhpur	212/1, Swarn City, Kabir Nagar, Jio Ta, Kunranghat, Gorakhpur, Uttar Pradesh- 273008
1287	Mayapuri	Delhi	New Delhi	Second Floor, No.2, Community Center, Phase-1, Maya Puri, New Delhi-110064
1288	Pathharadi, Bhadrak	Odisha	Bhadrak	Charampa, Pathharadi, Bhadrak, Odisha- 756101
1289	Takali Dhokeswar	Maharashtra	Takali Dhokeswar	Takalidhokeswhar, Parner District, Ahmednagar- 414304
1290	Akole	Maharashtra	Akole	Sai Sankul, K. G. Road, Opp. Bank of Baroda, Akole, Maharashtra- 422601
1291	Titlagarh	Odisha	Titlagarh	Ground Floor, Sarjiguda, PO- Titlagarh, Balangir, Odisha- 767033
1292	Boudh	Odisha	Boudh	1st Floor, PO- Butupali; Hatisal Chowk, District- Boudh, Odisha- 762014
1293	Kattapana	Kerala	Kattapana	Kalapurackal Arcade, Idukki Road, Kattappana P.O, Idukki District, Kerala-685508
1294	Beda, Sasaram	Bihar	Sasaram	Old G.T Road, Beda, Beside Canara bank & Aye Finance, Sasaram, Rohtash, Bihar- 821115
1295	Mehkar, Anushree Plaza	Maharashtra	Mehkar	Anushree Plaza 10, Dongaon Road, Near Mango Hotel, Mehkar, Maharashtra- 443301
1296	Nanauta	Uttar Pradesh	Nanauta	Shri Ram Krishan Complex, Piyush City Deoband Road, Nanauta, Uttar Pradesh- 247452

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1297	Vaijapur	Maharashtra	Vaijapur	1st Floor, Pachayat Samiti Complex, Opp Bank Of Maharashtra, Main Road Vijapur, Aurangabad, Maharashtra- 423701
1298	Netrang	Gujarat	Netrang	Ground Floor, Panchsil Park Society, Kelvikuva Road, Jinbazar, Netrang, Gujarat, Pin Code – 393130
1299	Banda (renewal)	Uttar Pradesh	Banda	Second Floor, Premise No.1639, Mauza Bhawanipurwa, Arban Area, Pargana Banda 3, Ward No.22, Near Tulsi Swaroop Corporate Bank, Civil Lines, Banda - 210001
1300	Baharagora	Jharkhand	Baharagora	First Floor, Punjab Motor Garage, NH- 6, Near Gurudwara, Behragoda, Jharkhnad- 832101
1301	Madhubani, Radhika Road	Bihar	Madhubani	First Floor, Radhika Road, Near Heriteg Hosptal, Sapta, Madhubani, Bihar- 827214
1302	Nirsa	Jharkhand	Nirsa	NH- 19, Near Nirsha Kata, Nirsa, District- Dhanbadh, Jharkhand- 828205
1303	Purnia, Belori Road	Bihar	Purnia	Ground Floor, Belori Road, Opposite Anchit Sah High School, Purnia, Bihar- 854326
1304	Tamluk (Shift)	West Bengal	Tamluk	First Floor, Silver Palace, Ward No.17, Tamluk - 721636
1305	Bargarh, Bhatali Chowk	Odisha	Bargarh	PO- Bargarh, Near Law College, Bhatali Chowk, District- Bargarh Odisha 768028
1306	Ottapalam	Kerala	Ottapalam	Harisree Square, Opposite Municipal Bus Stand, Ottapalam, Kerala- 679101
1307	Dilshed Garden (Shift)	Delhi	New Delhi	Second Floor, 46/487, Zulfe Bangal, Main GT road, Dilshad Garden, Delhi – 110095.
1308	Pimpalgaon	Maharashtra	Pimpalgaon	Anusyakunj bungalow, old agra road, Wani chafuli, pimpalgaon baswant, Taluka- Niphad, District- Nashik, Maharashtra
1309	Sonepur, Subarnapur	Odisha	Sonepur	First Floor, Block Chowk, At and PO- Sonepur, Subarnapur, Odisha-767017
1310	RMC Chowk, Subarnapur	Odisha	Sonepur	Ground Floor, RMC Chowk, Near IDBI Bank, Subarnapur, Odisha- 767023
1311	Nuapada	Odisha	Nuapada	First Floor, At- Shantinagar, PO- Khariar, Nuapada, Odisha- 766107
1312	Anandapur	Odisha	Anandapur	Ground Floor, PO- Anandapur; Kendujhar, Odhisa- 758021
1313	Brahmapur, Ganjam	Odisha	Brahmapur	Ground Floor; Gandhi Nagar, 10th Lane, Brahmapur, PS- Brahmapur Town PS, Ganjam- Odisha- 760001

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1314	Bagodar	Jharkhand	Bagodar	Second Floor, Hazaribagh GT Road, KGN, Milan Complex, Bagodar, District- Giridih PO- Bagodar, PS- Bagodar, Jharkhand- 825322
1315	Cherthala	Kerala	Cherthala	LJ Tower, 1st Floor, C.M.C-10, Cherthala P.O Kerala- 688524
1316	Raniganj, NSB Road	West Bengal	Raniganj	Shop No-3, First Floor, Above HDFC Bank, NSB Road, Plot No-408, Raniganj, West Bengal- 713347
1317	Majalgaon	Maharashtra	Majalgaon	Gut No. 229, Seema Complex, Dharur Road, District- Beed, Majalgaon- 431131
1318	Kheda	Gujarat	Kheda	2nd floor, Al Aksha Complex, Kheda Chokdi, Near Bhart Petrol pump, Kheda, Gujarat- 387411
1319	Sant Ravidas Nagar	Uttar Pradesh	Gyanpur	Above Indian Overseas Bank, Station Road, Jalapur Mulla Talab, Bhadohi, Sant Ravidas Nagar, Uttar Pradesh- 221401
1320	Morigaon	Assam	Morigaon	Ward No- 10, Nabheti, District- Morigaon, Assam- 782105
1321	Mankachar	Assam	Mankachar	Barman Para, P.O & P.S- Mankachar, District- South Solmara, Mankachar, Assam- 783131
1322	Vaishali	Bihar	Vaishali	J.K.R.M Tower, Vaishali Block More, Above State Bank, Vaishali, Jharkhand-844128
1323	Jamtara	Jharkhand	Jamtara	Ground Floor, Bus Stand, Dumka Road, Beside Hotel Morning Star, Jamtara, Jharkhand- 815351
1324	Kolhapur, Gandhi Nagar	Maharashtra	Kolhapur	Chickkanna, 69/1, Gandhi Nagar, Koyana Colony, Kolhapur- 416119
1325	Naharlagun	Arunachal Pradesh	Naharlagun	Lekhi Village, Papum Pare, Opposite TATA Motors, Naharlagun, Arunachal Pradesh- 791110
1326	Danapur, Patna	Bihar	Patna	J K Market, Nasriganj, Patna Main Road, Opp SBI Customer Service, House No- 64, Ward No-33, Danapur, Patna, Bihar- 800012
1327	Washim, Patni Commercial Complex	Maharashtra	Washim	A Wing, First Floor 15 / 16, Patni Commercial Complex Risod Road Washim, Maharashtra- 444505
1328	Muzaffarpur, Bairiya Chowk	Bihar	Muzaffarpur	First Floor, Bairiya Chowk, Trivedy Market, New Bus stand, Muzaffarpur, MIT, Bihar- 842003
1329	Adimali	Kerala	Adimali	Second Floor, Ponnappals Queen Tower, Kallakutty Road, Adimali, Kerala- 685561

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1330	Arraia	Bihar	Araria	Ground Floor, Rani Ganj Road, Near Araria College, Ward No-6, Arraia , Bihar- 854312
1331	Nabarangapur	Odisha	Nabarangapur	Ground Floor, Dwarikanagar, 1st Line, PO- Nabarangapur; Odisha-764059
1332	Pipra, Motihari	Bihar	Motihari	Khata No- 74, Plot No 48 , Khata No- 25, Plot No 15 , Mauza- Pipra, Halka- Banjariya, Anchal- Banjariya, Anumandal- Motihari Sadar, Thana- Banjariya, Thana No – 110, District- Motihari, Bihar- 845401
1333	Madhopur, Ballia	Uttar Pradesh	Ballia	Village- Madhopur, Ward No- 13, Rampur Udaybhan,Pargana & Tehsil - Sadar Ballia, District- Ballia, Uttar Pradesh- 277001
1334	Dumwalia, Motihari	Bihar	Motihari	Second Floor, Bhargabwi Complex, At-Dumwalia, PO-NH 727, Above IDBI Bank, Motihari, Bihar- 845105
1335	Partur, Samrth Niwas- Main Road	Maharashtra	Partur	Ground Floor, Plot No. 2163, Samrth Niwas Near Siddhivinak Hospital, Main Road Partur – 431501
1336	Ambedkar Nagar	Uttar Pradesh	Akbarpur	Shastri Nagar, In Front Shivae Lawn, Tehsil- Akbarpur, District-Ambedkar Nagar, Uttar Pradesh- 224122
1337	Digiha, Bahraich	Uttar Pradesh	Bahraich	S N Plaza, 160-A, Gonda Road, Digiha, Bahraich, Uttar Pradesh- 271801
1338	Katihar, Chhita Badi Chowk	Bihar	Katihar	First Floor, Chhita Badi Chowk, Near Kali Mandir, Katihar, Bihar- 854105
1339	Cuttack Sadar	Odisha	Cuttack	First Floor, Kharavela Estate, Nakhara, PO -Phulanakhara, District-Cuttack-754001
1340	Indore - 8	Madhya Pradesh	Indore	First Floor, 27, Gulab Bagh Colony, Infront of Metro Nipaniya Road, Dewas Naka, Village – Pipaliyakumar, Indore – 452010, Madhya Pradesh.
1341	Rajsamand (Shift)	Rajasthan	Rajsamand	1 <sup>st</sup> Floor, Krishna Ashish Comlex, TVS Chorha, Opposite Reliance smart, Kakroli, Rajsamand, Rajasthan- 313324
1342	Dobhi	Bihar	Dobhi	Ground Floor, Dobhi Gaya Road, Above Bandhan Bank, Infront of Dobhi Post Office, Dobhi, District- Gaya, Bihar- 824220
1343	Nimbahera (Shift)	Rajasthan	Nimbahera	Shop No.1 And 2, Navratana Complex, Udaipur Road- Nimbahera, District- Chittorgarh, Rajasthan-312601
1344	Kishanpole, Jaipur (Shift)	Rajasthan	Jaipur	Second Floor, Plot No- 509, Gangauri Bazar, Jaipur, Rajasthan- 302001

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1345	Nagpur (Renewal)	Maharashtra	Nagpur	House No.317, First Floor, Ravindranath Tagore Road, Beside Axis Bank, Civil Lines, Nagpur – 440001
1346	Giridih	Jharkhand	Giridih	Second Floor, Rajkrishna Bhawan, Above Andhra Bank, Opp. Town Thana, Dumri Road, Giridih – 815301
1347	Siwan, Rajendra Path	Bihar	Siwan	Ground Floor, Rajendra Path, Opposite to HDFC Bank, District- Siwan, Bihar-841226
1348	Ratnagiri, Shivaji Nagar	Maharashtra	Ratnagiri	Arihant Square Panchvati, 1st Floor, Shop No. 102, Shivaji Nagar, Ratnagiri, Maharashtra- 415612
1349	Sehore	Madhya Pradesh	Sehore	First Floor, Near Main Bus Stand, Opp. Hanuman Temple, Above State Bank of India, Sehore - 466001 Dist. Sehore
1350	Begusarai, Dhabouli Chowk	Bihar	Begusarai	First Floor, PO- Dhabouli Chowk, Lakho, PS- Muffasil, District- Begusarai, Bihar- 851129
1351	Coochbehar, Silver Jubilee Road	West Bengal	Coochbehar	Ground Floor, Maa Rupasee Building, Silver Jubilee Road, Paddam Talla, Ward No- 16, Near HDFC Bank, New Coochbehar, West Bengal- 736101
1352	Wagholi, Pune Nagar Road	Maharashtra	Wagholi	First Floor, Office No.3, Sai Mangal, Above ICICI Bank and SBI Bank, Pune Nagar Road, Wagholi, Pune- 412207
1353	Bulandshahr, Avanti Nagar	Uttar Pradesh	Bulandshahr	Gaurav Plaza, 2C/10, Avanti Nagar, Avasth Vikas, Bulandshahr, Uttar Pradesh
1354	Bettiah, Kabir Nagar Road	Bihar	Champan	Ground Floor, Near Bettiah Statuion, Bhanu Chapar Dhala, Kabir Nagar Road, PO+PS=Bettiah, District -West Champaran, Bihar- 845438
1355	Coimbatore 3	Tamil Nadu	Coimbatore	107, First Floor II, Thadagam Road, Edayarpalayam, Coimbatore-641025
1356	Betul (Shift)	Madhya Pradesh	Betul	1st Floor Ayodhya Building, Link Road Betul, Madhya Pradesh- 460001
1357	Mandya (Shift)	Karnataka	Mandya	No- 2213A, First Floor, Above Linen Club, 100 Feet Road, Near Gausia School, Gandhinagar Mandya- 571401, Karnataka State
1358	Balotra (Shift)	Rajasthan	Balotra	First Floor, Opposite Axis Bank Khed Road, Balotra, Rajasthan- 344022
1359	Kalamb	Maharashtra	Kalamb	First Floor, Near ICICI Bank Sumo Chowk Dhoki Road Kalamb District Osmanabad, Maharashtra-413507



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1360	Jyotiba Phule Nagar	Uttar Pradesh	Amroha	Mohalla Nal, Pakka Bagh Bijnor Road, Amroha ( Near by SBM girls Inter college) pin code- 244221
1361	Thiruvottriyur	Tamil Nadu	Thiruvottriyur	Old No.336 New No.645, 1st Floor, Tiruvottriyur High Road, Thiruvottriyur, Chennai – 600019
1362	Coimbatore Trichy (Shift)	Tamil Nadu	Coimbatore	SAC Chambers, 1114-C, Trichy Road, Ramanathapuram, Coimbatore- 641045
1363	Purusawakkam (Renewal)	Tamil Nadu	Chennai	Old No.34, New No.60, First Floor, Kandapa Achari Street, Purusawakkam, Chennai - 600007
1364	Kariali Niwas, Sundargarh	Odisha	Sundargarh	Kariali Niwas, Adarsha Nagar, Near Hanman Mandir, Sundargarh-Odisha-770001
1365	Pimpri (Renewal)	Maharashtra	Pimpri	Office No.403, Fourth Floor, Deluxe Fortune, S.No.211, CTS No.2520/2521/2521/1 to 2521/22, Deluxe Chowk, Next to Shagun Chowk, Pimpri – 411017, Pune
1366	Mysore-2	Karnataka	Mysore	First Floor, No.128, Hi-tension Road Line, Mahadeswara Layout, Near Reliance Fresh, Vijayanagara, Mysore-570016
1367	Kolkata, Barick Bhawan, Third Floor	West Bengal	Kolkata	Barick Bhavan 8, Chittaranjan Avenue Kolkata -700072
1368	Kolkata, Barick Bhawan, Fifth Floor	West Bengal	Kolkata	Barick Bhavan 8, Chittaranjan Avenue Kolkata -700072
1369	Kolkata, Barick Bhawan, Sixth Floor	West Bengal	Kolkata	Barick Bhavan 8, Chittaranjan Avenue Kolkata -700072
1370	Kasba Peth (Shift)	Maharashtra	Pune	1st Floor, Mauli, 738, Budhwar Peth, Above Tool Max, Phadke Houd Road, Pune, Maharashtra- 411002
1371	Nashik, Tilakwad	Maharashtra	Nashik	ABH Capital Tilakwad, Opposite Ramayan Bungalow, Nashik
1372	Jharsuguda, Beheramal	Odisha	Jharsuguda	Ground Floor; Beheramal, Industrial Estate, Jharsuguda, Odisha- 768203
1373	Alephata	Maharashtra	Alephata	Shop No. 7, 1st Floor, Matoshree Pride, Kalan Road, Above Maruti Suzuki Showroom, Alephata, Maharashtra- 412411
1374	Shahjahanpur, Anandpuram Colony	Uttar Pradesh	Shahjahanpur	House No- 51, Anandpuram Colony Bi Bi Jai Chowraha Shahjahanpur, Uttar Pradesh- 242001
1375	Bhopal, Jindal Arcade	Madhya Pradesh	Bhopal	Jindal Arcade, Plot No- 8/B, Govind Garden, Raisen road, Above AU Bank, Bhopal- 462023

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1376	Edappal	Kerala	Edappal	Lakshmi Towers, 2nd Floor, Thrissur-Kunnamkulam Road, Beside Grand Dubai Mall, Edappal, Kerala- 679576
1377	Vishrantwadi	Maharashtra	Pune	Signet House, Office No. 105 and 106, Yerwada Road, Near Chitale Bandhu Mithaiwale, Village- Yerwada, Taluka- Haveli, District- Pune, Maharashtra- 411006
1378	Trichy-2	Tamil Nadu	Trichy	First Floor, 8/1, 4th Cross, Sundar Nagar (KK Nagar), Trichy- 620021
1379	Nagercoil	Tamil Nadu	Nagercoil	No. 14, Evans Complex, Ground Floor, Palace Road, WCC Circle, Nagercoil-629001
1380	Mancheria (Shift)	Telangana	Mancheria	H.No.8-576, 1st floor, Main road Garmilla, Opp. Srinivas theatre, Mancheria (Mandal & District), Telangana- 504208
1381	Bangalore, Batrayanapura	Karnataka	Bangalore	Shobha 362, Talakaveri Layout, Amruthahalli Main Road, Batrayanapura, Bangalore 560096
1382	Halol, Sun Enclave	Gujarat	Halol	First Floor, Shop No. 168, Sun Enclave, Near Old Jyoti, Godhra Road, Halol, Gujarat- 389350
1383	Jalaun	Uttar Pradesh	Jalaun	Mohalla- Naya Khande Rao, Lona Road, Near Inden gas agency, Jaloun, Uttar Pradesh
1384	Palanpur (Shift)	Gujarat	Palanpur	First Floor, Shop No. 24/25/26,35/36/37, Maruti Complex, Near Sanskrit Building, Opp. Income Tax Office, Abu Highway, Palanpur – 385001
1385	Rudrapur (Shift)	Uttarakhand	Rudrapur	Hall No. 13 , Second Floor SGAD Complex, Nanital Road Rudrapur- 263153
1386	Warangal (Renewal)	Telangana	Warangal	Shop No.20 and 21, Second Floor, Jaganmaatha's Jakotia Commercial Complex, Near Pochamma Maidanam, M.G. Road, Warangal-506002
1387	Malappuram	Kerala	Malappuram	Central Tower, Munduparambu By-pass Junction, Malappuram, Kerala- 676509
1388	Pandharpur, Solapur Road (Shift)	Maharashtra	Pandharpur	4197/98/2, Bhosle Chowk, Navi Peth, Solapur Road, Pandharpur
1389	Dumka (Shift)	Jharkhand	Dumka	Second Floor, Ward No.10, Khata No. 15/2, R. S. Complex, Thana Road, Dumka – 814101

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1390	Naugarh	Uttar Pradesh	Naugarh	In front of Sona lodge, Above SBI bank, Naugarh, Siddharth Nagar, Uttar Pradesh- 272207
1391	Shamgarh (Shift)	Madhya Pradesh	Shamgarh	Word No 08, Plot no. - 5, Ground floor Village Shamgarh, Tehsil Shamgar, District- Mandsaur, Madhya Pradesh- 458883
1392	Sagar, Poddar Colony	Madhya Pradesh	Sagar	311 , Poddar Colony, Shivaji Ward, Tili Road Sagar, Madhya Pradesh- 470235
1393	Kotkapura (Shift)	Punjab	Kotkapura	First Floor Faridkot Road Adj. Canara Bank, Kotkapura, Punjab
1394	Thalayolaparambu	Kerala	Thalayolaparambu	St. George Arcade, First Floor, Pallikavala, Thalayolaparambu, Kerala - 686605
1395	Bijnor, VK garden	Uttar Pradesh	Bijnor	Bairaj Colony Nikat V K Garden Meerut Kauthdwar By Pass Road Bijnor Uttar Pradesh- 246701
1396	Punalur	Kerala	Punalur	Varikkolil John Building, Power House Junction, Panamkuttymala, Punalur, Kerala 691305
1397	Porbandar (Shift), M.G. Road	Gujarat	Porbandar	R. D. Complex, Above Poojara Telecom, Porbandar, M. G. Road, Gujarat- 360575
1398	Nabadwip	West Bengal	Nabadwip	Second Floor, Above Bank of India, 22/1, Dearapara Road, Nabadwip, Nadia, West Bengal- 741302
1399	Kadapa (Renewal)	Andhra Pradesh	Kadapa	Plot No.42/1197-2A, Second Floor, Bhagyanagar Colony (Mruthunjaya Kunta), Cuddapah – 516001
1400	Bommanahalli (Renewal)	Karnataka	Bangalore	No.410, Second Floor, NR Complex, HSR Layout, Sector II, 24th Main, Bangalore-560102
1401	Tiruvallur (Renewal)	Tamil Nadu	Tiruvallur	Shanthi Towers, First Floor, No.3572, Old Collector Office Road, Kakalur, Tiruvallur-602001
1402	Valasaravakkam (Renewal)	Tamil Nadu	Chennai	Fatima Rajan Towers, First Floor, No.23, Muthumariyamman Koil Street, Janaki Nagar Annex, No.101, Arcot Road, Valasaravakkam, Chennai-600087
1403	Sosyo Circle (Renewal)	Gujarat	Surat	Shop No. 208 to 210, 2nd Floor, New Ashirwad Square, Near Sosyo Circle, Surat-395007
1404	Naranpura, Ahmedabad (Renewal)	Gujarat	Ahmedabad	311A, Binali Complex, 3rd Floor, BRTS Road, Naranpura, Ahmedabad - 380013

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1405	Tirupati Plaza, Surat (Renewal)	Gujarat	Surat	104, B-Wing, Tirupati Plaza, Near Collector Office, B/s Suda Bhavan, Nanpura-Athwagate, Surat-395001
1406	Nedumangad	Kerala	Thiruvanthapuram	Prabhas, Valicode, Nedumangad- 695541
1407	Valsad (Shift)	Gujarat	Valsad	Office No- 102, Signature Building, Valsad Dharampur Road, Opp. Railway Gymkhana Ground, Valsad, Gujarat- 396001
1408	Palda	Madhya Pradesh	Palda	The Finance Hub Above, Kotak Mahendra Bank, Palda Road, Indore, Madhya Pradesh
1409	Shivpuri (Shift)	Madhya Pradesh	Shivpuri	Ward No- 37, Village- Jhingura, Near Navgarh Mandir, Shivpuri, Madhya Pradesh- 473551
1410	Bareilly (Shift)	Uttar Pradesh	Bareilly	154, Opposite DM Residence, Civil Lines, Bareilly- 243001, Uttar Pradesh
1411	Udupi (Shift)	Karnataka	Udupi	Mahalasa Towers, Above Federal Bank, 2nd Floor, Court Road, Udupi, Karnataka- 576101
1412	Mayiladuthurai (Shift)	Tamil Nadu	Mayiladuthurai	No. 127, Bava complex, C1, Muthu Vakkeel Salai, Mayiladuthurai – 609001
1413	Rajpura (Shift)	Punjab	Rajpura	First Floor, Showroom No- 1- D, Above Fed Bank, Calliber Market Patiala road, Rajpura, Punjab- 140401
1414	Pramukh Paradise, Rajkot	Gujarat	Rajkot	Pramukh Paradise, Nirmal Road, Above Karnataka Bank, Rajkot- 350005 Gujarat
1415	Srinagar (Shift)	Uttarakhand	Srinagar	Village- Uphala Badrinath Road Srinagar Distt - Pauri Garhwal- 246174
1416	Gandhi Nagar, New Delhi (Shift)	Delhi	New Delhi	A/34, Krishna Nagar Extension, Near Geeta Colony Police Station, New Delhi – 110051
1417	Relief Road, Ahmedabad (Renewal)	Gujarat	Ahmedabad	House No. 5272/1, 1st Floor, Ideal House, Relief Road, Above Relience World, Ahmedabad-380001
1418	Patan (Renewal)	Gujarat	Patan	Shop No.4, 5 & 6, First Floor, Krushnam Plaza, Opp. District Court, Behind APMC Market, Patan-384265
1419	Gadhinglaj (Renewal)	Maharashtra	Gadhinglaj	Shop No.1, Ground Floor, Chandraprabha Plaza, Azad Nagar, Final Plot No.10A, C.T.S. No.214, Taluka – Gadhinglaj - 416502, District – Kolhapur, Maharashtra
1420	Viman Nagar (Shift)	Maharashtra	Pune	Marie Gold, Sakore Nagar, Viman Nagar, Pune- 411014
1421	Karaikal (Renewal)	Pondicherry	Karaikal	2nd floor, Rubina Plaza, No.3 Pragara Street, Karaikal- 609602

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1422	Sahakar Nagar (Renewal)	Karnataka	Bangalore	First Floor, SAB Chambers, 103, AECS Layout, Sanjaynagar Main Road, Sanjay Nagar, Bangalore – 560094
1423	Peenya (Renewal)	Karnataka	Bangalore	No.7, First Floor, SLN Building, S.M. Road, Jallahalli Cross, T-dasarahally, Bangalore-560057
1424	Nungambakkam (Renewal)	Tamil Nadu	Chennai	132, Sweety Mall, 2nd Floor, Kodambakkam High Road, Nungambakkam, Chennai-600034
1425	Sivakasi 2	Tamil Nadu	Sivakasi	Door No. 311/H & 311/I, above Indian Bank, Serman P.K.S.A Arumugam Road, Savakis – 626189
1426	Salem Gugai (Shift)	Tamil Nadu	Salem	Sethukrishna Trade Centre, 133/31A, Trichy Main Rd, Gugai, Salem - 636006
1427	Tirunelveli	Tamil Nadu	Tirunelveli	Lion Arcade, No.1, Madurai Road, Tirunelveli 627001
1428	Maraimalainagar	Tamil Nadu	Maraimalainagar	First floor, Building No. 10/26, NH-2, Singaravelan, Maraimalainagar-603209
1429	Angamaly (Renewal)	Tamil Nadu	Angamaly	Door No: 21/245-H, Second Floor, Irimpan's Angel Rudhi Tower, Opp. St.Joseph High School, Alwaye-Angamaly Road, NH-47, Angamaly-683572
1430	Tiruvanamalai (Renewal)	Tamil Nadu	Tiruvanamalai	18, First Floor, SRS Tower, Bye Pass Road, Tiruvanamalai - 606601
1431	Uttam Nagar, New Delhi (Renewal)	Delhi	New Delhi	R-2-A, Second Floor, Main Road, Uttam Nagar, New Delhi - 110059
1432	Khamgaon (Renewal)	Maharashtra	Khamgaon	First Floor, Vanmali Complex, Near A U Small Finance Bank, Ward No.29, Jalamb Naka, Khamgaon – 444303, District – Buldhana, Maharashtra
1433	Raghunathpur	West Bengal	Purulia	Barakar Road, Beside City Bazzar Metro, Royal Bengal Lodge, Raghunathpur, Purulia, West Bengal- 723133
1434	Sardarshahar (shift)	Rajasthan	Sardarshahar	First Floor, Near Ashok Stambh, Opp. IASE University, Ratangarh Mega Highway, Sardarshahar, Churu, Rajasthan- 331403
1435	Mavdi Road, Rajkot (Shift)	Gujarat	Rajkot	R K Empire, 2nd Floor Office No. 201 & 202, Near Mavdi Circle, 150 Ft Ring Road, Rajkot, Gujarat-360004
1436	Shastri Nagar, Sitapur	Uttar Pradesh	Sitapur	Mohalla- Shastri Nagar, Tapo Dham Assarm Road, Near Hanuman Mandir, Sitapur, Uttar Pradesh- 261001

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1437	Muvattupuzha (Renewal)	Kerala	Muvattupuzha	Old No.XVIII/255/A, New No.XIV/398A, Survey No.163/3, 2nd Floor, Thodupuzha Road, Asaramam Junction, Near Private Bus Station, Muvattupuzha - 686661
1438	Dholpur (Shift)	Rajasthan	Dholpur	Plaza Tower, Beside SP residence, Narayan Colony, G. T. road, Dholpur, Rajasthan- 328001
1439	Ludhiana, BRS Nagar Market	Punjab	Ludhiana	SCF 43-G BRS Nagar Market, above Union bank,near Saraba nagar police station, Ludhiana, Punjab - 141002
1440	Khamgaon, Ghatpuri Naka	Maharashtra	Khamgaon	First Floor , Nazul Plot 1, Nazul Sheet 12 -B Ghatpuri Naka Khamgaon, Maharashtra
1441	Shajapur (Shift)	Madhya Pradesh	Shajapur	First Floor, Ward No. 9, Above SBI Bank, Shajapur, Madhya Pradesh- 465001
1442	Junagadh (renewal)	Gujarat	Junagadh	Shop No.311 & 312, Third Floor, Rajji Baug Shopping Center, Opp. HDFC Bank Ltd., Junagadh-362001
1443	Bokaro (Shift)	Jharkhand	Bokaro	Plot No- S-17, City Center- Sec- 4, Bokaro Still City, Jharkhand – 827004
1444	Guwahati - 2 (Additional)	Assam	Guwahati	Second Floor, Basistha Road, Patta No.2214, Dag No.2987, Opposite Dispur Telephone Exchange, Guwahati – 781006, Assam
1445	Dhenkanal	Odisha	Dhenkanal	Kadambini Gopinath Bhaban, Near Pollution testing Center Lane, Plot- 81, Surjya Nagar,kathagada, College By Pass, Dhenkanal, Odisha- 759001.
1446	Ambedkar Nagar, Tanda	Uttar Pradesh	Tanda	Mohala -Kasmiriya,Bihand Union Bank, Tanda, District - Ambedkar nagar, Uttar Pradesh- 224190
1447	Marimata Chouraha, Indore - Shift	Madhya Pradesh	Indore	Shree Krishna Divine, Office Nor. 420 & 421, 4th Floor, Marimata Chouraha, Indore, Madhya Pradesh- 452005
1448	Chura Bazaar, Ludhiana	Punjab	Ludhiana	B-2, 1598 Spades Plaza, Mata Rani Chowk, Near Clock Tower, Chaura Bazaar, Ludhiana, Punjab- 141001
1449	Wakad, Pune	Maharashtra	Pune	1st Floor, Office No. 109 & 110, T Junction, Kaspate Wasti, Mankar Chowk, Wakad, Pune, Maharashtra- 411027
1450	Burhanpur (Shift)	Madhya Pradesh	Burhanpur	First Floor, Navgrahe Parishar, Amrawati Road, Rastipura Colony, Opp. Tapti Retreat, Burhanpur – 450331

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1451	Erode Solar	Tamil Nadu	Erode Town	D.No. 177/3A, Manickasavakar Colony, Karur Road, Solar, Erode Town, Tamil Nadu - 638002
1452	Nagercoil 2 Kottar	Tamil Nadu	Nagercoil	D.No. 42/2, 198 D, First Floor, Beach Road junction, Nagercoil, Kanniyakumari Tamil Nadu - 629002
1453	Vadakkancherry	Kerala	Vadakkancherry	14/1999, 1st Floor, K A M Souk, Main Road, Vadakkancherry, Kerala - 678683
1454	Mau (Shift)	Uttar Pradesh	Mau	257/1, Jyoti Tower, Sahadatpura, Maunath Bhanjan, Mau, Uttar Pradesh- 275101
1455	Halol - 2	Gujarat	Halol	First Floor, Shop No. 158, Sun Enclave, Near Old Jyoti, Godhra Road, Halol, Gujarat- 389350
1456	Pathankot	Punjab	Pathankot	SCF 5A, Improvement Trust Complex, Patel Chowk, Pathankot - 145001
1457	Chittor	Andhra Pradesh	Chittor	22-231/1, First Floor, Tirupathi Main Road, Kattamachi, Chittor-517001
1458	Manjeri	Kerala	Manjeri	M T M Arcade, First Floor, No. 20/ 976, Kacheri Padi, Eranad Taluk, Manjeri, Malappuram-676121, Kerala
1459	Adoor	Kerala	Adoor	Survey No.301/3, Block No.9, Santhosh Nilayam, Second Floor, Near Yamuna Tourist Home, M.C.Road, Adoor P.O., Pathanamthitta District, Adoor, Kerala - 691523
1460	Thiruchengode	Tamil Nadu	Thiruchengode	352, Door No.2-1, First Floor, No.48 Kailasampalayam Village, Salem Main Road, Thiruchengode - 637211
1461	Arani	Tamil Nadu	Arani	Door No.30/3, First Floor, Vadiyaraja Street, Kosapalayam, Arani-632301
1462	Thudiyalur Coimbatore	Tamil Nadu	Thudiyalur	Door Nos. 30, 31, 31-A to 31-C, Thiruchentil Nagar, Thudilur, Coimbatore -641022
1463	Meerut (Shift)	Uttar Pradesh	Meerut	House No- 105, L Block, Shastri Nagar, Near United Bank of India, Meerut, L. L. R. M. Med College, Uttar Pradesh- 250004
1464	Chaufulla (Renewal)	Maharashtra	Pune	First Floor, 3, Chaufulla Kale Wasti, Survey No.176, Near Mahindra Finance, Boripardhi, Ghayagudavadi, Taluka – Dauda, Pune - 412203
1465	Shirur, Bafana Complex	Maharashtra	Shirur	Bafana Complex, 1169/1, Plot No.51, Revenue Colony, Near Post Office, Nagar Pune Road, Shirur, Maharashtra- 412210

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1466	Sangrur (Renewal)	Punjab	Sangrur	First Floor, Roxy Road, Near Bhagat Singh Chowk, Outside Sunami Gate, Shekhupura Basti, Sangrur – 148001
1467	Ranipet	Tamil Nadu	Ranipet	Second Floor, No.8, KM Tower, MBT Road, Navalpur, Ranipet-632402
1468	Arundelpet, Guntur	Andhra Pradesh	Guntur	Entire second floor, Sri Vallabha Plaza, Door no. 6-11-32, 11th Line, 1st Cross road, Block no. 6, Arundelpet, Guntur, Andhra Pradesh - 522002
1469	Ulkadai Palanichettipatti, Theni	Tamil Nadu	Theni	Door no. 3-1-45/9, SF No. 1432/1, Ward No. 3, Kumuli Periyakulam road, above Susee Hyundai, Ulkadai Palanicheetipatti, Theni - 625531
1470	Madurai - 3 (Renewal)	Tamil Nadu	Madurai	438/1, New Nattam Road, First Floor, Naganakulam, Tirupplai Group, Madurai-625014
1471	Guduvancherry (Urapakkam) (Renewal)	Tamil Nadu	Guduvancherry	No.6, First Floor, Eswaran Koil Street, Urapakkam Chennai – 603210
1472	Kumbakonam (Dharasuram)	Tamil Nadu	Kumbakonam	Door no. 44/1, R.S. No. 21.2C/15, Thirumanjan Street, Thirumanchanaveethi, Thanjavur District, Dharasuram, Kumbakonam, Tamil Nadu -612702.
1473	Bhawani Mandi	Rajasthan	Bhawani Mandi	First Floor, Near SBBJ Bank, Nehru Park Circle, Bhawani Mandi - 326502, Dist Jhalawar
1474	Surat, 21st Century (Renewal)	Gujarat	Surat	603, 6th Floor, 21st Century Building, B/s World Trade Centre, Ring road, Surat-395007.
1475	Gwalior (Shift)	Madhya Pradesh	Gwalior	34, Kailash Vihar, City Center, Gwalior, Madhya Pradesh - 474001
1476	Tirur (Shift)	Kerala	Tirur	Door No. 36/369-G, Rsy 29/5-3, Poongottukulam, Thrikandiyoor Village, Tirur Taluk, Malappuram, Kerala - 676102
1477	Macherla (Change of LL)	Andhra Pradesh	Macherla	14-1-312, Santhi Nagar, First Floor, Macherla – 522426
1478	Bathinda - 3 (Change of LL)	Punjab	Bhatinda	First Floor, SCF 83, Above HDFC Bank, Model Town Phase 1, Bathinda -151001, Punjab.



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1479	Jabalpur, Vijaynagar	Madhya Pradesh	Jabalpur	252/1A, Ukhri Main Road Vijay Nagar Opposite Global Hospital, Jabalpur, Madhya Pradesh- 482002
1480	Shahibabad	Uttar Pradesh	Shahibabad	Ground Floor, Plot no A-1, Block A, Shyam Park Ext, Sahibabad, Uttar Pradesh - 201007
1481	Ramapuram	Tamil Nadu	Chennai	Door No. 14 & 15, S.No. 49/2A2, Kamraj Salai, K.P. Nagar, Ramapuram, Chennai - 600089
1482	Sholinganallur	Tamil Nadu	Chennai	254/3, Second Floor, Rohin Complex, Lakshman Nagar, Kandanchavadi OMR, Chennai - 600096
1483	Kanchipuram-Collector office road	Tamil Nadu	Kanchipuram	Door No. 33 & 34, Anna Nagar Pillayar Koil Street, Village No. 52, Orikkal Village, Kanchipuram District - 631502.
1484	Hassan Hosakoppal	Karnataka	Hassan	Boramma Channegowda Complex, Property No. 35-1-511-38B, Ward-35, 38-B, Hosakoppalu, Cross Road, Hassan District, Karnataka – 573201
1485	Manikonda	Telangana	Hyderabad	H.No.5-545, Survey No. 65, Sreeram nagar Colony, Puppalaguda village, Rajendra nagar mandal, Ranga Distrcit, Hyderabad-500089
1486	Motinagar	Telangana	Hyderabad	H.No.13-1-245/C, Plot No. 170/C, Survey No. 31 & 32, Motinagar, Bobbuguda Village, Balanagar Mandal, Kukatpally, Hyderabad-500018.
1487	Shamshabad	Telangana	Hyderabad	House no. 22-194/5, Survey no. 218, Rallaguda H/o. Shamshabad Village & Mandal, Ranga Reddy district, Telangana – 501218
1488	Mayurbhanj, Baripada	Odisha	Baripada	Ground Floor, Ward No – 15, Bijaypurnnachandrapur, Baripada, Town, Mayurbhanj, Odisha – 757001
1489	Thakurpukur	West Bengal	Kolkata	Ground Floor, 145-A, Dimond Harbour Road, P.O.-Barisha, P.S.-Thakurpukur, Ward No-123, Kolkata - 700008
1490	Mysore J P Nagar	Karnataka	Mysore	House No. 24, Nachanahalli 'A' Block, J P Nagar, Fort Mohalla, Mysore City, Karnataka – 570004.
1491	Kanchipuram-Oli Mohammadpet	Tamil Nadu	Kanchipuram	Door No. 89A, Town S. No.260/1A, Sangeetha Vithvan Naina Pillai Street, Ward No. 4, Block No. 4, 4th Divison, District Kanchipuram, Tamil Nadu – 631502

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1492	Nellore Buchireddypalem	Andhra Pradesh	Nellore	H.No. B-11-550, first floor, Plot No. 18, Girija talkies to Bombay Junction road, Vavveru Mazara, Buchireddypalem, Nellore – 524305
1493	Kazipet	Telangana	Kazipet	House No. 1-1-504, 1 st Floor, Edavally Complex, Chaitanyapuri Colony, above ICICI Bank, Kazipet, Telangana – 506001
1494	Moga, Punjab	Punjab	Moga	Scheme No. 3 SCF 15, 16, Mezanine, Improvement Trust Shopping Complex Moga Ferozpur G. T. Road, Punjab-142001
1495	Puducherry	Pondicherry	Pondicherry	Door No. 72, Land Mark Building, 100 Ft Road, Sundaraja Nagar, Reddiarpalayam Puducherry 605 005
1496	Theni	Tamil Nadu	Theni	630A, Second Floor, Neruji Road (Periyakulam Road), Theni - 625531
1497	Hojai, Assam	Assam	Hojai	On Second floor, Lucky Complex, Ward No. 14, Hojai Main Road, P.S & P.O-Hojai, Assam - 782435
1498	Vasundra	Uttar Pradesh	Ghaziabad	13/C-14, Commercial Market, Near Atul Chock, Ellen tower, Vasundra, Ghaziabad – 201012
1499	Amar Colony, Lajpat Nagar	Delhi	New Delhi	Shop no : 2, Opp Block no. 7, Old Double Story, Opp. Amar Colony, Gurudwara, Lajpat Nagar, New Delhi – 110024
1500	Hanmakonda (Shift)	Telangana	Hanamkonda	Door No. 2-1-1186 & 2-1-1186/1, first floor, Naimnagar Main Road, Warangal, Hanamkonda district, Telangana – 506009
1501	Salem Omalur	Telangana	Salem	Door No. 26/2, first floor, Mettur main road, SF No. 184/1B1, Omalur village, Salem District, Tamil Nadu- 636455
1502	Chennai, Taramani	Tamil Nadu	Chennai	No.12, 2nd Floor, Vellacherry – Taramani Road, Taramani, Chennai - 600113
1503	Nellore Current Office Center	Andhra Pradesh	Nellore	Door No: 10, first floor, S.B.I. Colony Main Road, Survey No.2025, Nellore Bit-1, S.P.S.R. Nellore district, Andhra Pradesh - 524004
1504	Bharuch (Shift) (Change of LL)	Gujarat	Bharuch	Golden Square, B/S D Mart, Near abc Circle, Old N.H. 8, Bholav, Bhaurch, Gujarat- 392001
1505	Pandesara (Barmoli)	Gujarat	Surat	Office No.2, 3, Second Floor, Siddhi Vinayak Platinum, VIP Road, Near Rameshwar Hills, Near Althan Bridge, Barmoli, Surat – 394210

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1506	Chengelpet	Tamil Nadu	Chengelpattu	Door No. 52/3, Second floor, T.S. No. 28, Old G.S.T Road, Alagesan Nagar, Melamaiyur Village, Chengalpet, Tamil Nadu 603101
1507	Trichy Gandhi Market	Tamil Nadu	Tiruchirappalli	Sri Chandra Tower, Door No.8, Survey No. 45, Ward – P, Kaspa kadai, Santhu, Tiruchirappalli, Tamil Nadu - 620008
1508	Vengikkal	Tamil Nadu	Tiruvanamalai	H. No. 315, first floor, Vellore road, New S.No. 133/5, Vengikkal Village, Thiruvannamali, Tamil Nadu – 606604
1509	Tuni (Renewal)	Andhra Pradesh	Tuni	D.No.4-13-3, Second Floor, Market Main Road, Veeravaram Village, Tuni-533401, District-East Godavari, Andhra Pradesh
1510	Madurai Periyar Busstand	Tamil Nadu	Madurai	Door No. 79 & 80, Melagapuram street, Madurai district, Tamil Nadu – 625001.
1511	Dindigul old bus stand	Tamil Nadu	Dindigul	Door No. 9, first floor, T.S. no. 1273, block no. 26, aarthi theatre road, Yadavametturajakkapatti, Dindigul district, Tamil Nadu – 629001
1512	Nabapally, Second floor	West Bengal	Kolkata	On Second Floor, 241,Rajdanga Nabapally, Above HDFC Kasba branch Kolkata, West Bengal - 700107
1513	Nabapally, Third floor	West Bengal	Kolkata	On Third Floor, 241,Rajdanga Nabapally, Above HDFC Kasba branch Kolkata, West Bengal - 700107
1514	Moshi	Maharashtra	Moshi	2nd Floor, Office No.20, Silver Central, Sham Safaly Co. Soc. Jadhav Wadi, Moshi- 412105
1515	Naini, Prayagraj	Uttar Pradesh	Prayagraj	House No. 11A/2,Dauad Nagar, Naini, Prayagraj, Uttar Pradesh– 211009
1516	Katni	Madhya Pradesh	Katni	Plot No- 7, Opposite Madhav Nagar Gate, House Board Colony Katni, Madhya Pradesh- 483504
1517	Kurnool (old bus stand)	Andhra Pradesh	Kurnool	Door No. 44/177, 44/177-A & 44/177-B, first floor,Ward No – 44, Prakash Nagar, Kurnool, Andhra Pradesh – 518006.
1518	Kundrathur	Tamil Nadu	Chennai	New Door No. 66, S. No. 124/2, Big Street, 11 Thirunageswaram, Kundrathur, Chennai, Tamil Nadu – 600079
1519	Talegaon	Maharashtra	Pune	101, ATM Plaza, Above Ola Showroom, Talegaon- Chakan Road, Talegaon Dabhade, Pune- 410507

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1520	Ropar	Punjab	Ropar	3039/A, Bela Chowk, Rupnagar, Punjab-140001
1521	Sinhagad	Maharashtra	Pune	Ground Floor, Mangalmurti Complex, Above Sumadhu Veg, Opp. Axis Bank, Sinhagad Road, Pune, Maharashtra
1522	Chiplun	Maharashtra	Ratnagiri	Shop No- 2 & 3 ,1st Floor, Kanya Samrudhi near Sanskruti Mangal Hall, Kherdi wadi, Chiplun District Ratnagiri- 415605, Maharashtra
1523	Gandhi Nagar - Bangalore	Karnataka	Bangalore	Premises no.46, third Floor, PID No.27-5-46, 5th main road, Gandhinagar Bangalore, Karnataka – 560009
1524	Anakapalli	Andhra Pradesh	Visakhapatnam	D.No. 10-16-29, first floor, S.No. 1535/3, R.S.Ward, G.N.T Road, Cheruvulopalikhadam, Anakapalli, Andhra Pradesh – 531001
1525	Kukatpally (Renewal)	Telangana	Hyderabad	First Floor, House No.H208/HIG Phase – I & II, MCK No/15-29-1000, KPHB Colony, Balanagar Mandal, Ranga Reddy District, Kukatpally, Hyderabad - 500027
1526	Pondicherry 2 (Renewal)	Pondicherry	Villianur	No.2, First Floor, MNR Mangalam Nagar, Villianur Main Road, Villianur – 605110 Puducherry
1527	Dharmapuri (Renewal)	Tamil Nadu	Dharmapuri	Door No.1, Ground Floor, South Railway Line Road, Kumaraswamipettai Post, Dharmapuri District, Dharmapuri- 636702
1528	A S Rao Nagar, Hyderabad (Renewal)	Telangana	Hyderabad	House No.1-6-11, First Floor, Sreeramnagar Colony, Beside Radhika Theatre, AS Rao Nagar, Hyderabad - 500062
1529	Chidambaram (Renewal)	Tamil Nadu	Chidambaram	88/43, Second Floor, Door No.88 & 89, South Cars Street, Chidambaram-608001
1530	Kangra	Himachal Pradesh	Kangra	Near Krishna Hotel Dharamshala Road Birta, Kangra - 176001
1531	Bharhaj Road, Deoria	Uttar Pradesh	Deoria	Second Floor, Khasra No. 1651/216, Mohalla Bhatwalia, Bharhaj Road, Deoriya – 274001
1532	Kasganj	Uttar Pradesh	Kasganj	Infront of Raj Cold Storage, Amapur Road Kasganj, Uttar Pradesh- 207123.
1533	Rau, Indore	Madhya Pradesh	Indore	Samadhan Agro, 6/6 Shyama Prasad Mukherji Market Indore MP Pin-453331

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1534	Bhusaval	Maharashtra	Bhusaval	Second Floor, Kolte Chambers, CTS No.3105, Gangaram Plots, Jamner Road, Near Ashtabhuj Temple, Bhusawal – 425201, District – Jalgaon, Maharashtra.
1535	Bhatinda	Punjab	Bhatinda	SCF No. 1 38 E Phase 1, Goniana GT Road -Bathinda , Near Hotel Sweet Milan, 151001
1536	Karimganj, Assam	Assam	Karimganj	On First Floor, Block B, Gopaljee Super Market Complex, Karimganj, Assam – 788710.
1537	Tiruppur P.N. Road	Tamil Nadu	Chennai	Door No: 8/1162C, Sri Sakthi Complex, First floor, Plot No. 3, S.F. No. 148/A, P.N Road, Pooluvapatti Pirivu, Nerupperichal Village, Tiruppur, Tamil Nadu - 641602
1538	Rashmi Nagar, Varanasi	Uttar Pradesh	Varanasi	B31/83- Q-2J, Rashmi Nagar Colony, Rashmi Nagar, Varanasi Uttar Pradesh- 221005
1539	Sujargarh	Rajasthan	Sujargarh	Ganpati Plaza, Station Road, Sujargarh, Churu, Rajasthan 331507
1540	Anupshahr	Uttar Pradesh	Bulandshahr	Kundan Palace, Main Road, Near Roadways Bus stand, Anupshahr, Bulandshahr, Uttar Pradesh- 203390.
1541	Gobichettipalayam	Tamil Nadu	Gobichettipalayam	Door No.24, First Floor, Mill Road, Modachoor Village, Gobichettipalayam, Erode -638476
1542	Gajuwaka, Vizag	Andhra Pradesh	Visakhapatnam	Flat No.F3 & F4, First Floor, Sri Surya Complex, S.No.79/3, Chinagantyada, Gajuwaka, Visakhapatnam – 530026
1543	Punagam	Gujarat	Surat	Second Floor, Shop No. 205, City Center, Besides Swastik Plaza, Yogi Chowk, Varachha Surat, Gujarat- 395010
1544	Adajan, Surat	Gujarat	Surat	Unit No. F-19 to F-22, Upper Ground Floor, Shree Sarjan Co-operative Society Ltd., Aalishan Enclave, Adajan, Surat- 395009
1545	Tiruppur 2	Tamil Nadu	Tiruppur	No.27-B6, S.F.No.331/4T, First Floor, Kovai Complex, Avinasi Main Road, Anuppapalayam, Tiruppur-641652
1546	Gurdaspur	Punjab	Gurdaspur	Harsh Towar, 2nd Floor, Geeta Bhawan Road, Hanuman Chowk, Gurdaspur – 143521

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1547	Noida Sector-27	Uttar Pradesh	Noida	Plot No.08, Block-F, Sector-27, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201301
1548	Satna	Madhya Pradesh	Satna	Lal Gulab Tower NH-75 Umri Near Union Bank Panna Road Satna Pin- 485001
1549	Saraswati Nagar	Rajasthan	Jodhpur	First Floor, Plot No.194-195, Saraswati Nagar, Basni, Jodhpur – 342005
1550	Pipliyana, Indore	Madhya Pradesh	Indore	B1, Greta Brajeshwari, Above Kotak Mahendra Bank, Sch No 140 Main Road, Pipliyana Indore – Madhya Pradesh- 452016
1551	Madipakkam	Tamil Nadu	Chennai	49/59, First Floor, Balaiah Garden, Bazaar Road (Sabari Road), Madipakkam, Chennai-600091
1552	Boiser	Maharashtra	Boisar	Shop No. 14, 1st Floor QRJ Building near Tata Housing, Boiser - 401501 Maharashtra
1553	Mul	Maharashtra	Chandrapur	Shop No. 199, ward no 14 , serve no 72 payki aatvadi bazaar chouk , Mul -441224
1554	Pandharkawada	Maharashtra	Yavatmal	Khan House No. 18, Ambedkar ward, akhade road near HDFC Bank Pandharkawada, Dist-yavatmal 445302
1555	Yavatmal Suyog Nagar	Maharashtra	Yavatmal	Annapurna Niwas, Plot No. 37, Near Bal udhyan, suyog nagar, lohara, yavatmal, 445001
1556	Jaunpur, Uttar Pradesh	Uttar Pradesh	Jaunpur	Sahil Place, Jagdishpur, Jaunpur, Jagdishpur, Uttar Pradesh- 222002.
1557	Medchal	Telangana	Hyderabad	House No. 1-35, first floor, Survey no. 69/1,70, 71,72,72/1,72/2, Medchal Village, Malkajgiri, Telanagana – 501401.
1558	Chennai Avadi	Tamil Nadu	Chennai	Door No. 96/1, first floor, Plot No. 2, Poovai Road, Lakshmi Nagar, Govarthanagiri, Poonamallee Taluk, Paruthipattu Village, Thiruvallur District, Avadi, Chennai, Tamil Nadu – 600054.
1559	Perambalur Four Road	Tamil Nadu	Perambalur	D.No.12/2531, Second Floor, Sapthagiri Nagar, Four Road, Perambalur, Tamil Nadu - 621212
1560	Vayalur Road	Tamil Nadu	Tiruchirappalli	Door No. 5, S.F No. 152/6, Vayalur Main Road, Uyykondan Thirumalai Village, Tiruchirappalli, Tamil Nadu - 620102.
1561	Karanjia, Odisha	Odisha	Karanjia	On First Floor, Ward No-15, Near Bus Stand, Karanjia, District –Mayurbhanj, Odisha-757037.

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1562	Balapur	Telangana	Hyderabad	Building No. 6-208/4, ground floor, Plot no. 6, Survey No. 132,137,138,139, Triveni Nagar, Balapur X Roads, Meerpet Village, Saroornagar Mandal, Rangareddy District, Telangana – 500097
1563	Coimbatore-4	Tamil Nadu	Coimbatore	Door No.496/1, Ground Floor, Mettupalayam Main Road, Periyanaickenpalayam, Coimbatore - 641020
1564	Bhathat, Gorakhpur	Uttar Pradesh	Bhathat	Om Shree Complex, Near the bouncer GYM Gorakhpur Road, Bhathat, Gorakhpur-274306
1565	Deoria	Uttar Pradesh	Deoria	Tripathi Complex, Munshi Gorakhnath Tola, Ward No. 16, CC Road Deoria ,Uttar Pradesh-274001
1566	Maharajganj	Uttar Pradesh	Maharajganj	Jaiprakash Nagar, Ward No.07, Near City Montessori School, Maharajganj Uttar Pradesh- 273303
1567	Awas Vikash, Kalyanpur	Uttar Pradesh	Kanpur	Raj Complex, GC–2, Awas Vikash, Kalyanpur, Panki Road, Kanpur, Pin – 208022
1568	Chembur	Maharashtra	Mumbai	601, Sixth Floor, Rudresh Commercial Complex Premises Co-operative Society Ltd., Near Ambedkar Garden, Near Chembur (East) Station, Mumbai -400071.
1569	Panjim	Goa	Panjim	Flat No. 04, 2nd Floor, Nevrekar Chambers, MG Road Panjim, Goa - 403001
1570	Satellite Road, Ahmedabad	Gujarat	Ahmedabad	404, 4th Floor, Pushpak Landmark Building, Anandnagar, Satellite, Ahmedabad - 380015
1571	Nigdi Sector 24	Maharashtra	Pune	Nirmal Lifestyle, Office no. 201 and 202, sector no. 24, Near Muthtoot Finance, village Akurdi, Taluka Haveli, Nigdi, Pimpri - Chinchwad, Maharashtra 411035.
1572	Farinda	Uttar Pradesh	Maharajganj	First Floor, Ward No-6, Civil lines Mahdeva Buzurg, Farinda, Maharajganj, Uttar Pradesh- 273155.
1573	Hoshangabad	Madhya Pradesh	Hoshangabad	Plot No. 22/5, Ward No. 14, Sadar Bazar, Hoshangabad, Madhya Pradesh - 461001
1574	Loharu	Haryana	Bhiwani	Ground Floor, ward no. 11 Toda House, Near by Ram Leela Ground, Opposite Vivekanad School, Loharu. District Bhiwani- 127201

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1575	Padrauna	Uttar Pradesh	Kushinagar	Lari Manjil, Gayatri Nagra, Chawani Pokhara, Padrauna, Kushinagar-274304
1576	Nager Bazar	West Bengal	Kolkata	Shop No.2/2, First Floor, Prafulla Nagar Colony, LP-153/2, Nager Bazar, Kolkata-700074
1577	Bilaspur, Old Bus Stand	Chhattisgarh	Bilaspur	On First Floor, Maa Vaishnavi Plaza, Beside Satya Sai plaza, Old Bus Stand, Bilaspur, Chhattisgarh- 495001.
1578	Bhanjanagar, Odisha	Odisha	Bhanjanagar	On Ground Floor, IOB Bank Lane, Bhejiput, Near Anant Eye hospital, College Road, Bhanjanagar, Odisha -761126.
1579	Chennai Navalur (Sholinganallur)	Tamil Nadu	Chennai	GK Towers, Second Floor, S.no. 122/4B, Thalambar Main Road, Navalur Village, Chengalpet district, Chennai, Tamil Nadu – 600130.
1580	Madhugiri	Karnataka	Madhugiri	House No. 2942/4166/2376, Site No. 16, First Floor, situated at Neheru Badavane, near Shanthal Takies, Madhugiri Town, Madhugiri Taluk, Tumkur District, Karnataka – 572132
1581	Purushottampur	Odisha	Purushottampur	On Second Floor, Ward No- 12, Nilakantha Nagar, ,Purushottampur, Odisha -761018.
1582	Bhuj Vijay Nagar Shift	Gujarat	Bhuj	1st floor, Jalaram Complex, CTS ward no.5/1,1070, Plot no.75, Vijay Nagar, Bhuj -370001
1583	Morar, Gwalior	Madhya Pradesh	Gwalior	Second Floor, Bhadorya Plaza, Shahid Gate, Morar Road, Gwalior - 474006.
1584	Rohtak Mahalaxmi Tower	Haryana	Rohtak	Second Floor, Mahalaxmi Tower, Kirpal Nagar, Sukhpura Chowk, Delhi Road, Rohtak, Haryana – 124001.
1585	Indrapuri, Bhopal	Madhya Pradesh	Bhopal	Plot no. 10, C- Sector, Schem No. 62, BDA, Indrapuri, Bhopal, Madhya Pradesh, 462023
1586	Kasya, Kushinagar	Uttar Pradesh	Kushinagar	Ward no 3, Near Animal hospital, Jawahar Nagar, Kasya Bazar, Kushinagar, Uttar Pradesh - 274402
1587	Fazalganj, Kanpur	Uttar Pradesh	Kanpur	84/54-B, GT Road, Jareeb Chowki, Darshan Purwa, Kanpur, Uttar Pradesh– 208003
1588	Aliganj, Lucknow	Uttar Pradesh	Lucknow	HIG –2, Sector-A, Sitapur Road, Mahayojna, Aliganj, Lucknow – 226021



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1589	Sira	Karnataka	Sira	House No.1, First Floor, Municipal Assessment No. 2178/2061/6898 situated at Saptagiri Badavane, Sira Taluk, Tumkur District, Karnataka – 572137
1590	Sundarapuram (Shift)	Tamil Nadu	Coimbatore	Door No. 5N1/27, Site No.6, First Floor, S.F. No. 160/3b& 4, Madukkarai Road, Sundarapuram Kurichi Village, Coimbatore, Tamil Nadu – 641024
1591	Wadsa Desaijanj	Maharashtra	Gadchiroli	Ground Floor, Shop Number 262, Beside Vidhya computer institute, Desaijanj, Gandhi ward, wadsa -442702
1592	Madurai Arappalayam	Tamil Nadu	Madurai	Door No.1, First Floor, Plot No. 7, A.A. Road, Gnanaolivupuram, Arappalyam, Madurai, Tamil Nadu - 625016
1593	Nanded SS TOWER	Maharashtra	Nanded	SS TOWER, 23, First Floor, Bhagat Singh Road, Nanded, Maharashtra - 431602
1594	Kamrej ( Renewal)	Gujarat	Kamrej	Shop No.18, 19 & 20, Second Floor, Dharam Empire, Near CNG Pump Station, Opp. Kamrej Bus Stand, Kamrej Char Rasta, Kamrej, Surat - 394180
1595	Banki	Odisha	Banki	On First Floor, Main Road, Near Druga Cinema Hall, RBL Finserve Building, Banki ,Dist-Cuttack,Odisha-754008.
1596	Sakhigopal	Odisha	Sakhigopal	On First Floor, Sakhigopal, Bus stand, IB colony, District - Puri, Odisha -752014.
1597	Dunlop (Renewal)	West Bengal	Kolkata	Ground Floor, Unit No.G-1/1, G-1 and G-2, Premises No.16, Ashoke Garh, P.S. Baranagr, Ward No.2, Dunlop, Kolkata-700108
1598	Gola Road, Patna	Bihar	Patna	On Second Floor, Treveni Complex, Gola Road, Patna, Bihar – 801503
1599	Shastrinagar, Kanpur	Uttar Pradesh	Kanpur	Plot No. 110, Araj 362 Karrahi road, Jarauli phase1,Kanpur, Uttar Pradesh- 208027.
1600	Kunigal	Karnataka	Kunigal	House No. 1170/254, New Extention, Rajkumar Nagar, Kunigal Taluk, Tumkur District, Karnataka -572130
1601	Sikar Shanti Plaza	Rajasthan	Sikar	Shanti Niketan, Rani Sati Road, Opposite Dr. Rajendra Hospital, Ward No. 26, Sikar, Sikar, Rajasthan -332001

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1602	Tumkur	Karnataka	Tumkur	Building No. 3932/2932, Sy. No. 102/2A, Katha No. 3932, Ward No. 1, Antharasanahalli Village, Kasaba Hobli, Tumkur Taluk, Tumkur District, Karnataka – 572106
1603	Tirupati KT Road	Andhra Pradesh	Tirupati	Flat No. 301/A,301/B and 301/C, Second Floor, City Center Apartment, Bhavani Nagar, K.T. Road, Tirupati, Andhra Pradesh - 517501.
1604	Mehwa Chungi, Gorakhpur	Uttar Pradesh	Gorakhpur	Prashant Tower, Part of Arazi No. 14/128, 15 & 10, Near Transport Nagar, Police Chowki, Mauja Mehwa Ahatmali, Mehwa Chungi, Opposite Old T P Nagar, Gorakhpur – 273016
1605	Karur Gandhigramam	Tamil Nadu	Karur	Door no. 42/1, second floor, TNHB, Plot No. C1, Trichy Main Road, Gandhigramam, Karur, Tamil Nadu – 639114
1606	Kothagudem (Shift)	Telangana	Kothagudem	House No. 6-8-114, First Floor, Ward No. 27, Block No. 4, Survey No. 142, Ganeshbasthi, Kothagudem, Bhadradi – Kothagudem District, Telangana – 507101.
1607	Anand	Gujarat	Anand	Second Floor, 206, Radha Swami Sayujay, Opposite V C Patel School, A V Road, Vallabh Vidha Nager, Anand – 388120, Gujarat
1608	Warora	Maharashtra	Chandrapur	First Floor, House No. 63, Near Ambedkar square, opposite Buldhana Urban Bank, Warora - 442907
1609	Vashi	Maharashtra	Navi Mumbai	Office No.1101, 11th Floor, G Square Business Park, Plot No.25 & 26, Opp. Sanpada Station, Sector 30A, Vashi, Navi Mumbai - 400703
1610	Anand Parvat	Delhi	New Delhi	65/10, First Floor, New Rohtak Road, Anand Parvat, New Delhi – 110005
1611	Kottayam (Shift)	Kerala	Kottayam	Door No. 49/1092 C, Second Floor, Kinattinmootil Arcade, Baker Junction College road, Re Sy No. 46 and 47/2/1, Block no. 107, Muttambalam, Kottayam, Kerala – 686001

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1612	Amalapuram (Shift)	Andhra Pradesh	Amalapuram	D.No. 6-4-11, R.s. No. 403/1, 403/3, first floor, ward no. 10, Gandhi Nagar, Mahipala Street, Near Vekateswara Swamy Temple, Amalapuram, Andhra Pradesh – 533201.
1613	Mannargudi	Karnataka	Mannargudi	No.5/65,Jas Complex, Ground Floor, Rajarajan Nagar, Ashesham, Nagapattinam, Mannargudi, Tamil Nadu – 614016.
1614	Mathur	Tamil Nadu	Chennai	Plot No. R-88 (Part A&B), first floor, MMDA 2nd Main Road, Madhavaram Scheme, Mathur, Chennai, Tamil Nadu – 600068.
1615	Ayapakkam	Tamil Nadu	Chennai	MIG Plot No. 6275, TNHB, Second floor, Chennai Urban Development Project – II, S. No. 49, Ayapakkam, Ambattur, Tiruvallur district, Tamil Nadu – 600077
1616	Gajraulla	Uttar Pradesh	Gajraula	Ground Floor, Mohalla Attarpura, Ward no 12, Gajraulla, Uttar Pradesh- 244235
1617	Forbisganj	Bihar	Forbisganj	Ground Floor Ward No 08 Bus Stand Road, Near Allahabad Bank, Forbisganj , Bihar – 854318.
1618	Shyam Bazar,Renewal	West Bengal	Kolkata	First Floor, “OM TOWER”, 36C, Barrackpore Trunk Road, Kolkata-700002
1619	Rajwala, Saharanpur	Uttar Pradesh	Saharanpur	Ground and 1st Floor, Parshva Bhawan, Anupam Vihar Colony, Delhi Road, Saharanpur, Uttar Pradesh - 247001 .
1620	Khamboj Gali, Shamli	Uttar Pradesh	Shamli	Fuara Chock, Kambhoj Gali, Shamli, Uttar Pradesh- 247776
1621	Rewa	Madhya Pradesh	Rewa	Panwar Mall 285/3 Above Biba & Woodland Allahabad Rd, Rewa, Madhya Pradesh- 486001
1622	Dehradun	Uttar Pradesh	Dehradun	2nd Floor, Khasra no 141, GMS Road, Near Shimla Bypass Chowk, Dehradun, Uttarakhand - 248001.
1623	Chennarayapatna	Karnataka	Hassan	Property No. 17-2-72A, Ground Floor, SAS Katha No. 83, Ward No. 7, Mysore Road, Adharshanagar Layout, Chennarayapatna Town, Hasana district, Karnataka – 573116
1624	Pune, Shivaji Nagar	Maharashtra	Pune	Office no . D, 3RD Floor, Shrirang House , H No. 364/365, Shivaji Nagar - Pune - 411005

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1625	Nagaur - 2	Rajasthan	Nagaur	First Floor, Kamal Tower, Infront of Government Hospital, Nagaur – 341301, Rajasthan.
1626	Barnala	Punjab	Barnala	BX/424 & BX/779, First Floor, Pakka College Road, Near Old Bus Stand, Above Bank of India, Barnala-148101
1627	Odhav, Ahmedabad	Gujarat	Ahmedabad	Shop No.110, First Floor, Mangalam Arcade, Opp. Odhav Lake, BRTS Road, Odhav, Ahmedabad-382410
1628	Chandrapur Gandhi Squire City	Maharashtra	Chandrapur	First Floor, Shop No. 193/1 Bhanapeth, Nagar Parishad Bhanapeth Ward, Gandhi Squire City, Chandrapur - 442402
1629	Atrauli	Uttar Pradesh	Aligarh	1st Floor Mohalla vespada Edgah Road, Near Avanti Chauraha, Atrauli, Uttar Pradesh - 202280
1630	Durga Colony, Jind	Haryana	Jind	1426A, Durga Colony, Rohtak Road, Jind. Haryana - 126114
1631	Sakra	Bihar	Muzaffarpur	On First floor, Sabha Mahadhiya Sakra, P.O :- Dholi , PS :- Sakra , Bihar - 843105
1632	Sakri Adarsh Nagar	Maharashtra	Dhule	1st Floor, Shop No. 1, Jain Complex, Plot No. 06, Johnson Showroom, Adarsh Nagar, Dhule road, Sakri - 424304 District – Dhule, Maharashtra
1633	Bardoli Lotus Mall	Gujarat	Bardoli	First Floor, Shop No. 108, 109, 110, 111 and 112, Lotus Mall, situated at City Survey No. NA 350/2 Paiki 1/1/1, Shivaji Chowk, Moje Bardoli, Surat 394601
1634	Bellary	Karnataka	Bellary	House No. 9, Ground Floor, Front Side, Assessment No. 44735/26018, Ward No. 23, Block No. 6, B.S. No. 875, South Zone, Main Road, Bellary Cowl Bazar, Bellary Taluk, Karnataka – 583102.
1635	Panvel	Maharashtra	Panvel	Plot No.9&11, V.M.Road, Sector-19, Opp. Fire Station, New Panvel, Navi Mumbai-410206
1636	Patel Nagar, New Delhi	Delhi	New Delhi	Plot No.24, Second Floor, Left Side Portion, Main Road, West Patel Nagar, New Delhi - 110008
1637	Jhanjharpur	Bihar	Jhanjharpur	On first floor, Behat, Po. Behat, Ps.-Jhanjharpur, District - Madhubani. Bihar -847403.

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1638	Khagaria	Bihar	Khagaria	On first floor, Ward No. 24, Near Mahilla College Gate, MG Marg, Baluhari Khagaria, Bihar -851204.
1639	Bennipatti	Bihar	Bennipatti	On first floor above of Vivek Kirana, Ambedkar Chowk, Bennipatti, Bihar – 847223.
1640	Mehkar, Balaji Nagar	Maharashtra	Mehkar	Plot/Shop No-9 Balaji Nagar Area, Mehkar - 443301
1641	Chopda	Maharashtra	Chopda	First Floor, G M Square, Block No.15 & 16, City Survey No.1957 to 61, Subhash Chowk, Chopda – 425107, Jalgaon, Maharashtra
1642	Alambagh, LDA Market	Uttar Pradesh	Lucknow	Manchanda House, C-7, LDA Market, Opposite Mahana Petrol Pump, Alambagh, Lucknow, Uttar Pradesh - 226005
1643	Rajkot 4	Gujarat	Rajkot	Office No.302, Third Floor, Sun Light Plaza 1, Near Balak Hanuman Temple, Above HDFC Bank, Pedak Road, Rajkot - 360001
1644	Katras	Jharkhand	Katras	On first floor, Perm Tower, Station Road, Katras, Jharkhand – 828113.
1645	Jaynagar	Bihar	Jaynagar	On first floor, Jaynagar, Thana No – 80, Kunwar Singh Chowk Main Road, Bihar -847226.
1646	Kudligi	Karnataka	Kudligi	Property No. 1-1-20, First Floor, Ward No.7, Hospet Road, Venkateswara Street, Vijayanagara, Kudligi Post, Karnataka-583135
1647	Siruguppa	Karnataka	Siruguppa	Property No. 13-113-8 A272A, Ground Floor, Ward No. 18, Near P.L.D Bank Sadashivanagara, Siruguppa, Bellary, Karnataka-583121
1648	Kannauj, Ashok Nagar	Uttar Pradesh	Kannauj	First Floor, Asha Motors, Station Road, Ashok Nagar, Kannauj - 209725
1649	Sirsa, Haryana	Haryana	Sirsa	Plot No.Srs/b13/1343.Khairpur House, Gobind Nagar Hisar Road Sirsa, Haryana – 125055.
1650	Shivpur, Varanasi	Uttar Pradesh	Varanasi	Suryoday Complex, Third Floor, 989-1, Mauja - Sikrol, Ward – Sikrol, Paragana – Shivpur, Varanasi.
1651	Lalitpur	Uttar Pradesh	Lalitpur	Pariwar Palace, First Floor, Above HDFC Bank, Elight Chowraha,,Jhansi Road, Lalitpur, Uttar Pradesh - 284403

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1652	Tanda, Jalandhar	Punjab	Jalandhar	B-I-823/A, Second Floor, Tanda Road, Opp. KMV College, Jalandhar – 144004.
1653	Kalwan	Maharashtra	Nashik	Ground Floor, Saptaring Sankul, Main Road, Kalwan, District – Nashik, Pin – 423501, Maharashtra.
1654	Samathanapuram	Tamil Nadu	Tirunelveli	Door No. 200E/2/8 & 200E/2/9, Second floor, SF No. 146/3 & 146/3A, Palayamkottai, Thiruchendur Road, Samathanapuram, Palayanchettikulam Village, Tirunelveli District, Tamil Nadu – 627002
1655	Peerankaranai	Tamil Nadu	Tambaram	Plot No.21/S2, On Second floor, Samraja Nagar (K.K Nagar), Peerankaranai Village, District – Kancheepuram, Chennai – 600063.
1656	Tiruppur Palladam Road	Tamil Nadu	Tiruppur	Door Nos. 457(1)/343, First floor, S.F. no. 758/1, Block No. 11, Kamarajar Road, Palladam Road, Thennampalyam, Nallur Village, Tiruppur, Tamil Nadu – 641604
1657	Habsiguda, Hyderabad	Telangana	Hyderabad	#1-7-71/7/SF/NR, First Floor, Maheswari Colony, Habsiguda, Street No.-8, Hyderabad-500007
1658	Karimnagar	Telangana	Karimnagar	H.No. : 2/3 -135, On Second floor, Kaman Road Locality, Karimnagar Town & Municipal Corporation, Karimnagar District, Telangana State – 505001.
1659	Malda Manaskamana Pally Road	West Bengal	Malda	Second Floor, 139/129/206-A, Manaskamana Pally Road, Malda, West Bengal Pincode 732102. Landmark: Near Manas Kamna Kali Mandir and opposite Sumangal Lodge.
1660	Phagwara (Shift)	Punjab	Phagwara	Ohri Tower, second floor, hadbast No. 74, Plot No. 14-A, Phagwara West, Phagwara, Kapurthala, District Kapurthala, Punjab – 144401
1661	Koregaon	Maharashtra	Satara	Shanti Nagar, Koregaon Rahimatpur Road, Near Renuka Mandir Koregaon - 415501
1662	Bhokar	Maharashtra	Bhokar	First Floor, Chinchalkar Complex, Opposite Tehsil Office, Main Road, Bhokar – 431801, District – Nanded, Maharashtra

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1663	Jaipur 7 (Raja Park)	Rajasthan	Jaipur	Showroom B-3, First Floor, Sethi Colony, Govind Marg, Jaipur – 302004
1664	Washermenpet	Tamil Nadu	Chennai	22, Tax Door No – 187, On second floor, Manarsamy Koil Street, Royapuram, Chennai – 600013.
1665	Keshod	Gujarat	Keshod	Shop No.24 & 25, Second Floor, Kishore Complex, Kapad Bazar, Keshod-362220
1666	Mambalapattu Road, Villupuram	Tamil Nadu	Villupuram	42D, Gokulam , On first floor (Road side) Mambalapattu Road, Villupuram, Tamil Nadu - 605 602.
1667	Hanumangarh	Rajasthan	Hanumangarh	Sevta Complex, Plot no-120/259, Opposite Reliance Digital, Ganganagar Road, Hanumangrah
1668	Mohan Nagar, Amritsar	Punjab	Amritsar	SLS Tower, 273 J, Second Floor, 100 Feet Road, East Mohan Nagar, Amritsar – 143501
1669	Alappuzha	Kerala	Alappuzha	Door No. 47/804B, On first floor, Madhava Heights, Opposite to Pankaj Theatre, Power house ward, Alappuzha, Kerala – 688007.
1670	Bhiwani (Shift)	Haryana	Bhiwani	A – one House, Manglam Enclave, Hansi Road, Basia Bhawan, Bhiwani, Haryana 127021
1671	Karur	Tamil Nadu	Karur	Nalli Plaza, No.29, old no:11, Kovai road, Karur-639002 (opp. to HDFC Life)
1672	Beeramguda	Telangana	Hyderabad	On first floor, Plot No.16, Sy No.12/5,12/6/2,12/7/2 and 12/9/2, Beside KCR Apartment, Patelguda Village, Ameenpur, Mandal, District- Sangareddy, Telangana-502319
1673	Puliyidom, Kayamkulam,	Kerala	Kayamkulam	Door No. 32/685, On second floor, S V Mall, Puliyidom, Kayamkulam, Kerala – 690502.
1674	Yeola	Maharashtra	Yeola	Ground Floor, Shop No.9, Uttamrao Shinde Patil Complex, Prashant Shinde Nagar, Plot No.1 & 2, Survey No.106/3, Paregaon Road, Yeola – 423401, District – Nashik, Maharashtra
1675	Pali (Shift)	Rajasthan	Pali	1st floor, Katariya Tower, Opp Aishwarya college of Education, Naya Gawn, main sojat road, Pali, 306401

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1676	Bayana (Shift)	Rajasthan	Bayana	First Floor, C-2 & C-3, Forest Department Jahagiri Gate to Panchayat Samiti Road, Hindaun Road, , Bayana, Bharatpur Rajasthan 321401
1677	Mathura Goverdhan	Uttar Pradesh	Mathura	Bansi Plaza, First Floor, Plot no.8, Goverdhan Gorva, Khasra No.197, opposite tehsil, Pargana Dist. Mathura, Uttar Pradesh - 281502
1678	Palwal (Shift)	Haryana	Palwal	First Floor, 59 Km Milestone Mathura Road Palwal Near Tula Hospital Palwal -121102
1679	Fatehabad	Haryana	Fatehabad	First Floor, Bhattu Raod, Near Anaj Mandi, Fatehabad-125050
1680	Waluj, Aurangabad	Maharashtra	Aurangabad	Avneesh Avenue Pvt Ltd., P-115 MIDC Main Road Near Bajaj Colony Waluj, Aurangabad -431136
1681	Indore - 5	Madhya Pradesh	Indore	Third Floor, Portion No.310, Plot No.13, Scheme No.47, Sapna Sangeeta Road, Indore - 452010
1682	Karnal 2	Haryana	Karnal	SCF No. 49, First Floor, Sector 7, Karnal - 132001
1683	Mehsana Shree Kailassagar Plaza	Gujarat	Mehsana	23-26, 2 <sup>nd</sup> Floor of Shree Kailassagar Plaza, Modera Cross Road, Opp. Apollo Enklev, Highway Road Mehsana
1684	Jadhavpur	West Bengal	Kolkata	111/1, Second Floor, Raja SC Mullick Road, Garia, Kolkata - 700047
1685	Kasaba Hobli, Hassan	Karnataka	Hassan	On Ground Floor, Katha No.13/3, Sy. No.8/16, Situated at Chennapatna Village, Kasaba Hobli, Hasana Taluk, Hassan, Karnataka – 573201.
1686	Purkazi (Shift)	Uttar Pradesh	Purkazi	Ground Floor, House no. 83, Mauja Purkazi Bahar, Near Block, G.T. Road, Pargana Purachhpar, Tehsil & Distt. Muzaffarnagar, Uttar Pradesh – 251327
1687	Sikar (Shift)	Rajasthan	Sikar	Near Adarsh colony, Devipura Front of Balaji Dharm kanta, ward no 46, Jaipur Road, Sikar, Rajasthan - 332001
1688	Ludhiana - 7	Punjab	Ludhiana	First Floor, SCF No.122, Phase - II, Urban Estate, Chandigarh Road, Ludhiana - 141010, Dist. Kurukshetra
1689	Tiruvadanai	Tamil Nadu	Tiruvadanai	14/439-9, First floor, above Sri Saravana Bakery, Devakottai Road, C.K.Mangalam, Tiruvadanai Taluk, Tamil Nadu - 623402.



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1690	Dalsingsarai	Bihar	Dalsingsarai	Ground Floor, M K Complex, National Highway - 28 , Ghat Nwada, Dalsingsarai , Samastipur - 848 114, Bihar.
1691	Aranthangi	Tamil Nadu	Aranthangi	On first floor, No.35 Aranthangi Village Taluk, Karaikudi, Pudukottai, Tamil Nadu - 614 616.
1692	Aligarh Sarsool	Uttar Pradesh	Aligarh	Plot No. 21. First floor, Kalyan Nagar, Alampur GT Road, Sarsool, Aligarh, Uttar Pradesh- 202001
1693	Thuraiyur	Tamil Nadu	Thuraiyur	D.No. 62/4, First Floor,North Ratna Veethi, Athur Road,Thuraiyur, Trichy, Tamil Nadu - 621010
1694	Shri Hari Kute Marg, Nashik	Maharashtra	Nashik	First Floor, Office No- 105, Genesis Apartment, S. No- 603/3A, CTS No- 7293/1A, Final Plot No- 140, TPS- II, Behind Sopan Hospital and Roongta Supermus, Near Durga Mumbai Naka, Shri Hari Kute Marg, Nashik- 422002
1695	Kiraoli	Uttar Pradesh	Agra	Dr. Solanki Complex, Plot no. 558, Shop No.1, First Floor, Runkata mod, Kiraoli Agra, Uttar Pradesh- 283122
1696	Hindaun (Shift)	Rajasthan	Hindaun	Ground Floor, Khasra No. 10205/1, opp 220 kv power house, near Tata showroom, Mehwa road, Hindaun City, Distt Karoli, Rajasthan - 322230
1697	Aminjaikarai	Tamil Nadu	Chennai	Victory Towers, First Floor, No.724/725, Periyar EVR Salai (Poonamallee High Road), Shenoy Nagar, Chennai – 600029
1698	Pudukottai	Tamil Nadu	Pudukottai	On Ground Floor, No.35 - 36, Moovendar Nagar, Alangudi Road, Ashok Nagar Bus Stop, Pudukottai – 622001.
1699	Punchkuian Road, New Delhi	Delhi	New Delhi	First Floor, 59-Punchkuian Road, New Delhi-110001
1700	Meerut Kankarkhera	Uttar Pradesh	Agra	First Floor Portion, Property No.125, Arya Nagar Kankarkhera, Sardhana Road, Meerut, Uttar Pradesh - 250001
1701	Dibai (Shift)	Uttar Pradesh	Dibai	Prakash Complex, First Floor, Khata No. 01442 part of Khasra No. 316, Railway Road, Pargana, Dibai, Uttar Pradesh – 202393
1702	Faridabad 2 (Renewal)	Haryana	Faridabad	SCF - 128, Second Floor, Main Market, Sector-17, Faridabad-121002

**Private and Confidential – For Private Circulation Only**  
**General Information Document for Issue of Non-Convertible Debentures on a**  
**private placement basis**  
**October 10, 2024**  
**Ref: No: 2024-25/GID**

*General Information Document issued in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Master Circular for issue and listing of Non-Convertible Securities dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

1703	Ramgarh (Shift)	Jharkhand	Ramgarh	First Floor, Room No.1A, Hotel Park, Holding No. JC-6-B situated under Khata No. 59, Plot No. 491, Mauza Ramgarh, Ward No. 02, Police Station No. 82, Police Station - Ramgarh, District - Ramgarh (Jharkhand), Pin – 829122
1704	Musiri	Tamil Nadu	Musiri	No.55, First Floor, Trichy Road, Musiri, Tamil Nadu - 621211.
1705	Adoor (Shift)	Kerala	Adoor	On Second Floor, Chittundayil Tower, Chittundayil Nagar, Adoor PO, Pathanamthitta, Kerala – 691523.
1706	Gauravgardh Chowk, Supaul	Bihar	Supaul	On first floor, SB Complex, WardNo.4, Gauravgardh Chowk, Near TRW Office, Pipra Road, Supaul, Bihar – 852131.
1707	Gurgaon 2	Haryana	Gurgaon	RR Plaza, First Floor, VPO Badshahpur Mohalla, Ahirwara Shona Road, Opposite Radha Krishna Mandir, Gurgaon - 122101
1708	Umreth(shift)	Gujarat	Umreth	Shop No.2 First Floor, Vraj Arked, Near Champaklal Gate, Survey No.1756/4/Paiki, T P No.2, Final Plot No.62, Opposite Giriraj Dham, Sundalpora Road, Umreth – 388220, District – Anand, Gujarat.
1709	Pudukottai (Renewal)	Tamil Nadu	Pudukottai	Second Floor, Thirumalai Complex, T.S.No- 5537 & 5538, 2nd Floor, South 4th street, Pudukottai-622001
1710	North Guwahati	Assam	Guwahati	Second Floor, Madhyam, Amingaon, North Guwahati, P.O. - Amingaon, P.S - North Guwahati, Pin - 781031 (Near Canara Bank and HDFC Bank)
1711	Kalyan	Maharashtra	Kalyan	Unit No.2-B, First Floor, Regency Royale Co-operative Housing Society Ltd., Lalchowki, Kalyan (West), Thane- 421301
1712	Haveri (Renewal)	Karnataka	Haveri	First Floor, Survey No. 251/1-B, Plot No.8, Shri Ganga Sadan, Vidya Nagar, P.B.Road, Haveri – 581110
1713	Selayur,Chennai	Tamil Nadu	Chennai	Flat No.AS1, Anirutha Apartments, Second Floor, 905/200, Velachery Road, Selayur,Chennai- 600 093.
1714	Irungalur	Tamil Nadu	Irungalur	No.4/63/6, First Floor, Bangalamedu, Irungalur Paruthasalai Salai, Irungalur Tamil Nadu – 621105.

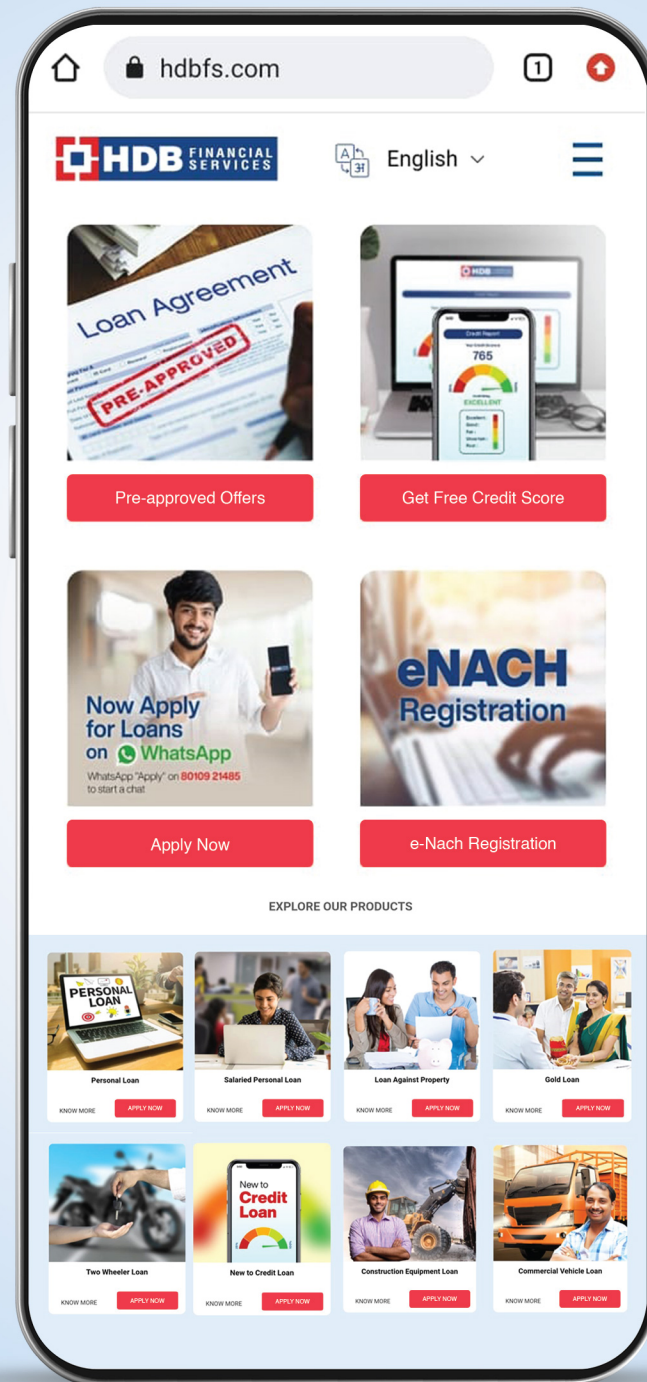
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1715	Valangaiman	Tamil Nadu	Valangaiman	85-2, Senior Street, First Floor, Sri Ganesh Clinic, Valangaiman, Thiruvavur, Tamil Nadu - 612804.
1716	Sinnar	Maharashtra	Sinnar	First Floor, Shop No.A-10 & A-11, Yelmane Complex, Sonar Galli, Adava Phata, Sinnar – 422103, District – Nashik, Maharashtra
1717	Solapur 2	Maharashtra	Solapur	Shop No.13, Ground Floor including Loft, Silver Springs, New Survey No.149/2A1, Majarewadi, Opposite Chouhan Maruti Showroom, Hotgi Road, Solapur - 413003
1718	Noida 2	Uttar Pradesh	Noida	First Floor, Main Dabri Road, Village Bhangel, Above Corporation Bank, Near Punjab National Bank, Sector 110, Noida – 201304
1719	Jagatpuri, New Delhi	Delhi	New Delhi	383/10-B (Old No.A-25), Second Floor, East Azad Nagar, Main Road, New Delhi-110051
1720	Raipur (Shift)	Chhattisgarh	Raipur	Second floor, Forum Business Center, Bhatagaon, Service Road, Raipur, Chhattisgarh -492013.
1721	Karol Bagh	Delhi	New Delhi	Building No.6164, 2nd Floor, Bara Hindu Rao, Azad Market, Above HDFC Bank, New Delhi-110006
1722	Osamanabad	Maharashtra	Osamanabad	Deccan House, First Floor, Near Dnyaneshwar Mandir, Aurangabad Road, Osamanabad - 413501
1723	Aurangabad - 2	Maharashtra	Aurangabad	Gala No.306, Third Floor, Sai Trade Centre, Opp. Railway Station, Next to Mayor's Bungalow, Station Road, Aurangabad-431001
1724	Karol Bagh - 2	Delhi	New Delhi	781, Second Floor, Gali Baldev Singh, Main Desh Bandhu Gupta Road, Karol Bagh, New Delhi-110005
1725	Nagpur - 2	Maharashtra	Nagpur	First Floor, Unique Tower, 24, Ring Road, Jeevan Chaya Nagar, Near Padole Hospital, Nagpur – 440022, Maharashtra
1726	Khar	Maharashtra	Mumbai	204, Bhavya Plaza, Second Floor, 1st & 5th Road Corner, Near Krishna Chhaya Hotel, Khar (West), Mumbai - 400052
1727	Ranigunj (Change of LL)	Telangana	Hyderabad	3-3-6, Second Floor, Above Canara Bank, Rashtrapathi Road, Ranigunj, Secunderabad – 500003

# REIMAGINING OPPORTUNITIES

## ANNUAL REPORT 2021-2022





## FINANCIAL HIGHLIGHTS

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22
Total Revenue	8,724.81	10,756.47	10,944.78	11,306.29
Profit before Tax	1,724.06	1,464.48	500.71	1,347.56
Profit after Tax	1,153.24	1,004.85	391.47	1,011.40
Assets under Management	55,425	58,833	61,561	61,444
Shareholders' Funds	7,178.48	8,017.80	8,446.24	9,539.73
Borrowings	45,105.10	49,804.09	50,358.75	48,973.08
Earnings per Share (₹)	14.71	12.78	4.97	12.81
Book value per Share (₹)	91.36	101.80	107.02	120.69

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

FY 22 was a year of surviving through the COVID-19 crisis and regaining strength to rebuild our communities, institutions and society in India.

During the year, your Company continued its efforts to make communities resilient through a series of development-centric initiatives such as strengthening the healthcare systems and services, imparting employment-linked skill training for better livelihoods, and programs promoting environmental sustainability.

The programs supported by your Company are aligned with Companies (CSR Policy) Amendment Rules, 2021 and Sustainability Development Goals (SDGs) that promote prosperity while protecting the environment at a global-level.

In FY 22, your Company spent ₹ 25.83 crore towards CSR programs and activities that had a direct positive impact on the lives of over 600,000 families across the Country. During the year, your Company reimaged CSR opportunities in its constant pursuit of empowering communities.

Highlighted here are key program outcomes that have contributed towards nation-building in a responsible and a sustained manner.

### Introducing Transport Aarogyam Kendras:

With the primary motto to serve India's Truck Drivers, your Company introduced Transport Aarogyam Kendras - a physiotherapy counseling and treatment center for the trucker community. HDB's Transport Aarogyam Kendra initiative is India's first full-time physiotherapy program dedicated for truck drivers.

- To ensure easy access to physiocare services, Transport Aarogyam Kendras were set up in three prominent transport hubs in Delhi, Namakkal (TN) and Kalamboli (MH).
- Each Transport Aarogyam Kendra is well-equipped and adequately staffed to offer preventive and curative care for musculoskeletal disorders often caused owing to long driving hours in fixated place, repetitive twisting of neck and back, working and sleeping in tight spaces, inadequate rest and poor diet.

- Besides the three Kendras (static clinics), your Company conducts week-long physio camps in other major transport nagars in tier II and III cities involving the local transporters and the industry associations.
- 24,000 truckers availed the physio counseling services in the Kendras and 20 camps during the year. Response received from truckers and other stakeholder groups on HDB's Transport Aarogyam Kendra initiative has been very encouraging.

### Reducing the Prevalence of Preventable Illnesses:

In FY 22, your Company continued its collaboration with healthcare agencies to strengthen the public health systems and to further complement nation's efforts in improving capacity and infrastructure.

- Promoting personal hygiene to curb the spread of the COVID-19 virus remained the primary focus through the year.
- Medical infrastructure of a multi-specialty tribal-rural hospital in Mysore District to cater to 40,000 patients annually was upgraded with advanced surgical tools and infrastructure.
- Clinic on Wheels was introduced to provide free primary care services to indigent communities in and around Thiruvallur, while continuing to operate the program in Sonebhadra.
- 3,000 individuals were screened for cataract, and treatment cost for indigent patients was substantially subsidized to prevent permanent blindness.
- 10,000 dialysis sessions were subsidised for indigent patients to further improve life expectancy.
- 3,600+ women in reproductive age were screened for anemia, those diagnosed with anemia were put on a healthy diet and medication to prevent its impact on childbirth and lactating mothers.
- 54 sanitation blocks were developed in schools and communities to promote personal hygiene for safe health and dignified living.



### **Taking Nano Steps to Mitigate Climate Change:**

Climate change is real, and the impact is visible at a global-level. Your Company recognizes the need to contribute towards the climate action plan, and hence supports environmentally sustainable programs that has the potential to avert the impact of climate change.

- 26 waterbodies, of small to medium size, were scientifically restored to maintain ecological balance, protect local flora and fauna and recharge natural aquifers within the catchment area.
- 670 other water harvesting structures along with various integrated watershed management activities were implemented to promote soil and moisture conservation in the region.
- 11 farm ponds were developed for small & marginal farmers to ensure water security for irrigation and domestic purposes, and nearly 230 hectare of land was treated through environment-friendly practices.
- Under the Waste Management initiative, 39,000 tons of waste was diverted from going into the landfills by introducing tools and techniques to effectively and efficiently manage segregated waste.
- Under Mission Million Trees initiative, 80,000 trees were responsibly planted during the year in an attempt to create mini carbon sinks within the urban and peri-urban areas of Tier I and II cities.

### **Enabling Lives through Literacy & Livelihoods:**

Basic skills and literacy training are inter-connected, and having access to quality training, mentoring and employment-linkages can create a long lasting impact on one's career and personal well-being.

- HDB's Youth Training and Development program imparted training to 3,300 youth for entry-level job roles pertaining to sectors such as Beauty & Wellness, BFSI, FMCG, ITeS, Logistics and Retail.
- 85 % of youth trained in diverse vocations have been linked to jobs in the formal sector.

- Besides this, small clusters of artisans and farmers were trained to start nano and micro enterprises and to market their produce directly to end buyers. Nearly 500 individuals benefitted from this program.
- Financial literacy sessions were conducted at HDB's Skill Training Centers to create awareness on simple financial concepts such as the financial planning, credit score, budgeting rules, etc. Over 1,000 individuals benefitted from this program, and more than 10,000 individuals were sensitized through mass awareness sessions.

### **Honoring The Real Heroes:**

In FY22, your Company celebrated 73<sup>rd</sup> National Republic Day with The Indian Army Soldiers along with their family members.

The Martyr's Family and the Wounded Soldiers were honoured for their heroic contribution in protecting our borders in difficult terrains and harsh weather conditions.

As an expression of gratitude towards their service to our nation, the Honoring Ceremony was conducted in the presence of the civil society and senior dignitaries from The Indian Army.

### **Celebrating Acts of Simple Kindness (ASK):**

ASK is an employee-driven initiative, celebrated in the month of January with much joy and enthusiasm by HDBians across regions and functions.

The initiative offers HDBians an opportunity to experience and express the gratitude by voluntarily engaging in performing Acts of Simple Kindness towards frontline workers, elderly citizens, children, adults, animals as well as our natural environment.

HDBians made generous voluntary contributions to conduct ASK activities such as distributing blankets, providing cooked meals and ration material, masks & sanitizers, wearable clothes, books and stationary kits, water purifiers, and many more essential utility items.

In FY22, 15,000 HDBians from close to 800 branches across 23 states participated in ASK'22.



## Glimpses of Acts of Simple Kindness

Welcoming the New Year in January 2022, employee volunteers across 800 branches participate in ASK 2022.



### ASK Testimonials:

*"It was indeed a unique and heart filling experience when we visited Shaktidhama as a part of our ASK'22 activity. I could feel the joy of giving which inspired me to give more and serve the needy. I realised there is no specific time or age when it comes to giving back to the society. I have been part of the ASK initiative for over five years now. Every time it is a new place, new memories and new level of satisfaction. I am thankful to HDBFS for imbibing this culture in every employee and bringing difference in others' lives. Alone we can do so little; together we can do so much!!"*

**- Mahesh D.K., Cluster Manager, Lending, Mysore, Karnataka**

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*"With ASK activity, we are not only helping others & being good to them - but it also makes them happier from within & gives us feeling of fulfilment. Acts of Simple Kindness connects us to others & helping us to create a happier society."*

**Viren Mehta, Regional Manager, Commercial vehicle - Ahmedabad, Gujarat**

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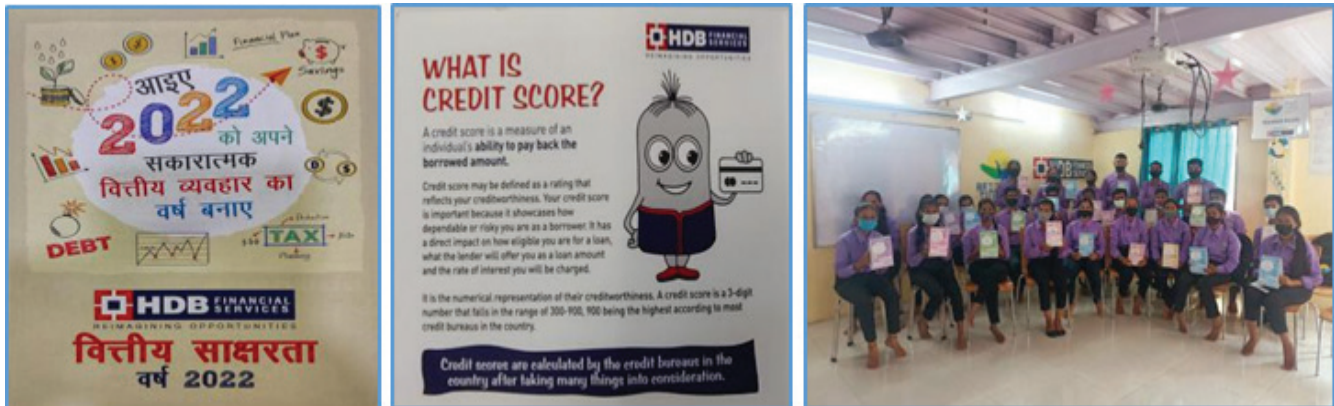
*"Visiting Grace Care Academy as a part of ASK initiative has been such a vivid experience of my life. I never thought we would get an opportunity to spread smiles this New Year. It's the best New Year gift ever."*

**Srishty Nathani, Training Manager, Noida Sector 58, UP**



## CSR Projects at a Glance:

### Financial Literacy Awareness Sessions Held at HDB's Youth Training & Development Centers



### Physiotherapy Counseling and Treatment at HDB's Transport Aarogyam Kendras



### Other Community Initiatives



# CORPORATE INFORMATION



## Board of Directors

Mr. Arijit Basu	- Chairman and Non-Executive Director
Mr. Adayapalam Viswanathan	- Independent Director
Dr. Amla Samanta	- Independent Director
Ms. Arundhati Mech	- Independent Director
Ms. Smita Affinwalla	- Independent Director
Mr. Venkatraman Srinivasan	- Independent Director
Mr. G Ramesh	- Managing Director & Chief Executive Officer

## Joint Statutory Auditors

M/s. Khimji Kunverji & Co LLP (ICAI Reg. no. 105146W/W100621)  
M/s. B K Khare & Co (ICAI Reg. no. 105102W)

## Secretarial Auditors

M/s. Ashish Bhatt & Associates, Company Secretaries

## Registered Office

Radhika, 2<sup>nd</sup> Floor, Law Garden Road,  
Navrangpura, Ahmedabad - 380 009  
Tel No.: +91 79 48914518  
Website: [www.hdbfs.com](http://www.hdbfs.com) Email: [compliance@hdbfs.com](mailto:compliance@hdbfs.com)  
CIN: U65993GJ2007PLC051028

## Corporate Office

Ground Floor, Zenith House,  
Keshavrao Khadye Marg, Mahalaxmi,  
Mumbai - 400 034  
Tel No.: +91 22 49116300  
Fax: +91 22 49116666

## Bankers

\* Axis Bank \* Bank of Baroda \* BNP Paribas \* Canara Bank \* Central Bank of India \* Citibank NA \* CSB Bank \* CTBC Bank \* Deutsche Bank \* Dhanlaxmi Bank \* Federal Bank \* HDFC Bank \* HSBC \* ICICI Bank \* IndusInd Bank \* Jammu & Kashmir Bank \* JP Morgan Chase Bank, NA \* Karnataka Bank \* Karur Vysya Bank \* Kotak Mahindra Bank \* Punjab National Bank \* State Bank of India \* Union Bank of India

## Key Managerial Personnel

Mr. G. Ramesh, Managing Director & Chief Executive Officer  
Mr. Haren Parekh, Chief Financial Officer (Upto March 10, 2022)  
Mr. Jaykumar Shah, Chief Financial Officer (Appointed w.e.f. March 11, 2022)  
Ms. Dipti Khandelwal, Company Secretary

## Registrar & Share Transfer Agent

M/s. Link Intime India Private Limited  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083

## Debenture Trustees

M/s. IDBI Trusteeship Services Limited  
Asian Building, Ground Floor, 17, R. Kamani Marg,  
Ballard Estate, Mumbai - 400 001  
Tel.: +91 22 40807000, Fax: +91 22 66311776,  
Email: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)

M/s. Axis Trustee Services Limited  
Axis House, Wadia International Centre, Pandurang  
Budhkar Marg, Worli, Mumbai - 400 025.  
Tel.: +91 22 62300451, Fax: +91 22 62300700,  
Email: [debenturetrustee@axistrustee.in](mailto:debenturetrustee@axistrustee.in)

## 15<sup>th</sup> Annual General Meeting

Date : June 23, 2022  
Day : Thursday  
Time : 12 p.m.

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## HDB FINANCIAL SERVICES LIMITED

Corporate Identity Number: U65993GJ2007PLC051028

Registered Office: Radhika, 2<sup>nd</sup> Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 009.

Corporate Office: Ground Floor, Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034

Tel: +91 22 49116300; Fax: +91 22 49116666, Website: [www.hdbfs.com](http://www.hdbfs.com), Email: [compliance@hdbfs.com](mailto:compliance@hdbfs.com)

### NOTICE OF 15<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE is hereby given that the Fifteenth Annual General Meeting of HDB Financial Services Limited will be held through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) on Thursday, 23<sup>rd</sup> day of June, 2022 at 12 p.m. to transact the following business:**

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of Auditors thereon.
3. To declare final dividend @ 10% i.e. ₹ 1.00 (Rupee One only) on each equity share for the financial year ended March 31, 2022.
4. To appoint a Director in place of Mr. Arijit Basu (DIN: 06907779), who retires by rotation and, being eligible, offers himself for re-appointment.
5. To ratify the appointment and approve continuation of Joint Statutory Auditors of the Company and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Circular issued by Reserve Bank of India vide no. RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 (‘RBI Guidelines’), and any other applicable laws (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and Board of Directors, the appointment of M/s. Khimji Kunverji & Co. LLP (ICAI Firm Registration No. 105146W/ W100621) and M/s. B. K. Khare & Co. (ICAI Firm Registration No. 105102W), as Joint Statutory Auditors of the Company, be and is hereby ratified to continue to hold office for a period of three years until the conclusion of 17<sup>th</sup> Annual General Meeting of the Company to be held in year 2024 at a remuneration to be determined by the Board of Directors or any other person(s) authorised by the Board of Directors or the Audit Committee and additionally out of pocket expenses, outlays and taxes as applicable;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Audit Committee of the Board or any other person(s) authorised by the Board or the Audit Committee in this regard), be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution including but not limited to determination of roles and responsibilities/ scope of work of the respective joint Statutory Auditor(s), negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.”

#### **SPECIAL BUSINESS:**

6. **TO APPROVE RE-APPOINTMENT OF MR. G. RAMESH AS A MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of



Managerial Personnel) Rules, 2014 and any other applicable rules made thereunder of the Companies Act, 2013 ("Act") and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), regulatory approval, if any and the relevant provisions of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. G. Ramesh (DIN: 05291597) as Managing Director and Chief Executive Officer of the Company, not liable to retire by rotation, for the period of 5 (Five) years w.e.f. July 1, 2022 upto June 30, 2027 (both days inclusive) at the remuneration & perquisites, as set out in the explanatory statement to this item of the Notice of the Annual General Meeting;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee(s) constituted/ to be constituted by the Board, from time to time to exercise its powers conferred by this resolution) be and are hereby authorised to alter, vary, increase, enhance, widen the said terms and conditions of appointment and remuneration of Mr. G. Ramesh in the best interests of the Company;

**RESOLVED FURTHER THAT** in case of absence or inadequacy of profit in any financial year, the aforesaid remuneration and perquisites (subject to annual review from time to time) as approved by the Nomination and Remuneration Committee / Board of Directors shall be paid as minimum remuneration to Mr. G. Ramesh subject to restrictions, if any, set out in Schedule V to the Companies Act, 2013, from time to time;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things and execute all such agreements, documents, instruments and writings as may be required, file requisite forms or applications with statutory/regulatory authorities and to delegate all or any of its powers herein conferred to any Committee of Directors or Directors, to give effect to the aforesaid resolution."

## 7. **TO APPROVE SELLING, ASSIGNMENT, SECURITISATION OF RECEIVABLES / BOOK DEBTS OF THE COMPANY UPTO ₹ 7,500 CRORE**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 180(1)(a), all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder (including any amendment, modification, variation or re-enactment thereof), and the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to sell / assign / securitise substantial assets including present and /or future receivables / book debts of the Company in favour of banks / financial institutions, other investing agencies, Asset Reconstruction Companies and trustees for the holders of debentures /bonds /Pass Through Certificates / Security Receipts and other instruments and also to issue covenants for negative pledges /negative liens in respect of the said assets and properties in such form and manner as the Board may deem fit and for the said purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and also to execute the required documents including power of attorney in favour of all or any of the persons, firms, bodies corporate, banks, financial institutions, trustees etc., from time to time provided that the aggregate amount of such transactions shall not exceed ₹ 7,500 crore (Rupees Seven Thousand Five Hundred Crore Only);

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to negotiate, finalise and execute with the Lender(s)/ Debenture Trustees/ Financial Institutions such documents/ agreements/ undertakings/ indemnities/ guarantees as may be required and to propose/ accept any modifications to the terms and conditions thereto and to do all such acts, deeds and things as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole and absolute discretion

deem fit and to delegate all or any of its powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this resolution.”

## 8. **AUTHORITY TO ISSUE REDEEMABLE NON-CONVERTIBLE DEBENTURES AND/OR OTHER INSTRUMENTS ON PRIVATE PLACEMENT BASIS**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, and Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 (“RBI Master Directions”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India’s Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, any other law, rules, guidelines, regulations for the time being in force and any other circulars, notifications and /or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such terms, conditions and modifications as may be considered necessary and proper by the board of directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee of the Board constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), the consent of the Members be and is hereby accorded to the Board to offer and /or invite for issue of non-convertible debentures whether secured or unsecured, listed / unlisted, fixed rate or market /benchmark linked and /or any other hybrid Instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital under the provisions of the RBI Master Directions, on a private placement basis (collectively “Debentures / Instruments”), in one or more tranches /series, with the consent being valid for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium /discount, tenor etc., as may be determined by the Board (or any other person so authorised by the Board), based on the prevailing market condition;

**RESOLVED FURTHER THAT** the aggregate amount to be raised through the issuance of Debentures / Instruments pursuant to the authority under this Resolution aggregating up to ₹ 18,078.90 crore (Rupees Eighteen Thousand Seventy Eight Crore and Ninety Lakh Only) under one or more shelf placement memorandums and /or in one or more letter(s) of offer as may be issued by the Company and in one or more tranches /series as the Board may decide;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and to negotiate, finalise, amend, execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any of the Directors and/or Officers of the Company, to give effect to this Resolution.”

**By order of the Board**  
**For HDB Financial Services Limited**  
Sd/-  
**Dipti Khandelwal**  
**Company Secretary**  
Membership No.: F11340

**Registered Office:**  
Radhika, 2<sup>nd</sup> Floor,  
Law Garden Road, Navrangpura,  
Ahmedabad -380009  
Place: Mumbai  
Date: May 18, 2022

## Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts and reasons in respect of the business under Item No. 5 to 8 the Resolution as set out above, are annexed hereto and forms part of this Notice.
2. The Ministry of Corporate Affairs, Government of India (the “MCA”) in terms of the General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 5, 2022 (the “MCA Circulars”), have allowed the Companies to conduct their Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue, subject to the fulfilment of conditions as specified in the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. In terms of the MCA circulars and applicable regulations, the financial statements (including Board’s report, Auditor’s report or other documents required to be attached therewith), shall be sent only by email to the Members, trustees for the debenture-holder of any debentures issued by the Company, holders of non-convertible securities and to all other persons so entitled. Further, the notice for AGM shall be given only through emails registered with the Company or with the depository participant / depository.
4. Accordingly, the financial statements (including Board’s report, Auditor’s report and other documents required to be attached therewith) / Annual Report for the financial year 2021-22 and AGM Notice are being sent to the Members whose email addresses are registered with the Company or with the Depository Participant / Depository. Members may note that the Annual Report for the financial year 2021-22 and the AGM Notice will also be available on the Company’s website [www.hdbfs.com](http://www.hdbfs.com) and on the website of NSDL <https://www.evoting.nsdl.com>. The detailed process for registration of email address of the Members whose email address is not registered with the Company or depository participants / depository is forming part of this Notice.
5. As per the MCA Circulars, the Members may also note that the Company would not be sending the Annual Report for the financial year 2021-22 and AGM notice by post to the Members whose email address is not registered with the Company or depository participants/depository.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional / Corporate Shareholders intending to participate in the AGM through their authorised representatives are requested to send a duly certified copy of their Board Resolution / Governing Body resolution / Authorisation letter, etc. authorising their representatives to attend and vote through remote e-voting on their behalf at the said Meeting to [mitesh@mjshah.com](mailto:mitesh@mjshah.com) and [compliance@hdbfs.com](mailto:compliance@hdbfs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
8. The Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronic means and business may be transacted through the e-Voting services.
9. In addition to the remote e-voting facility provided by the Company, the members who have not cast their vote on resolutions through remote e-voting would be given a facility to cast their vote through e-voting during the AGM. The instruction for the same is forming part of this Notice.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.



11. Members seeking any information with regard to the accounts or any matter to be placed at AGM are requested to submit their questions in advance, on or before June 21, 2022 through the Company's email address i.e. [compliance@hdbfs.com](mailto:compliance@hdbfs.com). The same will be replied by the Company suitably.
12. The investors are requested to attend the meeting and cast their vote through remote e-voting / e-voting.
13. The Members attending the meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum of the meeting under Section 103 of the Companies Act, 2013.
14. The Members desiring to inspect the documents referred to in this Notice and other statutory registers are required to send requests on the Company's email address: [compliance@hdbfs.com](mailto:compliance@hdbfs.com). An extract of such documents would be sent to the members on their registered email address.
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
16. **Dividend Related Information**

The record date for determining the names of members eligible for dividend on equity shares, if declared at the Meeting, is **Thursday, June 16, 2022**.

The final dividend, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Monday, June 27, 2022 to the Members, after deducting Tax Deduction at Source (TDS), as applicable. In respect of the shares held in dematerialised mode, the dividend will be paid on the basis of beneficial ownership details to be received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for this purpose.

Members holding shares in dematerialized form are requested to intimate any change in their address or bank account details (including 9 digit MICR no., 11 digit IFSC code no. and core banking account no.) to their respective Depository Participants with whom they are maintaining demat accounts before June 16, 2022.

In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such shareholder by post.

Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct TDS at the prescribed rates from the dividend to be paid to shareholders, subject to approval of dividend by the shareholders in the ensuing AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. In order to enable the Company to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

- a. **For Resident Shareholders**, TDS is required to be deducted at the rate of 10% under Section 194 of the Income Tax Act, 1961 on the amount of dividend declared and paid by the Company in the FY 2022-23 provided valid PAN is registered by the members. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the dividends paid to resident individuals if aggregate dividend distributed or likely to be distributed during the FY 2022-23 does not exceed ₹ 5,000. Even in the cases where the members provide valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted.

NIL / lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration as listed below:

- i. **Insurance companies:** Declaration by shareholder qualifying as Insurer as per section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN card;

- ii. **Mutual Funds:** Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income- tax Act, 1961 along with self-attested copies of registration documents and PAN card;
  - iii. **Alternative Investment Fund (AIF) established in India:** Declaration that the shareholder is eligible for exemption under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of self-attested registration documents and PAN card should be provided.
  - iv. **New Pension System Trust:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
  - v. **Other shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
  - vi. Shareholders who have provided a valid certificate issued u/s. 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.
- b. For Non-Resident Shareholders,** (including Foreign Portfolio Investors), Tax is required to be withheld in accordance with the provisions of Section 195 and section 196D of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (“DTAA”) between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:
- a) Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
  - b) Self-attested copy of Tax Residency Certificate (“TRC”) obtained from the tax authorities of the country of which the shareholder is resident;
  - c) Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
  - d) Self-declaration by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AB of the IT Act).
  - e) In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
  - f) In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.

Accordingly, in order to enable the Company to determine the appropriate TDS / withholding tax rate applicable, we request the members to provide these details and documents as mentioned above before June 18, 2022.

The Company shall arrange to email the soft copy of TDS certificate at the registered email ID of members post payment of the dividend.

## **Section 206AB of the Act:**

Rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from 1 July 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

- A person who has not filed the income tax return for previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the IT Act has expired; and
- The aggregate of TDS and TCS in his case is ₹ 50,000 or more in previous year.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

Members are requested to inform us well in advance and before cut-off date if you are covered under the definition of 'specified person' as provided in section 206AB of the IT Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

Shareholders are requested to upload the relevant documents on or before Saturday, June 18, 2022 on the link: <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>, in order to enable the Company to determine and deduct TDS at applicable rates. Failure to do so, will attract higher TDS rates as mentioned in the above paragraphs. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction received after Saturday, June 18, 2022 shall be considered for payment of dividend for FY 2021-22, if approved, at the ensuing Annual General Meeting.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the members, there would still be an option available with members to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

17. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the AGM, however facility for casting vote during the AGM though e-voting would be provided to the members who have not cast their vote through remote e-voting.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, the Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronics means and business may be transacted through the e-Voting services. For this purpose, the Company has engaged services of NSDL for providing e-Voting services.
  - Remote e-voting facility will be available from 10.00 am on Monday, June 20, 2022 and ends at 05:00 p.m. on Wednesday, June 22, 2022, after which the facility will be disabled by NSDL and remote e-voting shall not be allowed beyond the said date and time. During this period shareholders of the Company, holding shares in dematerialised form, as on the cut-off date of Thursday, June 16, 2022 may cast their vote electronically.
  - Instructions for e-voting are given at point no.21.

- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Thursday, June 16, 2022
19. The Members, who have cast their vote prior to the meeting by remote e-voting may also attend the meeting but shall not be entitled to vote again at the meeting. Once a vote is cast by a member, he shall not be allowed to alter it subsequently.
20. **Procedure for registration of email address:** The shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
- i. Pursuant to the aforesaid Circular issued by Ministry of Corporate Affairs, the shareholders who have not registered their email address and in consequence the AGM notice could not be serviced to them may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) and follow the registration process as guided thereafter. Post successful registration of the email, the shareholder would get soft copy of the AGM Notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this AGM. In case of any queries, shareholder may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)
  - ii. It is clarified that for permanent registration of email address, the members are however requested to register their email address, in respect of demat holdings with the Depository through the concerned Depository Participants.
21. **Instructions for Voting through electronic means ('e-voting'):**

The details of the process and manner for remote e-voting are explained herein below:





**Step 1: Access to NSDL e-voting system**

**Step 2: Cast your vote electronically and join virtual meeting on NSDL e-voting system.**

Details on Step 1 are mentioned below:

**A. Login method for remote e-voting and joining virtual meeting for Individual Members holding securities in demat mode.**

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL	<p><b>A. NSDL IDEAS facility</b></p> <p>If you are already registered, follow the below steps:</p> <ol style="list-style-type: none"> <li>1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDEAS" section.</li> <li>3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services.</li> <li>4. Click on "Access to e-voting" appearing on the left hand side under e-voting services and you will be able to see e-voting page.</li> <li>5. Click on options available against Company name or <b>e-voting service provider - NSDL</b> and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period.</li> </ol>

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL (continued)	<p><b>If you are not registered, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>Select “<b>Register Online for IDEAS</b>” Portal or click at: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Please follow steps given in points 1-5.</li> </ol> <p><b>B. E-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile phone.</li> <li>Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, can login through their User ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi / Easiest the user will be also able to see the e-voting Menu. The menu will have links of ESP i.e. NSDL portal. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</li> </ol>
Individual Members (holding securities in demat mode) logging through their depository participants	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-voting facility.</li> <li>Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.</li> </ol>



**Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID / Forgot Password option available at respective websites.**

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL**

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## B. Login method for remote e-voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode

How to Log-in to NSDL e-voting website?

- 1) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- 2) Once the home page of e-voting system is launched, click on the icon “Login” which is available under “Shareholders / Member” section.
- 3) A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.
- 4) Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
- 5) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
A) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
B) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****

- 6) Your password details are given below:
  - a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you by NSDL. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c. How to retrieve your ‘initial password’?
    - i. If your email address is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email address. Trace the email sent to you from NSDL in your mailbox from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL

account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned above in this notice.
- 7) If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) If you are still unable to get the password by aforesaid option, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number, your PAN, your name and your registered address.
  - c) Members can also use the one-time password (OTP) based login for casting the votes on the e-voting system of NSDL.
- 8) After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
- 9) Now, you will have to click on "Login" button.
- 10) After you click on the "Login" button, Home page of e-voting will open.

**Details on Step 2 are mentioned below:**

#### **How to cast your vote electronically on NSDL e-voting system?**

- 1) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- 2) Select the EVEN for the Company which is 119955. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- 3) Now you are ready for e-voting as the Voting page opens.
- 4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5) Upon confirmation, the message "Vote cast successfully" will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number from depository.
- 6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those Members whose email address are not registered with the depositories for procuring User ID and password and registration of email address for e-voting for the resolutions set out in this notice:**

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [compliance@hdbfs.com](mailto:compliance@hdbfs.com). If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 i.e. Login method for e-voting for Individual Members holding securities in demat mode.
2. Alternatively, Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and password for e-voting by providing above mentioned documents.

## General Guidelines for shareholders

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to upload their Board Resolution / Power of Attorney / Authority Letter by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab or send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by email to [mitesh@mishah.com](mailto:mitesh@mishah.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password” option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4<sup>th</sup> Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) 1800 1020 990 and 1800 22 44 30.
5. In case of any other queries shareholder can contact: M/s. Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083, Tel No: +91 22 49186000, Fax No: +91 22 49186060, Email: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) or [pradeep.mokale@linkintime.co.in](mailto:pradeep.mokale@linkintime.co.in)

## 22. Instructions for members for attending the AGM through VC / OAVM are as under:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” tab. You are requested to click on VC/OAVM link placed under Join Meeting tab.
2. The link for VC/ OAVM will be available in “shareholders/ members” login where the EVEN of Company will be displayed.
3. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
4. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. Further, a facility will be provided to the shareholders attending the meeting through VC/OAVM whereby they can pose questions concurrently, during the preceding of the meeting.
5. Please note that shareholders connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Shareholders are also encouraged to join the meeting through Laptops for better experience.
6. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800 1020 990 and 1800 22 44 30 or contact Mr. Amit Vishal, Assistant Vice President or Mr. Abhijeet Gunjal, Assistant Manager - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800 1020 990 and 1800 22 44 30.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID, PAN, mobile number at [compliance@hdbfs.com](mailto:compliance@hdbfs.com) from June 16, 2022 (10:00 a.m. IST)



to June 21, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**23. Instruction for e-voting during the AGM**

The members who have not cast their vote on resolutions through remote e-voting can cast their vote through e-voting during the AGM by following the instruction as mentioned in point 22 above. The e-voting facility will be enabled during the AGM on June 23, 2022 at 12 pm till the conclusion of the AGM.

24. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
25. The Board of Directors of the Company has appointed Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, Mumbai, to act as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
26. The Scrutinisers shall submit a consolidated report of the total votes cast in favour or against, if any, on each of the resolutions set out in this Notice, not later than 48 hours from the conclusion of the AGM to the Chairman. The result of the voting will be announced within 48 (Forty-Eight) hours after the conclusion of the meeting at the Company's website at [www.hdbfs.com](http://www.hdbfs.com).

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 5

The Board of Directors at its meeting held on July 16, 2021 had approved appointment of M/s. Khimji Kunverji & Co LLP (ICAI Firm Registration No. 105146W/ W100621) and M/s. B. K. Khare & Co. (ICAI Firm Registration No. 105102W) as Joint Statutory Auditors of the Company, to fill the causal vacancy caused due to ineligibility of M/s. B S R & Co., LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) to continue as the statutory auditors of the Company in terms of the Circular issued by Reserve Bank of India vide no. RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ('RBI Guidelines'), to hold office for a continuous period of three years until the conclusion of 17<sup>th</sup> Annual General Meeting of the Company to be held in year 2024 at a remuneration and reimbursement of out of pocket expenses as may be mutually decided. The Shareholders through resolution passed by Postal Ballot on September 18, 2021 had approved appointment of M/s. Khimji Kunverji & Co. LLP and M/s. B. K. Khare & Co. as Joint Statutory Auditors of the Company for a continuous period of three years until the conclusion of 17<sup>th</sup> Annual General Meeting of the Company to be held in year 2024 in terms of the RBI Guidelines.

As per the provisions of Section 139(8) and other applicable provision of the Companies Act, 2013, and the Rules framed thereunder, any casual vacancy caused by resignation in the office of the Statutory Auditors could be filled up by the Company in General Meeting as per recommendations made by the Audit Committee and Board of Directors and such Auditor can hold office till the conclusion of next annual general meeting. However, RBI Guidelines stipulates that the Company shall appoint Statutory Auditor for a continuous period of three years, subject to the Statutory Auditor satisfying the eligibility norms as stipulated therein, each year. RBI being the sectoral regulator, the Company had appointed the statutory auditor as per the RBI guidelines for a period of 3 years.

Hence, as a prudent practice, it is now proposed to seek ratification for continuation of joint statutory auditors in the Annual General Meeting of the Company, for a period of three years until the conclusion of 17<sup>th</sup> Annual General Meeting of the Company to be held in year 2024 at a remuneration to be determined by the Board of Directors of the Company and reimbursement of out of pocket expenses as may be incurred by them during the course of the Audit. M/s. Khimji Kunverji & Co LLP and M/s. B. K. Khare & Co. have provided their consent and confirmed their eligibility to continue as Joint Statutory Auditors of the Company as laid under the applicable provisions of Section 141 of the Companies Act, 2013 read with the relevant rules made thereunder and the RBI Guidelines.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are in any way financially or otherwise concerned or interested in passing of the Ordinary Resolution as set out in Item No. 5 of this Notice.

The Board recommends passing of the Ordinary Resolution, as set out in Item No. 5 of this Notice, for the approval of the Members.

### Item No. 6

The Board of Directors, at their meeting held on April 18, 2017, appointed Mr. G. Ramesh as Managing Director of the Company for a period of 5 years from July 1, 2017 to June 30, 2022. The said appointment was also approved by the members at their 10<sup>th</sup> Annual General Meeting held on June 23, 2017.

Under the dynamic and able leadership of Mr. G. Ramesh the Company has crossed various milestones and has enhanced the stakeholders' value. Taking into consideration, the valuable contributions made by Mr. G. Ramesh and the need for his strategic directions for the future growth of the Company and based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on May 18, 2022, re-appointed Mr. G. Ramesh (DIN: 05291597), as the Managing Director and Chief Executive Officer of the Company for a period of 5 (Five) years w.e.f. July 01, 2022 upto June 30, 2027, pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V of the Companies Act, 2013, on the terms and conditions including remuneration as set out hereunder.

## Brief profile of Mr. G. Ramesh:

Mr. G. Ramesh holds a bachelor's degree in Engineering from Faculty of Engineering and Technology, Annamalai University and a post graduate diploma in management from Indian Institute of Management, Lucknow. He has also completed a course in International Banking from the Bank of New York. He has over 30 years of experience in the financial services industry.

He is the Managing Director and Chief Executive Officer of the Company. He had joined the Company as the Chief Operating Officer in 2007. He was appointed as Chief Executive Officer of the Company with effect from April 1, 2010 and Managing Director of the Company on July 1, 2012. He has been associated with the Company for over 14 years.

Mr. G. Ramesh has confirmed that he satisfies the fit & proper criteria pursuant to RBI Master Direction and that he has not been disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Managing Director of the Company. In the opinion of the Board, Mr. G. Ramesh fulfils the conditions specified in the Companies Act, 2013 and the applicable RBI guidelines for his re-appointment as Managing Director of the Company.

The Compensation payable to Mr. G. Ramesh on his re-appointment will be as under:

Salary	₹ 10,39,500 per month
Allowances	₹ 20,15,560 per month

In addition to the above salary, Mr. G. Ramesh will also be entitled for the following:

- i. Rent free furnished accommodation including upkeep and maintenance or cash in lieu of accommodation as House rent allowance of ₹ 1,75,000 per month.
- ii. Leave Travel allowance of ₹ 30,000 per month.
- iii. Education allowance of ₹ 200 per month.
- iv. Car for personal and official use in accordance with the Policy of the Company or car allowance for an amount of ₹ 75,000 per month.
- v. Reimbursement of Telephone / Communication expenses at actual subject to limit of ₹ 5,000 per month for use at his residence.
- vi. Covered under Company Hospitalisation Insurance Scheme.
- vii. Contribution to provident fund, superannuation and gratuity as per relevant policies / schemes / rules of the Company.
- viii. Annual performance bonus as may be determined by the Board of Directors / Nomination & Remuneration Committee of the Board in terms of the Nomination & Remuneration Policy of the Company.
- ix. Stock options under the Employee Stock Option Schemes as may be approved by the Nomination & Remuneration Committee of the Board of Directors or any other person authorised by the Board of Directors or Nomination and Remuneration Committee of the Board in this regard from time to time and to avail of stock options already granted to him as an employee.
- x. Reimbursement of all actual expenses or charges including travel, entertainment or other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business.
- xi. The above remuneration and perquisites may be revised annually in accordance with the terms of the Nomination and Remuneration policy of the Company.

# Notice

Other details of Director as required under Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) is given hereunder:

Name of Director	Mr. G. Ramesh
DIN	05291597
Age	52 years
A brief resume, Qualification(s), Experience and Nature of his expertise in specific functional areas, Recognition or awards	As mentioned in explanatory statement above
Terms and conditions of appointment or reappointment	Managing Director, not liable to retire by rotation.
Details of remuneration sought to be paid	As mentioned in the explanatory statement
Details of the remuneration last drawn by such person (FY 2021-22)	₹ 5,00,88,851
Date of first appointment on the Board	July 01, 2012
Shareholding in the Company	7,50,500 equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel	None
The number of Meetings of the Board attended during FY 2021-22	8
Other Directorships (excluding HDB Financial Services Limited)	Nil
Membership / Chairmanship of Committees of other Board	Nil

Accordingly, the approval of the Members is being sought to approve the terms and conditions for the re-appointment of Mr. G. Ramesh as Managing Director of the Company, including the payment of remuneration, with effect from July 1, 2022.

This resolution is being proposed as a special resolution in view of the relevant provisions of schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of profits.

The Board recommends the passing of the special resolution as set out at Item No. 6 of this Notice for the approval of the Members.

Except Mr. G. Ramesh, being an appointee and his relatives, to the extent of their shareholding interest, if any, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

## Item No. 7

The Members of the Company at the 14<sup>th</sup> Annual General Meeting held on June 25, 2021 had granted their approval by way of special resolution to the Board of Directors of the Company to sell / assign / securitise substantial assets including present and /or future receivables / book debts of the Company to the holders of debentures / bonds / Pass Through Certificates and other instruments for an aggregate amount not exceed ₹ 7,500 crore (Rupees Seven Thousand Five Hundred Crore Only).

Members of the Company are requested to note that Company may raise funds by way of sell/ direct assignment/ securitisation of the present and /or future receivables/ book debts of the Company to any Bank or Financial Institution or Asset Reconstruction Companies as per the terms approved by the Board of Directors.

The sale / assignment / securitisation of the present and / or future receivables / book debts of the Company may result into disposal of undertaking as defined in the explanation to Section 180(1)(a) of the Companies Act, 2013. As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of a Company shall

not sell, assign or securitise the receivables / book debts of the Company without the consent of the members of the Company, accorded at the General Meeting by means of a 'special resolution'.

In view of the aforesaid, the Board of Directors at its meeting held on April 16, 2022, has subject to the approval of Members, approved sell / assign / securitise present and / or future receivables / book debts of the Company as approved by the members of the Company pursuant to Section 180(1)(a) of the Act.

Accordingly, the approval of the Members is being sought by way of special resolution, authorising the Board of Directors to sell / assign / securitise substantial assets including present and / or future receivables / book debts of the Company, to the holders of debentures / bonds / Pass Through Certificates / Security Receipts and other instruments for an aggregate amount not exceeding ₹ 7,500 crore (Rupees Seven Thousand Five Hundred crore Only).

The Board recommends the resolution as set out at Item No. 7 of the accompanying Notice for the approval of the Members.

Save and except for the shareholding interest, if any, held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

## Item No. 8

The Company has been raising funds by offer and/or invite for issuing non-convertible debentures, secured or unsecured, listed/unlisted, fixed rate or market /bench mark linked and /or any other hybrid instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital (hereinafter referred to as "Debt Securities") on private placement basis, from time to time.

In terms of Section 71 which deals with the issue of debentures read with Section 42 of the Companies Act, 2013, which deals with the offer or invitation for subscription of Debt Securities of the Company on private placement basis read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company can make private placement of its Debt Securities only after receipt of 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 the Debt Securities to be issued during a year and such a special resolution is required to be passed every year.

The shareholders at the 14<sup>th</sup> Annual General Meeting held on June 25, 2021 and vide postal ballot dated September 18, 2021 had accorded their approval to the Company for issuance of Debt Securities as mentioned below:

- A. Non-Convertible Debentures (NCDs) upto a limit of ₹ 18,654.90 crore which included existing limit of ₹ 8,654.90 crore and new limit of ₹ 10,000 crore (as approved vide postal ballot on September 18, 2021). As on March 31, 2022 the Company had raised NCDs of ₹ 8,326 crore. The unutilised limit of ₹ 10,328.90 crore is available for issuance of NCDs.
- B. Market Linked Debentures (MLDs) upto a limit of ₹ 2,000 crore. As on March 31, 2022, the Company had raised MLDs of up to ₹ 100 crore. The unutilised limit of ₹ 1,900 crore is available for issuance of MLDs.
- C. Subordinated Bonds (Sub Debts) up to a limit of ₹ 500 crore. No issue of Sub Debts were done during the FY 2021-22, hence the unutilised limit of ₹ 500 crore continues to subsist for issuance of Sub Debts.
- D. Perpetual Debt Instruments (PDIs) upto a limit of ₹ 500 crore. As on March 31, 2022 the Company had raised PDIs of up to ₹ 150 crore. The unutilised limit of ₹ 350 crore continues to subsist for issuance of PDIs.

Further the Board, at its meeting held on April 16, 2022, has approved issuance of Debt Securities from the above unutilised limit of Debt Securities and in addition to the above limit has also approved new limit for issuance of NCDs of ₹ 5,000 crore, subject to the approval of the Shareholders. Thus the approved limit of NCDs, MLDs, Sub Debts and PDIs for Issuance is ₹ 15,328.90 crore, ₹ 1,900 crore, ₹ 500 crore and ₹ 350 crore respectively.

# Notice



In terms of the requirements of Resource Planning Policy of the Company and Business planning for the FY 2022-23, it is expected that the Company will issue Debt Securities which shall not exceed the aforesaid limit. The Debt Securities proposed to be issued by the Company will be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

Pursuant to the notification dated August 07, 2018, by which Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 has been amended, it is now mandated that certain disclosures are required to be made in the explanatory statement annexed to the notice for shareholders' approval under Section 42 of the Companies Act, 2013.

The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out herein below:

- a) Particulars of the offer including date of passing of board resolution: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1(one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any committee duly authorised by the Board thereof), from time to time;
- b) Kinds of securities offered and price at which security is being offered: This special resolution is restricted to the private placement issuance of Debt Securities, with the terms of each issuance being determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance;
- c) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable at this stage. This will be determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance;
- d) Name and address of valuer who performed valuation: Not applicable at this stage. This will be determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance;
- e) Amount which the Company intends to raise by way of such securities: As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013 of up to ₹ 18,078.90 crore (Rupees Eighteen Thousand Seventy-Eight Crore and Ninety Lakh Only);
- f) Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any committee duly authorised by the Board thereof), from time to time.

In view of the aforesaid, the Board of Directors at its meeting held on April 16, 2022, has approved issuance of Debt securities in one or more tranches, on private placement basis and within the overall borrowing limit of ₹ 80,000 crore (Rupees Eighty Thousand Crore Only).

Accordingly, the approval of the Members is being sought by way of special resolution as set out at Item No. 8 of this Notice authorising the Board to issue Debt Securities and / or any other hybrid instruments (not in the nature of equity shares) which may or may not be classified as being Tier I or Tier II capital under the provisions of the RBI Master Directions, for an aggregate amount not exceeding ₹ 18,078.90 crore (Rupees Eighteen Thousand Seventy Eight Crore and Ninety Lakh Only) on private placement basis during a period of one year from the date of this AGM.

## Notice



The Board, accordingly, recommends the passing of the special resolution as set out at Item No. 8 of this Notice, for the approval of the Members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the said resolution, except to the extent of Debt Securities that may be subscribed by companies / firms in which they are interested.

### **Registered Office:**

Radhika, 2<sup>nd</sup> Floor,  
Law Garden Road, Navrangpura,  
Ahmedabad - 380 009

Place : Mumbai  
Date : May 18, 2022

**By order of the Board  
For HDB Financial Services Limited**

Sd/-  
**Dipti Khandelwal**  
**Company Secretary**  
FCS No.: F11340



# Directors' Report



## The Members, HDB Financial Services Limited

Your Directors have pleasure in presenting the Fifteenth Annual Report on the business and operations of your Company together with the audited accounts for the Financial Year ended March 31, 2022.

### Financial Performance

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Total Income	11,306.29	10,944.78
Total Expenditure (excluding depreciation)	9,859.79	10,336.28
Profit/(Loss) before Depreciation & Tax	1,446.50	608.50
Less: Depreciation	98.94	107.79
Profit before Tax	1,347.56	500.71
Tax Expense	336.16	109.24
Profit after Tax	1,011.40	391.47
Other Comprehensive Income (net of tax)	13.79	(13.45)
Total Comprehensive Income after tax	1,025.19	378.02
<b>Appropriations from Profit after Tax:</b>		
Transfer to Reserve Fund under Section 45-IC of the RBI Act, 1934	202.28	78.29
Dividend Paid	0.00	0.00
Dividend Tax thereon	0.00	0.00
Balance carried forward to Balance Sheet	822.91	299.73

Your Company posted total income and net profit of ₹ 11,306.29 crore and ₹ 1,011.40 crore, respectively, for the financial year ended March 31, 2022, as against ₹ 10,944.78 crore and ₹ 391.47 crore respectively, in the previous financial year. Your Company has transferred an amount of ₹ 202.28 crore to Reserve Fund under Section 45-IC of the RBI Act, 1934.

### Dividend

Your Directors are pleased to recommend a dividend of Re.1.00 (Rupee One only) per equity share i.e. 10% (Ten percent) on equity share of face value of ₹10.00 (Rupees Ten only) each, entailing a total payout of ₹ 79.04 crore. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) to be held on June 23, 2022.

### Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

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 to which the financial statements relate and the date of this Report.

### Capital Structure

During the year, your Company has issued 12,54,815 equity shares. The details of which are provided below:

No. of fully paid up equity shares	Date of allotment	Purpose
8,03,460	November 26, 2021	Shares were issued to employees under the Employees Stock Option Scheme
4,51,355	March 17, 2022	Shares were issued to employees under the Employees Stock Option Scheme

Post allotment of equity shares as aforesaid, the issued, subscribed and paid-up share capital of your Company stands increased to ₹ 7,90,44,00,310 (Rupees Seven Hundred Ninety Crore Forty Four Lakh Three Hundred and Ten Only) comprising of 79,04,40,031 (Seventy Nine Crore Four Lakh Forty Thousand Thirty One) equity shares of ₹ 10 each as on March 31, 2022.



# Directors' Report



## Capital Adequacy

Capital adequacy as at March 31, 2022 under Ind-AS stood at 20.22 % which is well above the minimum regulatory norms for non-deposit accepting NBFCs.

## Ratings

The CARE Ratings Limited (CARE) and CRISIL Ratings Limited (CRISIL) have reaffirmed highest ratings for the various facilities availed by the Company, details of which are given below:

Facility	CARE	Amount ₹ in crore	CRISIL	Amount ₹ in crore
Bank Facilities	CARE AAA; Stable	30,000.00	CRISIL AAA/Stable	30,000.00
Short Term Debt Program	CARE A1+	12,500.00	CRISIL A1+	12,500.00
Non-Convertible Debentures	CARE AAA; Stable	40,308.00	CRISIL AAA/Stable	39,167.92
Market Linked Debentures	CARE PP-MLD AAA; Stable	3,000.00	CRISIL PP-MLD AAAR/ Stable	2,236.10
Subordinated Bonds	CARE AAA; Stable	4,000.00	CRISIL AAA/Stable	4,000.00
Perpetual Bonds	CARE AAA; Stable	1,000.00	CRISIL AAA/Stable	1,000.00

All of the above ratings indicate a high degree of safety with regard to timely payment of interest and principal.

## Borrowings

Your Company has diversified funding sources from Public Sector, Private Sector, Foreign Banks, Mutual Funds, Insurance Companies, Financial Institutions etc. Funds were raised in line with Company's Resource Planning Policy through Term Loans, Non-Convertible Debentures (NCDs), Market Linked Debentures (MLDs) and Perpetual Debt Instruments. The details of funds raised during the year are as below:

#	Borrowings / Security type	Credit rating		Amount raised ₹ in crore
		CARE	CRISIL	
1	Term Loans from Banks and Financial Institutions	CARE AAA;Stable	CRISIL AAA/Stable	7,925.00
2	Secured Redeemable Non-Convertible Debentures	CARE AAA;Stable	CRISIL AAA/Stable	8,626.00
3	Secured Redeemable Market Linked Debentures	CARE PP-MLD AAA;Stable	CRISIL PP-MLD AAAR/ Stable	100.00
4	Unsecured Perpetual Debt Instruments	CARE AAA;Stable	CRISIL AAA/Stable	150.00

No interest payment or principal repayment of the Term Loans was due and unpaid as on March 31, 2022. The assets of the Company which are available by way of security are sufficient to discharge the claims of the banks and financial institutions as and when they become due.

Secured Redeemable Non-Convertible Debentures, Secured Redeemable Market Linked Debentures, Unsecured Redeemable Subordinated Bonds, Unsecured Perpetual Debt Instruments are issued by your Company on private placement basis and the rating for various facilities indicates the highest degree of safety with regard to timely servicing of financial obligations.

Perpetual Debt Securities are 7.77% of Tier I capital of the Company. An amount of ₹ 650 crore is outstanding as on March 31, 2022.

NCDs and MLDs were issued with maturity period ranging from 23 to 60 months. The interest payable on all the debt securities is either annually or quarterly or on maturity and no interest was due and unpaid as on March 31, 2022. The Company has not received any grievances from the debt security holders. The assets of the Company

which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

The above mentioned Debt securities are listed on Wholesale Debt Market (WDM) segment of the BSE Limited.

## Corporate Social Responsibility (CSR)

The Company believes that CSR is a way of creating shared value and contributing to social and environmental good. Our endeavor is to mainstream economically, physically and socially challenged groups and to draw them into the cycle of growth, development and empowerment. To achieve this, your Company collaborates with development-focused NGOs, involves local communities in the development process and works with systems & frontline staff to achieve desirable social outcomes in a sustainable manner.

The Company's CSR interventions are designed to strengthen the healthcare services and infrastructure, impart skill training and basic literacy for better livelihoods and to promote environmentally sustainable initiatives. All CSR initiatives are implemented in accordance with the Schedule VII of the Companies Act, 2013.

The Company's CSR activities are guided and monitored by its CSR Committee. The CSR Policy of the Company provides a broad set of guidelines including intervention areas.

As per Section 135 of the Act, the Company was required to spend an amount of ₹ 24.70 crore equivalent to 2% of the 'average net profits' of the last three (3) financial years. During the FY 2021-22, your Company has spent an amount of ₹ 25.83 crore on CSR activities as against prescribed CSR expenditure of ₹ 24.70 crore. The Annual Report on CSR activities is annexed herewith as "**Annexure A**".

## Number of Board Meetings during the financial year 2021-22

The Board of Directors met 8 times during the year under review and the details of such meetings are disclosed in the Corporate Governance Report forming part of this Report.

## Directors and Key Managerial Personnel (KMP)

### a. Appointment of Mr. Arijit Basu as the Chairman and Non-Executive Director of the Company

Based on the recommendation of Nomination & Remuneration Committee (NRC), Board of Directors of the Company at its meeting held on May 25, 2021 has appointed Mr. Arijit Basu (DIN: 06907779) as the Chairman and Non-Executive (Additional) Director of the Company for a period of 3 (Three) years with effective from June 1, 2021 up to May 31, 2024 (both days inclusive), subject to the approval of the Members of the Company.

The Members of the Company have by means of Ordinary Resolution passed at the Annual General Meeting held on June 25, 2021, approved appointment of Mr. Arijit Basu as the Chairman and Non-Executive Director of the Company.

### b. Appointment of Ms. Arundhati Mech as an Independent Director of the Company

Based on the recommendation of Nomination & Remuneration Committee (NRC), Board of Directors of the Company at its meeting held on February 11, 2022 has appointed Ms. Arundhati Mech (DIN: 09177619) as an Additional Independent (Non-Executive) Director of the Company to hold office for a period of 5 (Five) consecutive years with effect from February 11, 2022 up to February 10, 2027 (both days inclusive) and she shall not be liable to retire by rotation, subject to the approval of the Members of the Company.

The Members of the Company have by means of Special Resolution passed on March 27, 2022 vide Postal Ballot, approved appointment of Ms. Arundhati Mech as an Independent Director of the Company.

In the opinion of the Board, Ms. Arundhati Mech fulfilled the conditions specified in the Act, SEBI Listing Regulations and the applicable RBI guidelines for her appointment as an Independent Director of the Company and she is a person of integrity and possess relevant experience and expertise to be appointed as an Independent Director of the Company.

### c. Director liable to retire by rotation

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Arijit Basu (DIN 06907779), Chairman and Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. In opinion of your Board, Mr. Arijit Basu has requisite qualification and experience and therefore, your Directors' recommend his reappointment in the ensuing Annual General Meeting.

## Key Managerial Personnel

As a part of orderly succession to the position of Chief Financial Officer, the Board of Directors of the Company on the recommendation of NRC and Audit Committee, at its meeting held on March 10, 2022 has appointed Mr. Jaykumar P. Shah as the Chief Financial Officer of the Company with effect from March 11, 2022, in place of Mr. Haren Parekh.

## Declaration by Independent Directors

The Company has received necessary declarations/ disclosures from each Independent Director of the Company under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have also confirmed compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

## Performance Evaluation

Information on the manner in which formal annual evaluation is made by the Board of its own performance and that of its Committees, Chairperson and Individual Directors is given in the Corporate Governance Report.

## Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

- i. that in preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that appropriate accounting policies have been selected & applied consistently & judgments and estimates made are reasonable & prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2022 & of the profits of the Company for the said year;
- iii. that proper & sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company & for preventing & detecting fraud & other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis;
- v. that the Company had laid down internal financial controls to be followed and that such internal financial controls are adequate and were operating effectively; and
- vi. that systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## Vigil Mechanism/Whistle Blower Policy

As per the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company is required to establish an effective Vigil Mechanism for Directors and employees to report genuine concerns. The Company as part of the 'vigil mechanism' has in place a Board approved 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website of the Company and can be accessed at <https://www.hdbfs.com/policies>.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimisation of employees and directors and also provides direct access to the Chairman of the Audit Committee in exceptional circumstances. The whistle blower complaints were reviewed by the Audit Committee on a quarterly basis.

During the year under review, two complaints were received by the Company. Both the complaints have been investigated and addressed as per the policy of the Company. There are no complaints outstanding as on March 31, 2022. One complaint pending as on March 31, 2021 has been closed in the reporting year. None of the personnel of your Company were denied access to the Audit Committee.

## **Disclosures pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and Rules framed thereunder. The said policy is uploaded on the website of the Company which can be accessed at <https://www.hdbfs.com/policies>. Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has received Fifty complaints of which Forty-Four complaints were investigated and addressed as per the policy and Six complaints were under investigation as on March 31, 2022. All six open complaints during the previous year ending March 31, 2021 were closed in the reporting year. Complaints are reviewed by the Board of Directors on quarterly basis.

## **Statutory Auditors**

Pursuant to the provisions of Sections 139 and 142 of the Act and Rules made thereunder and Circular issued by Reserve Bank of India vide no. RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ('RBI Guidelines'), the Members through Ordinary Resolution passed on September 18, 2021 vide Postal Ballot had appointed M/s. Khimji Kunverji & Co. LLP and M/s. B. K. Khare & Co. as the Joint Statutory Auditors of the Company, to fill the casual vacancy caused due to ineligibility of M/s. B S R & Co. LLP, Chartered Accountants, to hold office for a continuous period of three years until the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company to be held in year 2024 .

M/s. Khimji Kunverji & Co. LLP and M/s. B. K. Khare & Co, have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors of the Company.

Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for FY 2021-22, is disclosed in the Financial Statements forming part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the year under review.

No frauds in terms of the provisions of section 143(12) of the Act have been reported by the Statutory Auditors in their report for the year under review.

## **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act and Rules thereunder and Regulation 24A of the SEBI Listing Regulations, M/s. Ashish Bhatt & Associates, Practicing Company Secretaries, were appointed as the Secretarial Auditor of the Company, to conduct Secretarial Audit for the year under review.

The Report of the Secretarial Auditor in Form MR-3 is annexed as '**Annexure B**'. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review.

## **Nomination and Remuneration Policy**

Pursuant to the provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has formulated Nomination and Remuneration Policy of the Company which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors, identification of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management. The Nomination and Remuneration Policy also covers the Remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Nomination and Remuneration Policy is available on the website of the Company at <https://www.hdbfs.com/policies>.

# Directors' Report



## Secretarial Standards

The Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.

## Employees Stock Option Scheme (ESOS)

The information pertaining to ESOS in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given in 'Annexure C'.

## Statutory Disclosures

- i. Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Act and Regulation 62(1)(k) of the SEBI Listing Regulations, the Annual Return of the Company as on March 31, 2022 in the prescribed Form MGT-7 is available on the website of the Company at <https://www.hdbfs.com/investors>.
- ii. Disclosure as per Section 197(12) of the Act, pertaining to individuals employed throughout the year and in receipt of remuneration of not less than ₹ 1,02,00,000/- per annum or ₹ 8,50,000/- per month is given in 'Annexure D'.
- iii. Disclosures in terms of Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in 'Annexure E'.
- iv. There has been no change in the nature of business of the Company during the year under review.

## Related Party Transactions

All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed as 'Annexure F'.

## Corporate Governance Report

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance of the Company forms part of the Annual Report.

All Board members and senior management personnel have affirmed compliance with the Company's code of conduct for FY 2021-22. A declaration to this effect signed by the Managing Director is included in Corporate Governance Report forming part of this Annual Report.

A certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed as 'Annexure G' to this Report.

## Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

## Particulars of Loans, Guarantees or Investments

Pursuant to section 186(11) of the Act, the provisions related to loans made, guarantees given and securities provided do not apply to the Company.

As regards investments made by the Company, the details of the same are provided in note no 9 to the financial statements of the Company for the year ended March 31, 2022.

## Dividend Distribution Policy

Your Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution



# Directors' Report



framework to the Stakeholders of the Company. The policy sets out various internal and external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company and can be accessed at <https://www.hdbfs.com/policies>.

## Subsidiaries, Joint Ventures, Associate Companies

During the year under review, your Company does not have a subsidiary / Associate / Joint Venture company. Also, the Company did not become a part of any Joint Venture during the year.

Accordingly, as at the end of the year under review and also as on the date of this Report, your Company does not have any Subsidiary and/or Associate Company and your Company is not a part of any Joint Venture.

## Energy conservation, technology absorption and foreign exchange earnings and outgo

The provisions of Section 134(3)(m) of the Act, the rules made there under relating to conservation of energy, technology absorption do not apply to your Company as it is not a manufacturing Company. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. The details of foreign exchange earnings and foreign exchange expenditures are as below:

(₹ in crore)

#	Particulars	FY 2021-22	FY 2020-21
1	Foreign exchange earnings	Nil	Nil
2	Foreign exchange expenditures	0.34	15.84

## Fixed Deposits

Your Company is a non-deposit taking Company. The Company has not accepted any fixed deposit during the year under review. The Company has passed a Board resolution for non-acceptance of deposits from public.

## RBI guidelines

Reserve Bank of India (RBI) granted the Certificate of Registration to the Company in December 2007 vide Registration No. N.01.00477, to commence the business of a non-banking financial institution without accepting deposits. Your Company is a Non Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI). The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Economy

Fiscal 2022 was in the backdrop of an unprecedented fiscal 2021 defined by the scourge of the pandemic across the globe with its scars running deep especially for small businesses and the lower income strata.

Fiscal 2022 was a tale of two halves. The first half commenced with the onset of the relatively shorter but severe second wave of the pandemic which threatened to nullify the steps taken towards normalisation towards end of fiscal 2021. However, as we moved to the second quarter of the fiscal accompanied with a large scale rollout of vaccination and flattening of the Covid affliction curve, a broad based recovery was in sight.

The second half of the fiscal has seen growth momentum picking up with economic activity brushing aside the relatively milder third wave in Q4 of fiscal 2022. The Indian economy is expected to report a real GDP growth of close to 8%, also aided by a low base effect. To put this in perspective, global GDP growth is expected to close at an average 3.4% with the Eurozone at 5.2%, US at 5.7% and Japan at 1.9%, clearly reflecting an uneven recovery across advanced and emerging economies from the pandemic.

Onset of fiscal 2023 comes in the backdrop of risks shifting swiftly from the pandemic to geopolitics, crude oil and expected interest rate hikes in major economies. S&P forecasts global growth at 3.4%, with growth expected to slow amid the geopolitical strife, with Europe expected to be hit the hardest.

As per economic survey of 2022, the Indian economy is expected to grow at 8-8.5%. However, leading research

houses and independent rating agencies expect growth to be in the 7.5-8% range. These growth numbers are predicated on broad-basing of economic activity and contact-based services starting to contribute more to growth as Covid is expected to enter the endemic stage. The Union Budget's focus on infrastructure investment-led growth and expectations of a normal monsoon for the 4<sup>th</sup> year in a row may provide some impetus to rural demand as well, which may otherwise be subdued on account of reduced food subsidy indicating lower procurement at MSP and an expected drop in MGNREGA expenditure for fiscal 2023.

Risks to these growth numbers are however multiplying with slowing economies worldwide, the geopolitical strife, higher commodity prices especially crude oil led inflation and resultant stress on the current account. Surprises in the US Federal Reserve rate-hike schedule could create volatility in the forex markets as well. Covid afflictions though significantly lower, has not yet been eradicated, and hence possibility of economic activity disruptions cannot be completely ruled out.

An uptick in private consumption would be a key indicator as it remains a laggard amid other demand-side drivers recovering rapidly. A recent RBI survey reflected the consumer confidence index at below pre-covid levels, possibly due to MSME's being hit the hardest and slower to recover as well.

Amid reduced direct fiscal support, infrastructure investment-led growth will assume importance as it can gradually filter to MSME's and lower income categories and, consequently, have a positive impact on private consumption in the near term.

Although some uptick in private consumption can be expected from normalisation of economic activity, fiscal policy may also have to be deployed in conjunction. This will help create a bridge for those impacted most by the pandemic till positive spillover effects of investment-led growth play out in the labour market and private consumption demand becomes self-sustaining.

## Industry Structure and Developments

NBFCs had been adversely impacted by the pandemic due to their underlying business model. Demand side drivers being significantly impacted, it became difficult for NBFCs to find creditworthy projects and borrowers to lend to as a result of the pandemic induced stress. This got compounded with asset quality issues as ability of borrower's to service their instalments had been impacted.

The fiscal gone by saw NBFC's navigate through business stoppages yet again in the first quarter as the second wave swept through the country. It also saw some regulatory support in terms of restructuring for covid impacted borrowers in the first half. Second half of the fiscal with covid lying relatively low, saw an uptick in disbursements and a significant improvement in collection efficiencies.

Fiscal 2023 is expected to see a gradual and sustained improvement in new business for NBFC's. Some sectors which have been laggards in revenue recovery in fiscal 2022 as compared to fiscal 2019 (pre-covid) are expected to show a gradual uptick such as airline services (at 0.6x fiscal 2019), hotel services (0.7x), commercial vehicles (0.7x) and two-wheelers (0.8x).

Asset quality may pose challenges for some NBFC's in the first half of fiscal 2023, largely determined by the behaviour of their restructured book. However, the fiscal is largely expected to build upon the momentum gained in the previous two quarters and see a sustained gradual growth path through the year, barring surprises on the covid front or an extended fallout of the geopolitical strife.

## Opportunities & Threats

New business opportunities are expected to gain further momentum as covid lies low with near complete normalisation of economic activities. Steps taken earlier by NBFC's to navigate the pandemic should hold them in good stead as measures like digitalisation across customer lifecycles, alternate data sources for underwriting, greater focus on asset quality plays out beneficially during this fiscal.

NBFC's are also well placed to leverage on investments done in the recent past on digital lending infrastructure. With MSME's gradually turning a corner and an impending uptick in private consumption, this can be expected to act as a significant catalyst in expanding their customer franchise and overall growth.

Geopolitical strife may hurt global supply chains in certain sectors such as automobiles and IT hardware. Semi-conductor shortage is unlikely to ease in the near term. Utilisation levels for passenger vehicles, two-wheelers and

tractors are expected to be below previous peaks due to these supply chain constraints, growth associated with these sectors is expected to be relatively muted for the current fiscal.

**(Data Sources: Industry, RBI and Rating Agency reports)**

## Operations

Loan disbursements during the year were ₹ 29,033 crore as against ₹ 24,990 crore in the previous year.

The Assets under Management (AUM) of the Company as at March 31, 2022 stood at ₹ 61,444 crore as against ₹ 61,561 crore in the previous year.

The Company has continued to focus on diversifying its products and expand its distribution while augmenting its digital infrastructure and offerings to effectively deliver credit solutions to its market.

## Products and Services

HDB offers a comprehensive bouquet of products and service offerings that are tailor-made to suit its customers' requirements, including first-time borrowers and the under-served segments. HDB is engaged in the business of Loans, Fee based products and BPO services.

## Loans

HDB's range of product offerings encompasses Consumer Loans, Enterprise Loans, Asset Finance and Micro-Lending.

### Consumer Loans

Consumer loans are provided to individuals for personal or household purposes to meet their short to medium term requirements.

Our Consumer Loans Portfolio comprises the following:

- **Consumer Durable Loans** - HDB offers loans to its customers for the purchase of consumer durables and household appliances like TVs, refrigerators, air conditioners, washing machines and much more.
- **Digital Product Loans** - HDB's digital product loans are offered to customers to help fund their basic to high-end digital product necessities.
- **Lifestyle Product Loans** - Lifestyle Product Loans offered by HDB, assist the customers in the purchase of Lifestyle Products such as high-end furniture, cooking range, etc., enabling an upgradation of their lifestyle.
- **Personal Loans** - Personal Loans from HDB are offered to both salaried and self-employed individuals to help them meet any immediate, personal and other needs.
- **Auto Loans** - HDB offers auto loans to customers seeking to buy a new or used car.
- **Two-Wheeler Loans** - HDB offers two-wheeler loans to its borrowers, with an array of offerings.
- **Gold Loans** - HDB ensures fulfilment of urgent personal needs of its customers by offering loans against security of gold jewellery.

### Enterprise Loans

HDB provides Loans to Small and Micro Enterprises for their growth and working capital requirements. Various Loans offered to Enterprises include:

- **Unsecured Business loans** - HDB provides collateral-free loans to small businesses to help them meet their financial requirements that could vary from the purchase of new machinery and inventory to procuring working capital or revamping the business.
- **Enterprise Business Loan** - These loans are offered to self-employed persons (both individuals and professionals), private companies, and partnership firms to help boost their business of services, manufacturing, and trading against security of a collateral.
- **Loan against Property** - HDB provides multipurpose, secured loans against property for business expansion and working capital requirements.



# Directors' Report



- **Loan against Lease Rental** - HDB offers loans against rental income receivable on leased property, depending on the customer's financial profile and ability.
- **Auto Refinance** - Auto Refinance is working capital loans offered to customers, which can be availed on hypothecation of vehicles
- **Loan against securities** - Loan against securities ensures that customers can meet their immediate cash requirements by pledging their investments or securities like insurance policy, debt instruments and Bonds with the Company without having to liquidate them.

## Asset Finance

HDB offers loans for the purchase of new and used vehicles and equipment for income generation to its borrowers.

- **Commercial Vehicle Loans:** HDB provides loans for the purchase of new and used commercial vehicles. The Company also offers refinancing on existing vehicles for business working capital. The Company provides finance to a broad spectrum of customers including fleet owners, first-time users, first-time buyers and captive use buyers.
- **Construction Equipment Loans:** HDB provides loans for the procurement of new and used construction equipment. The Company also facilitates refinancing or re-purchase of existing equipment.
- **Tractor Loans:** HDB offers customized tractor loans for the purchase of tractors or tractor-related implements to meet any agricultural or commercial needs.

## Micro-Lending

HDB offers micro-loans to borrowers through the Joint Liability Groups (JLGs) framework. With Micro-Lending, the Company endeavours to empower and promote financial inclusion within these sections for the sustainable development of the nation.

## Fee-based products / Insurance Services

- HDB is a registered Corporate Insurance Agent with a valid license from the Insurance Regulatory & Development Authority of India (IRDAI). The Company is engaged in the sale of both Life and General (Non-Life) Insurance products.
- Under the open architecture arrangement adopted by your Company for insurance distribution, the Company has tie ups with "HDFC Life Insurance Co. Ltd." and "Aditya Birla Sun Life Insurance".
- Among general insurers, your Company has tie ups with "HDFC Ergo General Insurance Co. Ltd" and "Tata AIG General Insurance Co. Ltd".

## BPO Services

Your Company's BPO Services comprise of running collection call centers, sales support services, back office, operations and processing support services.

- **Collection Services** - HDB has a contract with the HDFC bank to run collection call centers. These centers provide collection services for the entire gamut of retail lending products of HDFC Bank. Currently, HDB offers end-to-end collection services in over 700 locations via its on-call and field support teams. The Company has established set up of 18 call centers across the country with a capacity of over 5,500 seats.
- **Back office and Sales Support** - The Company provides sales support services, back-office services such as forms processing, and document verification, finance, and accounting operations and processing support to HDFC Bank.

## DIGITAL LENDING JOURNEY

In a bid to meet the new and constantly evolving financial credit needs of young and tech-savvy customers, HDB has sought to transcend the conventional credit lending approaches. Your Company's active investment in the digitisation of lending services and solutions has allowed it to connect and cater to the New India and tech-savvy customers in a personalised manner.

Several digital offerings have been launched for commercial and retail segments to provide integrated solutions and simplify the borrowing process. These digital offerings include:

- HDB has initiated strategic partnerships with new-age Fintech players in the country to provide best in class, innovative digital solutions, and services. These collaborations have been successful in demonstrating an improved customer experience in conjunction with a convenient digital KYC process, quick application approval and disbursal of funds.
- **Digital Login:** To offer convenience to the customers, your Company has introduced a digital login process in partnership with select channels where customers can login online without physically visiting the store or a branch. The Company's customer care team efficiently guides customers with their loan processing journey via on-call and digital support.
- **e-NACH & e-Sign:** The introduction and implementation of these digital tools ensure a seamless, go-green customer experience with paperless processes, fewer errors, and quicker disbursals. The digital process ensures the collection of the applicant's basic information and documents upload, followed by an e-verification process. Upon completion of e-verification of details and documents submitted, the customer may digitally sign the agreement through Aadhaar-based authentication.
- **Credit Report:** Customers can check their customized credit report, for free by just providing their mobile number on HDB's website.

## CUSTOMER SERVICE DIGITAL CHANNELS

- **HDB on the Go App:** This is a one-stop Android application for customers to apply, view, and manage their loan accounts. It also allows customers to apply for a new loan with just a few clicks anytime, anywhere and get a pre-approved loan on their existing account.
- **WhatsApp Account Management:** Customers can access information about their loan account in real-time from anywhere by sending a "Hi" to the WhatsApp number 7304926929.
- **Customer Service Bot - #AskPriya:** Customers can now access all loan related information along with the latest offers available with HDB by chatting with our virtual assistant #AskPriya.
- **Missed Call Service:** Customers are now just a missed call away to receive all their loan-related information on their mobile phone as an SMS. Give a missed call to 044-45602401 from your registered mobile number to avail of the service.
- **Customer Portal:** The portal allows the customers to manage their loan account and get all loan related information quickly and efficiently.

## KEY INITIATIVES

- **Digital Pre-Approved Offers:** Pre-Approved loans are offered to customers who have a demonstrated credit history and repayment credibility. Customers with pre-approved loan offers can avail their loans digitally in a DIY mode or through assisted digital means.
- **HDB EMI card** - Through HDB's EMI card, customers can avail of an easy finance option to convert their purchases into EMI loans at attractive interest rates.
- **Fintech Partner Integration:** HDB's collaboration with its Fintech partners facilitates real-time lead sharing by partners useful for generating offers and getting in touch with the Company's customers to fulfil their loan requirements.
- **RM (Relationship Management) and VRM (Virtual Relationship Management):** HDB reaches out to its top 20% customer segment to address their service and financial requirements through a relationship manager. Further, the Company also ensures that the next top 20% of the customers are reached through VRM. Relationship Managers also assist customers with other HDB products while servicing the customers.
- **Aabhaar Card (Loyalty Card):** HDB's loyalty cards i.e., Blue Aabhaar card and the Platinum Card provide ease of documentation and a pre-approved loan amount eligibility to the customer. Both category of cards come with a host of benefits for the customer.

## SEGMENT WISE PERFORMANCE

The details with regard to segment wise performance of the Company are mentioned in the notes forming part of the financial statements at Note no. 35.

## INFRASTRUCTURE

As of March 31, 2022, your Company had 1,374 branches in 989 cities in India. The Company's data centers are located in Bengaluru and Mumbai with centralised operations based out of Hyderabad, Chennai, and Noida. In a quest to strengthen its internal processes, the Company has further implemented a quality management system for its centralised operations.

## OUTLOOK

As we step out of the shadow of the pandemic, the economy is expected to see a sustained recovery. As the market and customer expectations mature, differentiated customer acquisition and deeper customer engagement through the lifecycle will assume importance with digitisation being a key enabler towards achieving this. Your Company with a diversified product suite, its digital infrastructure and its broad reach through the country is well positioned to chart a growth path for fiscal 2023.

## RISK MANAGEMENT

Your Company, is exposed to various risks that are an inherent part of any financial service business. Credit, operational and liquidity risks are generally seen as top tier risks, however given the evolving landscape, risks around digital lending and information security also form an integral aspect of risk management.

The Company's risk management framework is well dimensioned and managed based on a clear understanding of various risks, disciplined risk assessment, measurement procedures and continuous monitoring. The Board of Directors has oversight on all risks assumed by the Company. Specific Committees have been constituted to facilitate focused oversight of the risks identified. These risks have the potential of impacting the financial strength, operations and reputation of your Company. Keeping this in mind, your Company has a Board approved Risk Management Framework in place. The effectiveness of this framework is supervised periodically by the Risk Management Committee. Your Company is committed towards creating an environment of increased risk awareness at all levels. It also aims at constantly upgrading the appropriate security measures, including cyber security measures, to ensure avoidance and mitigation of various risks and achieve an optimised balance of return for the risk assumed, while remaining within acceptable risk levels.

Your Company conducts stress tests to assess the resilience of its Balance Sheet. This also helps to provide insights to the Management to understand the nature and extent of vulnerabilities, quantify the impact and develop plausible business-as-usual mitigating actions. The markets have witnessed substantial turbulence in the previous two years. However, as your Company has been fundamentally built on the principle of sound risk management practices, it has successfully weathered this turbulence and continues to remain resilient.

### Credit Risk including Credit Concentration Risk:

Credit risk is defined as the possibility of losses associated with the diminution in the credit quality of borrowers, losses may stem from outright default or a reduction in portfolio value. Your Company has a distinct credit risk architecture, policies, procedures and systems for managing credit risk. The product programs for each of the products define the target markets, credit philosophy, process, detailed underwriting criteria for evaluating individual credits, exception reporting systems, individual loan exposure caps and other factors. For individual customers to be eligible for a loan, minimum credit parameters are to be met for each product and any deviations must be approved at designated levels. Credit framework encompasses parameters at different stages of the portfolio lifecycle from acquisitions till write offs. There are robust front-end and back-end systems in place to ensure credit quality and minimize loss from default. The factors considered while sanctioning retail loans include income, demographics, previous credit history of the borrower and the tenor of the loan. Thresholds are defined using historical data for each parameter at the Product level identifying "stress" period for the product lifecycle. This framework defined at product level is then aggregated at the Portfolio level. Exposures are monitored against approved limits to guard against unacceptable risk concentrations. Your Company also monitors credit concentration of exposures to single borrower, group of borrowers, sensitive industries, geography, product, etc.

## Digital Lending Risk:

Digitalisation will increasingly become a key differentiator for customer acquisition, retention and service delivery, hence, digitalisation of the entire customer lifecycle would be imperative in ensuring a frictionless customer experience. In view of this digital lending platforms are gaining prominence.

Your Company has taken various steps on this digital path and has automated the loan application process to make informed credit decisions at the underwriting stage itself through various tools like CRM, Rule Engine, Bureau Integration, Deviations Management etc. This has resulted in higher productivity, lower overhead costs and swift processes, thus, enabling a seamless journey for the customer and leading to financial inclusion. Controls have been laid down through document management, workflow engine, roles and login restrictions to control the risks emanating out of digital lending. With an objective to minimize risk in collection and recovery, analytics and reporting systems have been used to identify defaulters, intimating customers on EMI payments, tracking on-ground collections team and quick reporting. Early Warning system, Behavioural Analysis, End to End Business Reporting have been set up to maintain healthy asset quality with optimal risk-reward considerations.

## Business / Strategic Risk:

Business / Strategic risks are risks that affect or are created by an organisation's business strategy and strategic objectives. Your Company's management of this risk is guided by diversification in its business through various products, customer segments and geographies, balanced growth while maintaining a healthy asset liability mix and prudent provisioning policies.

## Operational Risk:

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. Operational Risk includes legal risk but excludes strategic and reputational risks. Operational Risk management is explained in the listed parameters:

- ❑ **Framework and Policy:** Your Company has implemented a robust and comprehensive Operational Risk Framework defined as part of the Board-approved Operational Risk Management Policy to identify, assess and monitor risks, strengthen controls and minimize Operational Risk losses. The Board of Directors, Risk Management Committee and the Operational Risk Management Committee (ORMC) have overall oversight function for operational risk management.
- ❑ **ORM Organisation Structure:** Under this framework your Company has a 3 layered defence. The 1<sup>st</sup> layer of protection is provided by the Business units (including support and operations) who are accountable for operational risks and controls in their respective areas. ORM is the 2<sup>nd</sup> line of defence which develops and implements policies/processes, procedures, tools and techniques to assess and monitor the adequacy and effectiveness of the Company's internal controls. Internal Audit is the 3<sup>rd</sup> line of defence which reviews the effectiveness of governance, risk management and internal controls.
- ❑ **Operational Risk Assessment & Measurement tools:** The primary tools for measuring operational risk across your Company include:
  - o Internal operational loss data
  - o Key Risk Indicators (KRI)
  - o Scenario Analysis and Stress Testing.
- ❑ **Internal Control:** Your Company has sound internal control practices across all processes, units and functions and has well laid down policies and processes for management of its day-to-day activities. The Company follows established, well-designed controls, which include maker-checker principles, effective delegation of authority, and segregation of duties, Code of conduct, reconciliation, exception reporting and periodic MIS. Specialised risk control units function in risk prone products / functions to minimize operational risk.
- ❑ **Fraud Monitoring & Control:** Your Company has Risk Containment Unit (RCU) that continuously monitors data to identify exception patterns and also conducts surprise inspections of our distribution points. The RCU investigates potential frauds, does the root cause analysis and oversees implementation of fraud prevention measures to prevent recurrence. Periodic reports are submitted to the Fraud Management Committee and Audit Committee of the Board.

- ❑ **Information Technology and Security Practices:** Your Company has put in place a governance framework, information security practices, data leakage policy and business continuity plan to mitigate information technology related risks. There is an independent Information Security Committee that addresses information security related risks. A well-documented Board approved information security policy has been put in place. Disaster recovery and Business Continuity Plans (BCP) have been established for significant businesses to ensure continuity of operations and minimal disruption to customer services. These plans are periodically tested and reviewed to ensure their effectiveness.
- ❑ **Material Outsourcing:** ORMC also reviews the effectiveness of the outsourcing policy and procedures to ensure effective due diligence and monitoring of the Company's outsourced activities on a continuous basis.

## **Reputation Risk:**

Trust is the foundation for the financial service industry and is critical to building a strong customer franchise. Any adverse stakeholder or public perception about the company may negatively impact our ability to attract and retain customers and may expose us to litigation and regulatory actions.

Reputation Risk most often results from the poor management of other risks and can arise from a variety of sources including direct sources like poor financial performance, poor governance and indirect sources like increased operational risk or control failures. The Company manages this through a strict code of conduct policy for its employees, good corporate governance policies and an effective customer grievance mechanism. We communicate with our stakeholders regularly through appropriate engagement mechanisms to address stakeholder expectations and assuage their concerns, if any.

## **Technology Risk:**

Technology is rapidly changing the way financial services entities operate and is a key disruptor for the industry. The focus of your Company continues to be on augmenting its digital capabilities and is aimed at leveraging digital technology to provide a best in class experience for its customers while simultaneously enhancing productivity and risk management. A layered technology architecture is implemented to manage risks due to system failures, cyber-attacks etc. Disaster recovery and Business Continuity Plans (BCP) have been established and various functional and technology initiatives have been taken to enhance system resiliency. Effective access control mechanism is a key technology control to prevent unauthorised access. The access to business applications is provisioned by an independent team and is provided based on the roles and responsibilities of the user. Technology and Operational controls are implemented to manage privileged access to systems. Cyber threats and the associated risks in the external environment have increased and your Company works continuously to improve processes and controls to mitigate these risks. Cyber resilience framework is being established to mitigate the threats such as data breaches, malware, Denial-of-service attacks etc. A next generation Security Operations Centre (SoC) with AI-ML capabilities for real-time threat monitoring has recently been implemented. Your Company has also achieved a top Tier rating of 800 for its security standards posture from BitSight, a leading cyber security ratings company, this puts it in the top 10 percentile for financial services globally.

## **Interest Rate Risk:**

Interest Rate Risk is the exposure of a Company's financial condition to adverse movements in interest rates. Changes in interest rates affect a Company's earnings by changing its Net Interest Income (NII). Asset Liability Committee (ALCO) is a decision making management committee responsible for balance sheet planning in your Company from risk return perspective including strategic management of interest rate and liquidity risks. Advances Book and Funding strategy are tailored in such a way that repricing of borrowings can be offset by repricing the loans. Earnings impact using traditional gap analysis measures the level of your Company's exposure to interest rate risk in terms of sensitivity of its NII to interest rate movements over the horizon of analysis.

## **Liquidity Risk:**

Liquidity Risk is the risk that a Company may not be able to meet its short term financial obligations due to an asset- liability mismatch or interest rate fluctuations. The Board of Directors has delegated the responsibility for ongoing balance sheet Liquidity Risk management to the Asset Liability Committee (ALCO). The Company's framework for liquidity and interest rate risk management is articulated in its Asset Liability Management Policy that is implemented, monitored and periodically reviewed by the ALCO. The ALCO also reviews the NIM-Net Interest Margins, maturity profile, stock ratios and mix of your Company's assets and liabilities. It also articulates



the interest rate view and decides on future business strategy with respect to interest rates. The Liquidity Coverage Ratio (LCR) is monitored on a daily basis. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. The Company has also adopted a liquidity risk framework as required under RBI regulations.

## **Compliance Risk:**

Compliance Risk is defined as the risk of exposure to legal, regulatory sanctions and a damage to its reputation as a result of failure or a perceived failure to comply with applicable laws, regulations, internal policies or prescribed best practices.

Your Company has a Compliance Policy to ensure highest standards of compliance. The Compliance team led by a Compliance Officer reports directly to the Managing Director and works with business operations to ensure active compliance risk management and monitoring. The team also provides advisory services on regulatory matters. The focus is on identifying and reducing risk by rigorous testing and also putting in place robust internal policies. Products and processes are reviewed for adherence to regulatory norms prior to rollout. Internal policies are reviewed and updated periodically as per agreed frequency or based on market action or regulatory guidelines / action. The compliance team also seeks regular feedback on regulatory compliance from product, business and operation teams through self-certifications and monitoring.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements comprise the financial statements of the Company and its controlled structured entities (collectively known as 'the Group'). The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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 Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

## **INTERNAL CONTROL SYSTEMS AND AUDIT**

Your Company's internal control system is designed to ensure operational efficiency, compliance with laws and regulations and accuracy and promptness in financial reporting. The internal control system is supported by an internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations. The internal audit plan is developed based on the risk profile of business activities of the organisation. The audit plan is approved by the Audit Committee, which regularly reviews the status of the Audit plan and performance of the Internal Audit Department and provide directions wherever required.

## **COMPLIANCE**

Your Company has a Board approved compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements. The Audit Committee reviews the performance of the compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary/considered appropriate.

## **HUMAN RESOURCES**

HDB prides itself in having a work culture that is solution-centric, growth and execution oriented. The pandemic ushered in new methods of working and employee engagement. Given our high focus on digital transformation, our teams have been seamlessly able to work onsite/ offsite/ hybrid modes as per the evolving environment. We moved many processes to the digital platform that not only engages employees more effectively but also helps our businesses to move up the curve faster.

# Directors' Report



At HDB we believe that our people are our biggest assets. The workforce at HDB has a right blend of youth & experience and the success of our organisation is based on the capability, passion & integrity of our people. There is a high premium placed on internal growth which has enabled us to have a stable mid and senior management team over the last many years. Your Company conducts an array of engagement activities, encourage our employees to acquire newer skills and create platforms to interact with peers across the country that enables growth by sharing of best practices and learnings.

Your Company continues to attract and retain talent that focuses on sustained superior performance, provide them opportunities to learn, realise their true potential and contribute positively to the success of the Company. Our Senior Leadership Team, from time to time, shares the strategy and vision for the Company that ensures that our employees are always cognizant of what is happening in the Company, thereby encouraging an interactive and engagement driven work culture.

As on March 31, 2022, your Company had 1,21,595 employees as compared to 1,04,960 as on March 31, 2021.

## CAUTIONARY NOTE

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

## ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and Government Bodies, Company's Auditors, Customers, Bankers, Promoters and Shareholders.

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which has helped the Company maintain its growth.

**On behalf of the Board of Directors**

**Sd/-  
Arijit Basu  
Chairman**

**Place: Mumbai**

**Date: May 18, 2022**

### ANNUAL REPORT ON CSR ACTIVITIES

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

The CSR Policy of the Company is the guiding document to optimally allocate, manage and supervise prescribed CSR funds of the Company. The document spells out the Company's CSR mission of contributing towards social and economic development of the community, and the strategy to work towards its mission statement.

The Company has adopted seven development areas that are in line with Schedule VII, and further defines the nature of CSR initiatives to be undertaken. The policy document highlights the role of the CSR committee members too. The CSR Policy of the Company is in line with Section 135 of the Companies Act, 2013, CSR Rules and Schedule VII of the Companies Act, 2013.

#### 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	Dr. Amla Samanta	Chairman of the Committee, Independent Director	4	4
2	Ms. Smita Affinwalla	Member, Independent Director	4	4
3	Mr. G. Ramesh	Member, Managing Director & CEO	4	4

#### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

CSR Policy includes Composition of CSR Committee and the CSR Policy is uploaded on the Company's website and can be accessed at: <https://www.hdbfs.com/sites/default/files/policies/Corporate-Social-Responsibility-Policy.pdf>

List of active CSR projects approved by the Company are uploaded on the Company's website and can be accessed at: [https://www.hdbfs.com/sites/default/files/hdbfs-pdf/For-Website\\_Aproved-Projects.pdf](https://www.hdbfs.com/sites/default/files/hdbfs-pdf/For-Website_Aproved-Projects.pdf)

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)

The Company identified projects that were due for impact assessment in FY 2021-22. An independent agency was assigned to conduct impact assessment for projects with an outlay of ₹ 1 crore and above. The assessment exercise has been conducted for two projects and detailed assessment reports have been presented to the Board of Directors of the Company. The said report is also uploaded on the Company website at <https://www.hdbfs.com/corporate-social-responsibility>.

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any) - Not Applicable

#### 6. Average net profit of the Company as per section 135(5) - ₹ 1,234.89 crore

#### 7. Computation of CSR Obligation -

- Two percent of average net profit of the Company as per section 135(5) = ₹ 24.70 crore.
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years = NIL
- Amount required to be set off for the financial year, if any = NIL
- Total CSR obligation for the financial year (7a+7b-7c) = ₹ 24.70 crore



## 8. Details for Spent / Unspent for Completed / Ongoing CSR Projects -

a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In crore)	Amount Unspent (₹ In crore)			
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	Amount	Date of transfer	Name of the Fund	Date of transfer
25.83	Not Applicable	Not Applicable	Not Applicable	Not Applicable

b. Details of CSR amount spent against ongoing projects for the financial year

1	2	3	4	5		6	7	8	9	10	11	12	13	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		FY in Which the project was commenced	Project duration	Amount allocated for project (₹ In crore)	Amount spent in the current financial Year (₹ In crore)	Cumulative amount spent at the end of reporting Financial Year (₹ In crore)	Amount transferred to Unspent CSR A/c. for the project as per Section 135(6) (₹ In crore)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District								Name	CSR Regn. No.
1	Mother & Child Health and Nutrition	Healthcare	Yes	RJ	Sirohi	FY21	Jan'21 - Jun'22	0.67	0.30	0.64	-	No	Mamta - HIMC	CSR00001978
2			Yes	RJ, DL	Jaipur, Delhi	FY21	Mar'21 - Jun'22	0.83	0.20	0.61	-	No	Mamta - HIMC	CSR00001978
3			Yes	GJ	Ahmedabad	FY21	Oct'20 - Dec'21	0.53	-	0.53	-	No	CHETNA	CSR00001034
4			Yes	MP	Ujjain, Ratlam	FY21	Mar'21 - Mar'22	0.85	0.42	0.84	-	No	CHETNA	CSR00001034
5			Yes	GJ	Ahmedabad	FY22	Nov'21 - Nov'22	0.40	0.20	0.20	-	No	CHETNA	CSR00001034
6	School WASH & Clean Drinking Water for Rural Communities	Healthcare	Yes	TN	Madurai, Salem, Namakkal, Pudukottai, Trichy, Tanjore	FY21	Sept'20 - Mar'22	3.00	-	3.00	-	No	Gramalaya	CSR00001033
7			Yes	TN	Erode, Madurai, Trichy	FY21	Mar'21 - Mar'22	1.00	0.50	1.00	-	No	Gramalaya	CSR00001033
8			Yes	AP	Guntur, Kurnool, Vizag	FY20	Apr'20 - Dec'21	0.90	-	0.90	-	No	Bala Vikasa	CSR000000313
9			Yes	UP	Chitrakoot	FY21	Sept'20 - Apr'22	1.03	-	0.76	-	No	JSCT	CSR000000724
10			Yes	MH	Akola, Amravati, Washim	FY21	Mar'21 - Mar'22	1.51	0.75	1.51	-	No	YRA	CSR000002429
11			Yes	MP	Shivpuri	FY20	Jan'20 - Dec'21	0.50	0.05	0.50	-	No	Haritika	CSR000000516
12			Yes	MP	Shivpuri	FY21	Mar'21 - Mar'22	0.68	0.34	0.68	-	No	Haritika	CSR000000516
13			Yes	AP	East Godavari	FY22	Nov'21 - Dec'22	0.82	0.74	0.74	-	No	WASH Institute	CSR000000170

# Directors' Report

1	2	3	4	5		6	7	8	9	10	11	12	13	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		FY in Which the project was commenced	Project duration	Amount allocated for project (₹ In crore)	Amount spent in the current financial Year (₹ In crore)	Cumulative amount spent at the end of reporting Financial Year (₹ In crore)	Amount transferred to Unspent CSR A/c. for the project as per Section 135(6) (₹ In crore)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District								Name	CSR Regn. No.
14			Yes	UP	Sonabhadra	FY21	Feb'21 – Mar'22	0.40	0.20	0.40	-	No	Smile Foundation	CSR00001634
15			Yes	TN	Thiruvallur	FY21	Mar'21 – Jul'22	0.62	0.11	0.42	-	No	Smile Foundation	CSR00001634
16			Yes	DL	Delhi	FY21	Mar'21 – Apr'22	0.27	0.07	0.21	-	No	Smile Foundation	CSR00001634
17			Yes	MH	Mumbai	FY21	Mar'21 – Dec'22	1.95	0.20	1.18	-	No	SSFA&SS	CSR00001777
18	Diagnosis & Treatment of Preventable Illness	Healthcare	Yes	MH	Navi Mumbai	FY21	Mar'21 – Nov'22	0.35	-	0.20	-	No	FPA India	CSR00002424
19			Yes	TN	Nammakal	FY21	Mar'21 – Mar'22	0.43	0.21	0.42	-	No	Gramalaya	CSR00001033
20			Yes	PAN India	PAN India	FY20	Mar'20 – Apr'23	1.50	-	0.75	-	No	Smile Foundation	CSR00001634
21			Yes	TN, WB	Chennai, Kolkata	FY20	Apr'20 – Mar'22	1.78	-	1.78	-	No	MRF	CSR00002623
22			Yes	UP	Sonebhadra	FY22	Feb'22 – Mar'23	0.40	0.03	0.03	-	No	Smile Foundation	CSR00001634
23			Yes	MH	Thane	FY21	Feb'21 – Dec'22	3.00	1.00	2.00	-	No	SCST	CSR00001017
24			Yes	GJ, MP, RJ, AP	Anand, Indore, Jaipur, Guntur	FY21	Mar'21 – Mar'22	1.36	0.54	1.36	-	No	SKKMT	CSR000003159
25			Yes	KA	Saragur	FY22	Nov'21 – Dec'22	0.89	0.89	0.89	-	No	SVYM	CSR00002215
26	Healthcare infrastructure	Healthcare	Yes	GJ, RJ, KA	Anand, Jaipur, Shimoga	FY22	Nov'21 – Dec'22	1.00	1.00	1.00	-	No	SKKMT	CSR000003159
27			Yes	AP	Chittoor	FY22	Dec'21 – Dec'22	3.04	2.98	2.98	-	No	ACF	CSR00001539
28			Yes	WB	Kolkata	FY22	Feb'22 – Mar'23	0.56	0.56	0.56	-	No	MRF	CSR00002623
29	Healthcare: COVID-19 Response	Healthcare	Yes	Pan India	Pan India	FY21	Mar'21 – Dec'21	0.12	-	0.12	-	Yes	-	-

1	2	3	4	5	6	7	8	9	10	11	12	13
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project	FY in Which the project was commenced	Project duration	Amount allocated for project (₹ In crore)	Amount spent in the current financial Year (₹ In crore)	Cumulative amount spent at the end of reporting Financial Year (₹ In crore)	Amount transferred to Unspent CSR A/c. for the project as per Section 135(6) (₹ In crore)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency
				State District								CSR Regn. No.
30			Yes	Pan India	Pan India	Sept'20 – Aug'22	2.02	-	1.81	-	No	FPA India
31			Yes	DL	Delhi	Sept'20 – Aug'21	0.26	-	0.26	-	No	Sarthak Education
32			Yes	MH	Mumbai	Apr'20 – Sept'21	0.50	-	0.50	-	No	NRI
33			Yes	KA, TL, MH	Bangalore, Hyderabad, Mumbai, Nagpur	Dec'20 – May'22	1.27	-	1.14	-	No	KSWA
34			Yes	JH	Ranchi	Mar'21 – Apr'22	0.50	0.09	0.34	-	No	Prayatha
35			Yes	RJ, UP	Jaipur, Noida	Feb'20 – Mar'21	1.00	0.10	1.00	-	No	Development Alt.
36			Yes	TN, MH, DL, WB	Chennai, Mumbai, Delhi, Kolkata	Aug'19 – Aug'22	1.65	-	1.24	-	No	Sambhav Foundation
37			Yes	WB	Kolkata	Sept'19 – Jun'22	0.26	0.12	0.24	-	No	HHF
38			Yes	MH	Mumbai	Apr'20 – Dec'21	1.60	-	1.60	-	No	TNS India Fn.
39			Yes	TL	Hyderabad	Jan'20 – Sept'21	0.65	0.19	0.65	-	No	FUEL
40			Yes	UP, BH	Varanasi, Patna	Sept'19 – Jul'21	0.37	-	0.37	-	No	Medha
41	Youth Training & Development	Livelihood Enhancement	Yes	GJ, MH, DL, TL, KA	Ahmedabad, Mumbai, Delhi, Hyderabad, Bangalore	Jan'20 – Oct'22	1.00	-	0.50	-	No	SGBS Unnati
42			Yes	MH, TN, TL	Chennai, Hyderabad	Feb'20 – Jun'22	0.75	-	0.71	-	No	TCIT
43			Yes	RJ, UP	Jaipur, Noida	Aug'21 – Oct'22	0.70	0.45	0.45	-	No	Development Alt.
44			Yes	DL	Delhi	Jul'21 – Oct'22	0.30	0.27	0.27	-	No	Sarthak Education
45			Yes	MH	Mumbai	Apr'21 – Sept'22	0.59	0.56	0.56	-	No	NRI
46			Yes	MH, KA	Pune, Bangalore	Sept'21 – Aug'22	1.34	0.67	0.67	-	No	FUEL
47			Yes	MH, MP, RJ	Malegaon, Neemuch, Bhopal, Ajmer	Nov'21 – Nov'22	0.25	0.23	0.23	-	No	Srujna Charitable Trust
48			Yes	MH, UP	Mumbai, Noida	Nov'21 – Oct'22	1.50	0.23	0.23	-	No	TNS India Fn.
49			Yes	KA, MH, RJ, DL, WB, TM	Bangalore, Murbad, Nashik, Palghar, Ajmer, Delhi, Darjeeling, Chennai	Feb'22 – Mar'23	0.65	0.64	0.64	-	No	Srujna Charitable Trust
50	Food for Education	Education	Yes	UP	Vrindavan, Lucknow	May'21 – May'22	1.40	0.85	1.14	-	No	TAPF
51			Yes	KA, GJ	Bangalore, Gujarat	Nov'21 – Dec'22	0.97	0.95	0.95	-	No	TAPF
52	Quality Education	Education	Yes	KA	Hubli	Feb'21 – Jul'22	0.28	0.10	0.29	-	No	SVYM

1	2	3	4	5	6	7	8	9	10	11	12	13		
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		FY in Which the project was commenced	Project duration	Amount allocated for project (₹ In crore)	Amount spent in the current financial Year (₹ In crore)	Cumulative amount spent at the end of reporting Financial Year (₹ In crore)	Amount transferred to Unspent CSR A/c. for the project as per Section 135(6) (₹ In crore)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District								Name	CSR Regn. No.
53	Restoration of Ecological Balance & Disaster Relief	Environmental Sustainability	Yes	TN	Coimbatore	FY21	Mar'21 – Feb'22	0.30	0.15	0.30	-	No	Siruthuli	CSR000000023
54			Yes	KA	Udupi	FY20	Feb'20 – Feb'22	1.12	0.06	1.12	-	No	Saahas	CSR000000097
55			Yes	KA	Udupi	FY21	Mar'21 – Apr'22	0.80	0.39	0.79	-	No	Saahas	CSR000000097
56			Yes	TN	Coimbatore	FY21	Feb'21 – Mar'22	1.55	0.77	1.55	-	No	COODU	CSR000001346
57			Yes	TN	Thiruvallur, Tiruppur, Tuticorin	FY20	Apr'20 – Mar'22	1.05	-	1.05	-	No	EFI	CSR000002310
58			Yes	AP, GJ	Chittoor, Bhuj	FY21	Mar'21 – Mar'22	1.47	0.89	1.48	-	No	EFI	CSR000002310
59			Yes	TN, MP, RJ	Kanyakumari, Khandwa, Harda, Bhilwara	FY21	Jan'21 – Dec'22	1.00	0.40	0.90	-	No	Impact Guru Fn.	CSR000000991
60			Yes	RJ	Bhilwara	FY20	Dec'19 – Jun'21	1.35	0.07	1.35	-	No	FES	CSR000000637
61			Yes	GJ	Songadh	FY20	Jul'19 – Mar'22	1.15	0.03	1.15	-	No	BISLD	CSR000000259
62			Yes	KA	Uttar Kannada	FY20	Nov'19 – Sep'21	1.25	-	1.25	-	No	Manuvikasa	CSR000002730
63			Yes	RJ	Bhilwara	FY22	Sep'21 - Feb'23	1.52	0.76	0.76	-	No	FES	CSR000000637
64			Yes	PAN India	PAN India	FY22	Oct'21 - Dec'22	1.10	0.82	0.82	-	No	Sankalp Taru Fn.	CSR000000590
65			Yes	RJ	Udaipur	FY22	Oct'21 - Oct'22	1.35	0.67	0.67	-	No	Seva Mandir	CSR000000288
TOTAL							65.21	21.75	55.19					

Note: Details of amount spent during the financial year 2021-22 from the Unspent CSR Account - FY21 is excluded in the table above, and is mentioned separately under point 9(b) of this Annexure.

**Abbreviations:** Mamta Health Institute for Mother and Child (Mamta – HIMC), Jal Seva Charitable Trust (JSCST), Head Held High Foundation (HHHF), Yuva Rural Association (YRA), Sri Shanmukhananda Fine Arts & Sangeetha Sabha (SSFA&SS), Family Planning Association of India (FPA India), Sri Chaitanya Seva Trust (SCST), Sri Kanchi Kamakoti Medical Trust (SKKMT), Alamelu Charitable Foundation (ACF), New Resolution India (NRI), Kherwadi Social Welfare Association (KSWA), Friends Union for Energizing Lives (FUEL), The Akshaya Patra Foundation (TAPF), Swami Vivekananda Youth Movement (SVYM), Community Organisation for Oppressed and Depressed Upliftment (COODU), Environmentalist Foundation of India (EFI), Foundation for Ecological Security (FES), BAIF Institute For Sustainable Livelihoods and Development (BISLD), Tata Community Initiative Trust (TCIT), Medical Research Foundation (MRF).

## c.Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project for the project (₹ In crore)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing agency
				State	District		Name	CSR Reg. No.
1	Diagnosis & Treatment of Preventable Illness	Healthcare	Yes	MH	Mumbai	0.15	No	SSFA&SS
2			Yes	MH	Mumbai	0.01	Yes	-
3			Yes	MH	Mumbai	0.00	Yes	-
4			Yes	DL	Delhi	0.00	Yes	-
5			Yes	MH	Mumbai	0.02	Yes	-
6	Healthcare: COVID-19 Response	Healthcare	Yes	PAN India	PAN India	0.02	Yes	-
7			Yes	PAN India	PAN India	0.61	Yes	-
8			Yes	PAN India	PAN India	0.98	Yes	-
9			Yes	MH	Navi Mumbai	0.00	Yes	-
10			Yes	MH	Mumbai	0.00	Yes	-

1	2	3	4	5	6	7	8
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (₹ In crore)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing agency
11	Delivery of Quality Education & Support	Education	Yes	MH	0.15	No	Human Development Centre Trust
12			Yes	PAN India	0.16	Yes	-
13			Yes	PAN India	0.45	Yes	-
14			Yes	PAN India	0.24	Yes	-
15	Restoration of Ecological Balance & Disaster Relief	Environmental Sustainability	Yes	AP	0.00	Yes	-
16			Yes	GJ	0.00	Yes	-
	<b>TOTAL</b>				<b>2.79</b>		

d. Amount spent in Administrative Overheads - ₹ 1.23 crore.

e. Amount spent on Impact Assessment, if applicable - ₹ 0.06 crore.

f. Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ 25.83 crore.

g. Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	24.70
(ii)	Total amount spent for the Financial Year	25.83
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.13
(iv)	Surplus arising out of the CSR projects/programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.13

9.

a.Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ In crore)	Amount spent in the Reporting Financial Year (₹ In crore)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years (₹ In crore)
				Name of the Fund	Date of transfer
1.	FY22	NIL	NIL	Not Applicable	Not Applicable
2.	FY21	7.31	5.03	Not Applicable	Not Applicable
3.	FY20	NIL	NIL	Not Applicable	Not Applicable
	<b>TOTAL</b>	<b>7.31</b>	<b>-</b>	<b>-</b>	<b>3.47*</b>

\* An Unspent of ₹ 3.47 crore in FY20 has been fully disbursed and utilized during FY20-21.

b.Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9	10
Sl. No.	Project ID.	Name of the project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (₹ in crore)	Amount spent on the project in the reporting Financial Year (₹ in crore)	Cumulative amount spent at the end of reporting Financial Year (₹ in crore)	Status of the project - Completed / Ongoing	Mode of Implementation - Through Implementing Agency
1.	-	Mother & Child Health and Nutrition	FY21	Oct'20 - Dec'21	0.53	0.27	0.53	Completed	CETNA
2.	-	School WASH & Clean Drinking Water for Rural Communities	FY21	Sept'20 - Mar'22	3.00	0.75	3.00	Completed	Gramalaya
3.	-		FY20	Apr'20 - Dec'21	0.90	0.10	0.90	Completed	Bala Vikasa
4.	-		FY21	Sept'20 - Apr'22	1.03	0.50	0.76	Ongoing	JSCIT
5.	-	Diagnosis & Treatment of Preventable Illness	FY20	Mar'20 - Apr'23	1.50	0.00	0.75	Ongoing	Smile Fn.
6.	-		FY20	Apr'20 - Mar'22	1.78	0.78	1.78	Completed	MRF
7.	-	Healthcare: COVID-19 Response	FY21	Mar'21 - May'22	0.12	0.06	0.12	Completed	Craftizen Designs
8.	-	Youth Training & Development	FY21	Sept'20 - Aug'22	2.02	0.80	1.81	Ongoing	FPA India
9.	-		FY21	Sept'20 - Aug'22	0.26	0.02	0.26	Completed	Sarthak Education
10.	-		FY21	Apr'20 - Sept'21	0.50	0.05	0.50	Completed	NRI
11.	-		FY21	Dec'20 - May'22	1.27	0.51	1.14	Ongoing	KSWA
12.	-		FY20	Aug'19 - Aug'22	1.65	0.41	1.24	Ongoing	Sambhav Fn.
13.	-		FY20	Apr'20 - Dec'21	1.60	0.16	1.60	Completed	TNS India Fn.
14.	-		FY20	Sept'19 - Jul'21	0.37	0.04	0.37	Completed	Medha
15.	-		FY20	Jan'20 - Oct'22	1.00	0.00	0.50	Ongoing	SGBS Unnati
16.	-		FY20	Feb'20 - Jun'22	0.75	0.34	0.71	Ongoing	TCIT
17.	-		FY20	Apr'20 - Mar'22	1.05	0.11	1.05	Completed	EFI
18.	-		FY20	Nov'19 - Sept'21	1.25	0.13	1.25	Completed	Manuvikasa
	Total				20.58	5.03	18.27		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NIL capital assets are created or acquired in the name of the Company.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

Sd/-

**Amla Samanta**  
Chairperson, CSR Committee

Sd/-

**G. Ramesh**  
Managing Director & CEO

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,  
HDB Financial Services Limited  
Radhika, 2<sup>nd</sup> Floor, Navrangpura,  
Ahmedabad, 380009, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HDB Financial Services Limited (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner which provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;
- (v) 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 (Not applicable to the Company during audit period);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 relating to debt securities listed on Stock Exchange(s);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 (Not applicable to the Company during audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during audit period);
  - (h) The Securities and Exchange Board of India (Debenture Trustees) Regulations 1993; and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);



- (vi) **We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the laws i.e. as stated in the Annexure I attached herewith, applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015 relating to debt securities listed on Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

## **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has passed the following special/ordinary resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. Appointment of Mr. Arijit Basu as Chairman and Non-Executive Director of the Company.
- b. Sell, assign of its receivables/book debts up to ₹ 7,500 crore.
- c. Authority to issue redeemable non-convertible debentures and/or other hybrid instruments on private placement basis up to ₹ 11,654.90 crore (Rupees Eleven Thousand Six Hundred Fifty Four Crore and Ninety Lakh Only).
- d. Approval of securitisation transaction with HDFC Bank Limited within overall securitisation limit of ₹ 7,500 crore (Rupees Seven Thousand Five Hundred Crore Only).
- e. Appointment of M/s. Khimji Kunverji & Co. LLP and M/s. B. K. Khare & Co. as joint statutory auditors of the Company to fill the casual vacancy caused due to ineligibility of M/S. B S R & Co. LLP to continue as the statutory auditors of the Company in terms of RBI guidelines.
- f. Authority to issue Redeemable Non-Convertible debentures on private placement basis up to ₹ 10,000 crore (Rupees Ten Thousand Crore Only).
- g. Appointment of Ms. Arundhati Mech as an Independent Director of the Company.
- h. Ratify and Approve Related Party Transactions with HDFC Bank Limited for FY 2021-22

**We, further report that** during the audit period, the Company has transacted the following activities through the approval of the Board/committee resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The Company has issued and allotted 83,260 (Eighty-Three Thousand Two Hundred and Sixty) Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each (Rupees Ten Lakh Only) in various tranches on private placement which were duly listed on BSE Limited. Also during the reporting year, the Company has received 3<sup>rd</sup> Call money of ₹ 300 crore (i.e. 20% of the amount raised) towards partly paid up Non-convertible Debentures issued and allotted in the FY 2019-20;



## Directors' Report



- b. The Company has issued and allotted 150 (One Hundred and Fifty) Unsecured Non- Convertible Perpetual Debt Instruments of ₹ 1 crore each (Rupees One Crore Only) on private placement which were duly listed on BSE Limited;
- c. The Company has issued and allotted 1,000 (One Thousand) Secured Redeemable Non-Convertible Market Linked Debentures of ₹ 10 Lakh each (Rupees Ten Lakh Only) on private placement which were duly listed on BSE Limited;
- d. The Company has redeemed 65,995 (Sixty-Five Thousand Nine Hundred and Ninety-Five) Secured Redeemable Non-Convertible Debentures in various tranches during the year.
- e. The Company has redeemed 1,250 (One Thousand Two Hundred and Fifty) Secured Redeemable Non-Convertible Market Linked Debentures during the year.
- f. The Company has redeemed 8,000 (Eight Thousand) Commercial Papers in various tranches during the year.

**For Ashish Bhatt & Associates**

**Sd/-**  
**Ashish Bhatt**  
**Practicing Company Secretary**  
**FCS No: 4650**  
**C.P. No. 2956**  
**UDIN: F004650D000135693**

**Place: Thane**

**Date: April 16, 2022**

Note: This report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.

### Annexure I

#### List of applicable laws to the Company

- 1. The Reserve Bank of India Act, 1934.
- 2. Chapter V of Finance Act, 1994.
- 3. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
- 4. The Payment of Gratuity Act, 1972.
- 5. The Payment of Bonus Act, 1965.
- 6. The Employee State Insurance Act, 1948.
- 7. The Income Tax Act, 1961.
- 8. The Industrial Dispute Act, 1947.
- 9. The Indian Stamp Act, 1899.
- 10. The State Stamp Acts
- 11. Negotiable Instruments Act, 1881.

**For Ashish Bhatt & Associates**

**Sd/-**  
**Ashish Bhatt**  
**Practicing Company Secretary**  
**FCS No: 4650**  
**C.P. No. 2956**  
**UDIN: F004650D000135693**

**Place: Thane**

**Date: April 16, 2022**

## Annexure II

To,

The Members,  
HDB Financial Services Limited  
Radhika, 2<sup>nd</sup> Floor, Navrangpura,  
Ahmedabad, 380009, Gujarat.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The 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 Ashish Bhatt & Associates**

**Sd/-**

**Ashish Bhatt**

**Practicing Company Secretary**

**FCS No: 4650**

**C.P. No. 2956**

**UDIN: F004650D000135693**

**Place: Thane**

**Date: April 16, 2022**

**Details of Employees' Stock Option Scheme pursuant to the provisions of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the year ended March 31, 2022**

Details	ESOP - 10	ESOP - 11	ESOP - 12	ESOP - 13	ESOP - 13A	ESOP - 14
Options granted during the year	-	-	-	-	50,000	22,44,730
Options vested	-	3,08,320	8,96,700	3,47,820	-	-
Options exercised	5,500	2,69,610	7,73,130	2,06,575	-	-
Total number of shares arising as a result of exercise of option	5,500	2,69,610	7,73,130	2,06,575	-	-
Options lapsed / forfeited	650	17,960	82,860	35,870	-	9,910
Exercise price (in ₹)	213	274	300	348	409	433
Money realized by exercise of options (in ₹)	11,71,500	7,38,73,140	23,19,39,000	7,18,88,100	-	-
Total number of options in force as at March 31, 2022	42,000	1,06,430	7,02,910	9,33,155	50,000	22,34,820
Options exercisable, end of year	42,000	1,06,430	1,23,570	1,41,245	-	-

Note: During the FY 2021-22, there was no variation in terms of Employees' Stock Option Scheme.

**Employee wise details of Employees' Stock Options granted to Key Managerial Personnel is given below:**

Sr. No.	Name	Designation	Granted during FY 2021-22
1	G. Ramesh	Managing Director & CEO	1,43,000
2	Haren Parekh	Chief Financial Officer (upto March 10, 2022)	Nil
3	Jaykumar Shah	Chief Financial Officer (w.e.f. March 11, 2022)	61,000
4	Dipti Khandelwal	Company Secretary	8,700

## Annexure D

Disclosure as per Section 197(12) of the Companies Act, 2013 pertaining to individuals employed throughout the year and were in receipt of remuneration of not less than ₹ 1,02,00,000/- per annum or ₹ 8,50,000/- per month

#	Name of the Employee	Designation of the Employee	Remuneration Received (in ₹)	Date of Commencement of employment	Age in years	Experience in years	Qualification	Last employment held before joining
1	G. Ramesh	Managing Director & CEO	4,66,54,451	03-Sept-07	52	30	PGDM	Enam AMC Pvt. Ltd.
2	Rohit Patwardhan	Chief Credit Officer	2,16,90,990	10-Dec-07	47	25	PGDM	Citi Bank
3	Haren D Parekh	Chief of Staff	1,99,44,387	10-Oct-07	60	37	A.C.A.	CIBIL
4	Sarabjeet Singh	Chief Business Officer	1,86,70,734	22-Feb-08	49	26	PGDBM	GE Money
5	Karthik Srinivasan	Chief Business Officer	1,77,01,269	30-Nov-15	49	25	PGDM	Mphasis Ltd
6	Ashish Ghatnekar	Head - Human Resources & Operations	1,70,92,851	01-Dec-08	52	29	MBA	Centurion Bank of Punjab
7	Sanjay Belsare	Chief Technology Officer	1,62,73,519	01-Dec-15	59	32	B. Tech	Kotak Mahindra Bank
8	Venkata Swamy	Chief Digital and Marketing Officer	1,56,27,032	01-Aug-08	48	26	PGDM	ICICI Bank
9	Jaykumar Shah	Chief Financial Officer	1,29,08,793	14-Jun-21	45	22	A.C.A.	L&T Financial Services Ltd
10	Manoj G Nampoothiry	National Portfolio Manager	1,21,03,024	28-Apr-08	46	26	M. Com	GE Money
11	Sathya Ramanan	Business Head - South & East	1,17,61,331	24-Jan-08	47	25	MBA	Prime Financial
12	Manish Tiwari	Business Head - CE	1,10,37,628	02-Sept-11	50	29	Diploma in ME	Kotak Mahindra Bank

Note:

1. Gross remuneration comprises salary, medical reimbursement, leave travel concession, allowances, monetary value of other perquisites computed on the basis of the Income Tax Act and Rules, leave encashment and performance bonus but excludes perquisite on ESOPs.
2. All appointments were made in accordance with the terms and conditions as per Company rules.
3. None of the above employee is a relative of any Director of the Company.
4. None of the employees listed above hold 2% or more of the paid up share capital of the Company as at March 31, 2022.

## Annexure E

### Disclosures in terms of Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The ratio of the remuneration of each Director to the median remuneration of employees of the Company for the financial year is as below:

Name and Designation	Ratio
Mr. Arijit Basu, Chairman	19:1
Mr. Venkatraman Srinivasan, Independent Director	15:1
Ms. Smita Affinwalla, Independent Director	12:1
Dr. Amla Samanta, Independent Director	12:1
Mr. Adayapalam Viswanathan, Independent Director	14:1
Ms. Arundhati Mech, Independent Director	0.42:1
Mr. G. Ramesh, Independent Director	210:1

Note: Mr. Arijit Basu was appointed as Chairman and Non-Executive Director w.e.f. June 1, 2021 and Ms. Arundhati Mech was appointed as Independent Director w.e.f. February 11, 2022.

- Percentage increase remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

Designation	Percentage Increase
Managing Director & Chief Executive Officer	16%
Chief Financial Officer*	15%
Company Secretary	21%

\*Mr. Haren Parekh, former Chief Financial Officer up to March 10, 2022.

### Non-Executive / Independent Directors

The Shareholders in its 14<sup>th</sup> Annual General Meeting held on June 25, 2021 had approved remuneration of ₹ 30,00,000 per annum drawn on monthly basis payable to Mr. Arijit Basu, Chairman and Non-Executive Director. Sitting fees payable to the Non-Executive Directors for attending Audit Committee, Nomination & Remuneration Committee, Information Technology Strategy Committee and Risk Management Committee was increased from ₹ 50,000 per meeting to ₹ 75,000 per meeting with effect from May 25, 2021. Further, each Independent Directors were paid commission of ₹ 7,50,000. The commission paid out in FY 2021-22 pertains to FY 2020-21. Ms. Arundhati Mech was appointed as Independent Director w.e.f. February 11, 2022 hence, she was not eligible for payment of commission for FY 2020-21.

- During the year under review there was no increase in the median remuneration of the employees of your Company.
- As on March 31, 2022 there were 1,21,595 employees on the rolls of your Company.
- It is hereby affirmed that the remuneration paid during the year was as per the Remuneration policy of the Company.
- Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 1.91% whereas the increase in the managerial remuneration was 17.33%.

### Related Party Transaction Disclosure as per Section 188 of the Companies Act, 2013

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 arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any
HDFC Bank Limited	Providing sales/ back-office support services and collection services	April 2021- March 2022	The Company has a contract with the HDFC Bank for providing back office services, sales support and collection services.	It is specialised service provided by the Company to HDFC Bank at cost plus mark up as per the terms agreed between parties	Since, the related party transactions are in ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, necessary approvals were granted by the Audit Committee from time to time.	Nil
HDFC Bank Limited	Term Loans availed	April 2021- March 2022	The terms and rates are determined as per prevailing market rates	This is in furtherance of the fund raising activities of the Company		Nil
HDFC Bank Limited	Issuance of debt securities	April 2021- March 2022	As per the terms of each issue	This is in furtherance of the fund raising activities of the Company		Nil

The details of the other related party transactions including amount has been mentioned in the notes forming part of financial statement at Note no. 36.

Sd/-

**Arijit Basu**  
Chairman

## Independent Auditors' Certificate of Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of  
HDB Financial Services Limited

1. This report contains details of compliance of conditions of Corporate Governance by HDB Financial Services Limited ('the Company') for the period ending 31<sup>st</sup> March, 2022 as stipulated in Regulation 17 to 27 and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to Listing Agreement of the Company with Stock exchanges.

The Company is a High Value Debt Listed Entity ("HVDLE") pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 7, 2021. Accordingly, the regulation 16 to regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance became applicable to the Company with effect from September 7, 2021.

### Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

### Auditors' Responsibility

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor expression of opinion in the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the period ended 31<sup>st</sup> March, 2022.

### Opinion

5. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned Listing Regulations.
6. We state that such compliance 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.

### Restrictions on Use

7. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Ashish Bhatt & Associates  
Company Secretaries  
Sd/-  
Ashish Bhatt  
Membership No 4650  
C.P. No. 2956  
UDIN: F004650D000337895

Place: Thane  
Date: May 18, 2022

# Corporate Governance Report



## Corporate Governance disclosures as per Section 134 of the Companies Act, 2013 and Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. The governance practices and processes ensure that the interest of all stakeholders are taken into account in a transparent manner and are firmly embedded into the culture of the organisation.

The Company has fair, transparent and ethical governance practices, essential for augmenting long-term shareholder value and retaining investor trust. This has been possible through continued efforts and commitment to the highest standards of corporate conduct.

The Company has a dynamic, experienced and well-informed Board. The Board along with its Committees, with the Corporate Governance mechanism in place, undertakes its fiduciary duties towards all its stakeholders. The Company has adopted a Board approved Corporate Governance Code which will help the Company in attaining its objectives/goals, since it encompasses every sphere of operations, management, action plans, internal controls, performance measurement and regulatory disclosure. The said Corporate Governance Code has been uploaded on the Company's website and can be accessed at <https://www.hdbfs.com/policies>.

### Board of Directors

The Board is at the core of the corporate governance system of the Company. The Board is committed towards compliance of sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long-term interests of the members and other stakeholders. This belief is reflected in the governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

The Company strives to maintain an appropriate balance of skills and experience within the organisation and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity.

Committees of the Board handling specific responsibilities mentioned under the applicable laws viz. Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee etc. empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient resolution of diverse matters.

In compliance with the provisions of the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), the Board of your Company has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board is in compliance with the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time. As on March 31, 2022, the Board comprised of seven members, out of which one is Executive Director, one is Non-Executive Chairman and five are Non-Executive Independent Directors. Three of the Non-Executive Independent Directors are Women.



# Corporate Governance Report



The composition of the Board of Directors as at March 31, 2022, including other details are given below:

Name of the Director & DIN	Category	Directorships			Number of Committee positions held**	
		In equity listed companies	In unlisted public companies*	In private limited companies	Chairperson	Member
Mr. Arijit Basu (DIN: 06907779)	Chairman and Non-Executive Director	0	2	0	0	0
Mr. Venkatraman Srinivasan (DIN: 00246012)	Independent Director	3	1	0	4	6
Ms. Smita Affinwalla (DIN: 07106628)	Independent Director	1	2	2	1	4
Dr. Amla Samanta (DIN: 00758883)	Independent Director	0	2	3	1	2
Mr. Adayapalam Viswanathan (DIN: 08518003)	Independent Director	0	2	0	1	3
Ms. Arundhati Mech (DIN: 09177619)	Independent Director	0	2	0	0	1
Mr. G. Ramesh (DIN: 05291597)	Managing Director & Chief Executive Officer	0	1	0	0	1

\* Including Directorship in HDB Financial Services Limited

\*\* Disclosure includes Chairmanship/Membership of Committees as required for computation of maximum number of Committees of which Director can be Chairman or Member in terms of Regulation 26 of SEBI Listing Regulations (i.e. Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee in all Indian public companies including HDB Financial Services Limited Limited)

The number of Memberships of the Directors in the Committee includes the number of posts of Chairman of the said Committee held in public companies including HDB Financial Services Limited.

## Details of the Directorships in other listed entities:

Name of Director	Name of listed entity	Category
Mr. Arijit Basu	Nil	Not applicable
	Fairchem Organics Limited	Independent Director
Mr. Venkatraman Srinivasan	Tata Coffee Limited	Independent Director
	Mahanagar Gas Limited	Independent Director
Ms. Smita Affinwalla	Prime Securities Limited	Independent Director
Dr. Amla Samanta	Nil	Not applicable
Mr. Adayapalam Viswanathan	Nil	Not applicable
Ms. Arundhati Mech	Nil	Not applicable
Mr. G. Ramesh	Nil	Not applicable

In terms of Regulation 26 of Listing Regulations, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all listed companies in India, in which they are a Director.

Basis the disclosures received from the Directors, it is confirmed that none of the Directors is on the Board of more than:

- 20 (twenty) companies;
- 10 (ten) public limited companies;
- 7 (seven) listed entities;

There is no inter-se relationship between the Directors.

# Corporate Governance Report



## Board meetings and deliberations

The Board / Committee Meetings are convened by giving appropriate notice well in advance of the meetings. The Directors / Members are provided with appropriate information in the form of agenda items in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional meetings are held to address specific needs and business requirements of your Company. In case of business exigencies, the Board's approvals are taken through circular resolutions and the same are noted at the subsequent meeting of the Board and/or Committees.

Video-conferencing facility is made available to facilitate Director(s) travelling or present at other locations, in case they wish to participate in the meetings. The same is conducted in compliance with the applicable laws. The Business Heads and other executives attend the Board and Committee meetings upon invitation on need basis.

During the year under review, recommendations given by the various committees of the Board were considered and accepted as appropriate by the Board of Directors.

During the FY 2021-22, the Board of Directors met 8 (Eight) times on April 17, 2021, May 25, 2021, June 18, 2021, July 16, 2021, October 16, 2021, January 15, 2022, February 11, 2022 and March 10, 2022. The requisite quorum was present for all the Meetings. The Board met at least once in a calendar quarter and the maximum time gap between any two Meetings was not more than one hundred and twenty days.

The below gives the number of Board meetings held and attended by each Director, attendance record of the last Annual General Meeting held on June 25, 2021 and number of shares held by each Directors:

Name of Director	Number of Board Meetings		Whether attended last AGM	No. of shares held in the Company
	Held during their tenure	Meetings attended		
Mr. Arijit Basu	6	6	Yes	Nil
Mr. Venkatraman Srinivasan	8	8	Yes	Nil
Ms. Smita Affinwalla	8	7	Yes	Nil
Dr. Amla Samanta	8	8	Yes	Nil
Mr. Adayapalam Viswanathan	8	8	Yes	Nil
Ms. Arundhati Mech	1	1	Not Applicable	Nil
Mr. G. Ramesh	8	8	Yes	7,50,500

## Changes in Board Composition

The change in the Board composition during the year financial year 2021-22 is as under:

Name of Director	Nature of change	Effective Date
Mr. Arijit Basu	Appointed as Chairman and Non-Executive Director	June 1, 2021
Ms. Arundhati Mech	Appointed as Independent Director	February 11, 2022

Appointment of Mr. Arijit Basu was approved by the shareholders in the 14<sup>th</sup> AGM held on June 25, 2021 and the appointment of Ms. Arundhati Mech was approved by the shareholders through Postal Ballot passed on March 27, 2022.

## Declaration of independence

The Company has received necessary declaration and confirmation from each of the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and SEBI Listing Regulations. Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank. In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an independent director as stipulated in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act and are independent of the management of the Company.

## Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, one Meeting of Independent Directors was held during the year.

# Corporate Governance Report

The Meeting was conducted to enable Independent Directors, discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management.

In this Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

A separate Meeting of Independent Directors was held on April 16, 2021, during the year under review.

The details of the Separate Meeting of Independent Directors held during FY 2021-22 and attendance of the members at the meeting is given below:

Name of Director	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Ms. Smita Affinwalla	1	1	100
Mr. Venkatraman Srinivasan	1	1	100
Dr. Amla Samanta	1	1	100
Mr. Adayapalam Viswanathan	1	1	100
Ms. Arundhati Mech	Nil	Not Applicable	Not Applicable

## Familiarisation programme for Independent Directors

The Company conducts orientation programs / presentations / training sessions, periodically at regular intervals, to familiarise the Independent Directors with the strategies, operations and functions of the Company.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategies, risk management framework, industry and regulatory updates and other relevant matters. These presentations enable one-on-one interaction between the Independent Directors and the senior management of the Company/ internal auditor of the Company. Additionally, visits to branches of the Company are also arranged to apprise them of the actual operations of the Company.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters along with details of number of programmes and number of hours spent by each of the Independent Directors during the Financial Year 2021-22, in terms of the requirements of SEBI Listing Regulations are available on the website of the Company and can be accessed at <https://www.hdbfs.com/policies>.

## Chart setting out the competencies of the Board

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the existing composition of the Board.

Skill Areas	Mr. Arijit Basu	Mr. Venkatraman Srinivasan	Ms. Smita Affinwalla	Mr. Adayapalam Viswanathan	Dr. Amla Samanta	Ms. Arundhati Mech	Mr. G. Ramesh
Leadership qualities	✓	✓	✓	✓	✓	✓	✓
Business and Strategic planning	✓	✓	✓	✓	✓	✓	✓
Industry knowledge and experience	✓	✓	✓	✓	✓	✓	✓
Engagement	✓	✓	✓	✓	✓	✓	✓
Governance, Compliance and Audit pur-view	✓	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓		✓		✓	✓
Risk management	✓	✓	✓	✓	✓	✓	✓

# Corporate Governance Report



## Committees of the Board

Your Company has six Board level Committees - Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Information Technology Strategy Committee. All decisions pertaining to the constitution of Committees, appointment of members and terms of reference for Committee members are taken by the Board of Directors. Details pertaining to the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

### a) Audit Committee

Your Company has an independent Audit Committee, which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act, Regulation 18 of the SEBI Listing Regulations and Reserve Bank of India Master Direction No. RBI/DNBR/2016-17/45 DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Directions"). All the members of the Audit Committee are financially literate and possess high expertise in the fields of Finance, Taxation, Economics, Risk and International Finance.

#### Composition:

All the members of the Audit Committee are Independent Directors. The Composition of the Audit Committee as on March 31, 2022 is as under:

Name of the Member	Category
Mr. Venkatraman Srinivasan	Chairman of the Committee, Independent Director
Mr. Adayapalam Viswanathan	Member, Independent Director
Ms. Smita Affinwalla	Member, Independent Director

Note: Dr. Amla Samanta ceased to be a Member of the Committee consequent to reconstitution of the Committee with effect from August 16, 2021.

#### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Rules made thereunder, SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Audit Committee inter-alia includes:

- (i) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- (ii) Recommending the appointment, remuneration and terms of appointment of the auditors of the Company;
- (iii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (iv) Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- (v) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- (vi) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (vii) Approval or any subsequent modifications of transactions of the Company with related parties;
- (viii) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances.

#### Meetings and Attendance during the year:

The Audit Committee met 7 (Seven) times during the year under review on April 17, 2021, July 16, 2021, August 13, 2021, October 15, 2021, January 14, 2022, January 15, 2022 (adjourned meeting), February 11, 2022 and March 07, 2022. The gap between two Meetings did not exceed one hundred and twenty days.

# Corporate Governance Report

The details of attendance of the Members of the Committee at meeting are provided herein below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Venkatraman Srinivasan	7	7	100
Mr. Adayapalam Viswanathan	7	7	100
Ms. Smita Affinwalla	7	7	100
Dr. Amla Samanta	3	3	100

In addition to the members of the Audit Committee, these meetings were attended by Chief Financial Officer, Internal Auditor, representative of Statutory Auditors and other senior executives who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as the Secretary to the Audit Committee.

During the FY 2021-22, the Board had accepted all recommendations of the Audit Committee.

## b) Nomination and Remuneration Committee

Your Company has a Nomination and Remuneration Committee (NRC) in compliance with the provisions of the Section 178 of the Act, Regulation 19 of SEBI Listing Regulations and Reserve Bank of India Master Direction No. RBI/ DNBR/2016-17/45 DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Directions").

### Composition:

More than 50% members of the Nomination and Remuneration Committee are Independent Directors. The Composition of the Nomination and Remuneration Committee as on March 31, 2022 is as under:

Name of the Member	Category
Mr. Venkatraman Srinivasan	Chairperson of the Committee, Independent Director
Mr. Arijit Basu	Member, Non-Executive Director
Dr. Amla Samanta	Member, Independent Director

Note:

- Ms. Smita Affinwalla and Mr. Adayapalam Viswanathan ceased to be a Member of the Nomination and Remuneration Committee consequent to reconstitution of the Committee with effect from August 16, 2021.
- Mr. Venkatraman Srinivasan was appointed as the Chairman and Mr. Arijit Basu was appointed as a Member of the Nomination and Remuneration Committee with effect from August 16, 2021.

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Rules made thereunder, SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Nomination and Remuneration Committee inter-alia includes:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a Policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall 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;
- Formulating criteria for evaluation of the performance of the independent directors and the Board;
- Devising a policy on Board diversity;
- Ensuring 'fit and proper' status of the proposed and existing directors and scrutinizing the declarations received by the directors in this regard;

- (vi) Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;
- (vii) Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- (viii) To consider giving stock options to the employees in the form of equity shares of the Company and also consider any other compensation related issues or matters relating to the Company's employees.

## Meetings and Attendance during the year:

The Nomination and Remuneration Committee met 5 (Five) times during the year under review, on May 24, 2021, August 31, 2021, October 14, 2021, October 27, 2021 and March 7, 2022. The details of attendance of the Members of the Committee at meeting, are provided herein below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Venkatraman Srinivasan	5	5	100
Ms. Smita Affinwalla	1	0	0
Dr. Amla Samanta	5	5	100
Mr. Adayapalam Viswanathan	1	1	100
Mr. Arijit Basu	4	4	100

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

During the FY 2021-22, the Board had accepted all recommendations of the Nomination and Remuneration Committee.

Ms. Smita Affinwalla, former Chairperson of the Committee, was present at the 14<sup>th</sup> AGM which was held through video conferencing (VC) on June 25, 2021 to answer members' queries.

## Performance Evaluation of Board, its Committees and Directors

The Nomination and Remuneration Committee had approved a framework for performance evaluation of the Board of Directors, its Committees and the individual Board members.

Pursuant to the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, the Board has carried out an annual performance evaluation of its own performance, evaluation of the working of its Committees as well as performance of all the Directors individually (including Independent Directors). Feedback was sought by well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc.

### Performance evaluation framework of the Company is as follows:

- a. NRC would approve framework of performance evaluation of the Company;
- b. Board would evaluate the performance of the Independent Directors, Board as a whole and Committees of the Board;
- c. Independent Directors would evaluate the performance of the Chairman of the Company after taking views of other directors, Board as a whole and Non-Independent Directors;
- d. Self-evaluation of individual Directors.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Independent Directors. A member of the Board will not participate in the discussion of his/her evaluation.

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. Performance evaluation of the Board and of its Committees was carried out by the



# Corporate Governance Report

Board. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee.

The Directors have expressed their satisfaction with the evaluation process.

## c) Stakeholders Relationship Committee

Your Company has a Stakeholders Relationship Committee in compliance with Section 178(5) of the Act and Regulation 20 of SEBI Listing Regulations.

### Composition:

The composition of Stakeholders Relationship Committee of the Company as on March 31, 2022 is as under:

Name of the Member	Category
Dr. Amla Samanta	Chairperson of the Committee, Independent Director
Mr. Adayapalam Viswanathan	Member, Independent Director
Mr. G. Ramesh	Member, Managing Director & Chief Executive Officer

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with Act and SEBI Listing Regulations. The role and responsibilities of the Stakeholders Relationship Committee inter-alia includes:

- 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, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- 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.

Details of the investor complaints received during the FY 2021-22 are given as below:

No. of complaints received	No. of complaints not solved to the satisfaction of the shareholders	No. of pending complaints at the end of the year
Nil	Nil	Nil

### Meetings and Attendance during the year:

The Stakeholders Relationship Committee met twice during the year under review on April 16, 2021 and October 8, 2021.

The details of attendance of the Members of the Committee at meeting, are provided herein below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Dr. Amla Samanta	2	2	100
Mr. Adayapalam Viswanathan	2	2	100
Mr. G. Ramesh	2	2	100

The Company Secretary acts as the Secretary to the Stakeholder Relationship Committee.

During the FY 2021- 22, the Board accepted all recommendations of the Committee.

# Corporate Governance Report



Ms. Dipti Khandelwal, Company Secretary of the Company is the Compliance Officer for the purpose of the SEBI Listing Regulations.

Dr. Amla Samanta, Chairperson of the Committee, was present at the 14<sup>th</sup> AGM which was held through video conferencing on June 25, 2021 to answer stakeholders' queries.

## d) Risk Management Committee

Your Company has Risk Management Committee in compliance with Regulation 21 of SEBI Listing Regulations and Reserve Bank of India Master Direction No. RBI/DNBR/2016-17/45 DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Directions") which monitors the risk management strategy of the Company. In order to ensure best governance practices, the Company has established risk management process for each line of its business and operations. These processes have been implemented through the specific policies adopted by the Board of Directors of the Company from time to time. Nevertheless, entire processes are subjected to robust independent internal audit review to arrest any potential risks and take corrective actions.

The Risk Management Committee of the Board has been in place since the commencement of business of the Company, meets on a quarterly basis and reports to the Board of Directors. The minutes of such meetings are tabled before the Board of Directors.

### Composition:

The composition of the Risk Management Committee as on March 31, 2022 is as follows:

Name of the Member	Category
Mr. Adayapalam Viswanathan	Chairman of the Committee, Independent Director
Mr. Venkatraman Srinivasan	Member, Independent Director
Mr. G. Ramesh	Member, Managing Director & Chief Executive Officer

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Risk Management Committee inter-alia includes:

- (i) Approving and monitoring the Company's risk management policies and procedures;
- (ii) Framing, implementing, reviewing and monitoring the risk management plan including cyber security for the Company;
- (iii) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (iv) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (v) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (vi) Approving and reviewing the Assets Classification & Expected Credit Loss policy, Review IT Risk assessment of IT systems;
- (vii) Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements.



# Corporate Governance Report

## Meetings and Attendance during the year:

The Risk Management Committee met 5 (Five) times during the year under review on April 16, 2021, July 15, 2021, October 14, 2021, December 21, 2021 and March 17, 2022. The details of attendance of the Members of the Committee at meeting, are provided herein below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Adayapalam Viswanathan	5	4	80
Mr. Venkatraman Srinivasan	5	5	100
Mr. G. Ramesh	5	5	100

The Company Secretary acts as the Secretary to the Risk Management Committee.

During the FY 2021-22, the Board accepted all recommendations of the Risk Management Committee.

## e) Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee was formed as per the provisions of Section 135 of the Act.

### Composition:

The composition of the CSR Committee as on March 31, 2022 is as under:

Name of the Member	Category
Dr. Amla Samanta	Chairperson of the Committee, Independent Director
Ms. Smita Affinwalla	Member, Independent Director
Mr. G. Ramesh	Member, Managing Director & Chief Executive Officer

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the Corporate Social Responsibility Committee inter-alia includes:

- To formulate the Company's CSR strategy, policy and goals and to review and update them from time to time as the Company's activities evolve further;
- To monitor the Company's CSR policy and performance;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- To review the CSR project/initiatives from time to time;
- To ensure reporting and communication to stakeholders on the Company's CSR projects/initiatives;
- To formulate and recommend to the Board, an annual action plan.

## Meetings and Attendance during the year:

The Corporate Social Responsibility Committee met 4 (Four) times during the year under review on April 16, 2021, July 15, 2021, October 8, 2021 and December 16, 2021. The details of attendance of the Members of the Committee at meeting are provided herein below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Dr. Amla Samanta	4	4	100
Ms. Smita Affinwalla	4	4	100
Mr. G. Ramesh	4	4	100

The Company Secretary acts as the secretary to the CSR Committee.

During the FY 2021-22, the Board accepted all recommendations of the CSR Committee.

# Corporate Governance Report

## f) Information Technology Strategy Committee

Information Technology (IT) Strategy Committee was formed as per the provisions of RBI Master Direction No. RBI/DNBS/2016-17/53 DNBS.PPD.No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to "Information Technology Framework for the NBFC Sector".

### Composition:

The composition of IT Strategy Committee as on March 31, 2022 is as under:

Name of the Member	Category
Mr. Adayapalam Viswanathan	Chairperson of the Committee, Independent Director
Mr. Arijit Basu	Member, Non-Executive Director
Ms. Smita Affinwalla	Member, Independent Director
Mr. G. Ramesh	Member, Managing Director & Chief Executive Officer
Mr. Sanjay Belsare <sup>1</sup>	Member, Chief Information Officer and Chief Technology Officer

<sup>1</sup>Member of Executive Management

Note:

1. Mr. Venkatraman Srinivasan ceased to be a Member of the Committee consequent to reconstitution of the Committee with effect from August 16, 2021.
2. Mr. Arijit Basu was appointed as a Member of the Committee with effect from August 16, 2021, consequent to his appointment as the Director.
3. Mr. Adayapalam Viswanathan was appointed as the Chairman and Ms. Smita Affinwalla was appointed as a Member of the Information Technology Strategy Committee with effect from August 16, 2021.

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the Information Technology Strategy Committee inter-alia includes:

- (i) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- (ii) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- (iii) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- (iv) 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;
- (v) Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls.

### Meetings and Attendance during the year:

The Information Technology Strategy Committee met 4 (Four) times during the year under review i.e. April 16, 2021, July 15, 2021, October 8, 2021 and January 27, 2022. The details of attendance of the Members of the Committee, are provided herein below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Adayapalam Viswanathan	4	3	75
Mr. Venkatraman Srinivasan	2	2	100
Mr. Arijit Basu	2	2	100
Ms. Smita Affinwalla	2	2	100
Mr. G. Ramesh	4	4	100
Mr. Sanjay Belsare <sup>1</sup>	4	4	100

<sup>1</sup>Member of Executive Management

The Company Secretary acts as the secretary to the Information Technology Strategy Committee.

# Corporate Governance Report

During the FY 2021-22, the Board accepted all recommendations of the Information Technology Strategy Committee.

## g) Other Committees

The Board has also constituted Asset Liability Committee, Debenture Allotment Committee, Bond Allotment Committee and Share Allotment Committee. These Committees are not Board Level Committees. However, Mr. G. Ramesh, Managing Director and Chief Executive Officer is a member of these Committees along with other senior executives of the Company.

### i. Asset Liability Committee

As per the Reserve Bank of India Master Direction on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Asset Liability Committee was formed to oversee the risk management policy/strategy of the Company relating to liquidity, interest rate and asset liability gap and to formulate and review Asset-Liability Management Policy of the Company.

#### Composition:

The Composition of Asset Liability Committee as on March 31, 2022 is as under:

Name of the Member	Category
Mr. G. Ramesh	Chairperson
Mr. Jaykumar Shah <sup>1</sup>	Member
Mr. Haren Parekh <sup>1</sup>	Member
Mr. Sanjay Belsare <sup>1</sup>	Member
Mr. Harish Venugopal <sup>1</sup>	Member

<sup>1</sup>Member of Executive Management

Note:

- Mr. Rohit Patwardhan ceased to be a Member of the Committee with effect from November 25, 2021 consequent to appointment of Mr. Harish Venugopal as Chief Risk Officer of the Company.
- Mr. Harish Venugopal and Mr. Jaykumar Shah were appointed as a Member of the Committee with effect from November 25, 2021.

#### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements. The key responsibilities of the Committee include review & management of liquidity gaps and structural liquidity of the Company, review & management of interest rate sensitivity of the Company, to review Floating Reference Rate (FRR) statements, develop a view on future direction on interest rate movements & decide on funding mixes and reporting to the Board of Directors on periodical basis on the above matters.

#### Meetings and Attendance during the year:

During the FY 2021-22, the Asset Liability Committee met 12 (Twelve) times on April 28, 2021, May 21, 2021, June 28, 2021, July 13, 2021, August 12, 2021, September 14, 2021, October 13, 2021, November 15, 2021, December 15, 2021, January 13, 2022, February 14, 2022 and March 14, 2022.

The details of the attendance of the members of the Asset Liability Committee is given below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. G. Ramesh	12	12	100
Mr. Haren Parekh <sup>1</sup>	12	12	100
Mr. Rohit Patwardhan <sup>1</sup>	8	8	100
Mr. Sanjay Belsare <sup>1</sup>	12	9	75
Mr. Jaykumar Shah <sup>1</sup>	4	4	100
Mr. Harish Venugopal <sup>1</sup>	4	4	100

<sup>1</sup>Member of Executive Management

# Corporate Governance Report



The Company Secretary acts as the secretary to the Asset Liability Committee.

## ii. Debenture Allotment Committee

During the FY 2021-22, the Debenture Allotment Committee met 18 (Eighteen) times. The details of the meetings held during the FY 2021-22 and attendance of the members of the Debenture Allotment Committee is given below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. G. Ramesh	18	15	83
Mr. Haren Parekh <sup>1</sup>	18	17	94
Mr. Jaykumar Shah <sup>1</sup>	7	7	100
Mr. Ashish Ghatnekar <sup>1</sup>	18	15	83

<sup>1</sup>Member of Executive Management

## iii. Share Allotment Committee

During the FY 2021-22, the Share Allotment Committee met twice. The details of the meetings held during the FY 2021-22 and attendance of the members of the Share Allotment Committee is given below:

Members	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. G. Ramesh	2	2	100
Mr. Haren Parekh <sup>1</sup>	2	2	100
Mr. Jaykumar Shah <sup>1</sup>	2	2	100
Mr. Ashish Ghatnekar <sup>1</sup>	2	0	0

<sup>1</sup>Member of Executive Management

## iv. Bond Allotment Committee

No meeting of the Bond Allotment Committee was held during the FY 2021-22. As on March 31, 2022, Mr. G. Ramesh, Mr. Haren Parekh, Mr. Jaykumar Shah and Mr. Ashish Ghatnekar were members of the Bond Allotment Committee.

Note: Mr. Jaykumar Shah was appointed as a member of the Debenture Allotment Committee, Bond Allotment Committee and Share Allotment Committee with effect from October 16, 2021.

## General Body meetings

Following are the information on General Body meetings and details of special resolution(s) passed.

### a. Annual General Meeting:

Details of last three Annual General Meetings and Special Resolutions passed:

Details of AGM	Date and Time	Venue	Special resolutions passed
14 <sup>th</sup> AGM	June 25, 2021 at 12 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>To approve Selling, Assignment of its receivables/book debts upto ₹ 7,500 crore.</li> <li>Authority to issue redeemable non-convertible debentures and/or other hybrid instruments on private placement basis.</li> </ul>

# Corporate Governance Report

Details of AGM	Date and Time	Venue	Special resolutions passed
13 <sup>th</sup> AGM	June 30, 2020 at 12 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Reappointment of Mr. Venkatraman Srinivasan as an Independent Director of the Company.</li> <li>Reappointment of Ms. Smita Affinwalla as an Independent Director of the Company.</li> <li>To approve increase in borrowing limits of the Company from ₹ 70,000 Crore to ₹ 80,000 crore.</li> <li>To approve increase in limits for creation of charge on the assets of the Company upto an amount of ₹ 80,000 Crore to secure its borrowings.</li> <li>Authority to issue Redeemable Non-Convertible Debentures and/or other Hybrid Instruments on private placement basis.</li> <li>Authority to issue Foreign Currency/ Rupee Denominated Bonds.</li> </ul>
12 <sup>th</sup> AGM	June 21, 2019 at 12 p.m.	Ahmedabad Management Association (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Near Panjarapole Cross roads, Vastrapur, Ahmedabad - 380 015	<ul style="list-style-type: none"> <li>To approve increase in borrowing limits of the Company from ₹ 60,000 crore to ₹ 70,000 crore.</li> <li>To approve increase in limits for creation of charge on the assets of the Company upto an amount of ₹ 70,000 crore to secure its borrowings.</li> <li>To approve selling, assignment of its receivables/book debts upto ₹ 7,500 crore.</li> <li>Authority to issue Redeemable Non-Convertible Debentures and/or other Hybrid Instruments on private placement basis.</li> <li>Authority to issue Foreign Currency/ Rupee Denominated Bonds.</li> <li>Profit related commission to Independent Directors.</li> </ul>

## Extra-Ordinary General Meeting:

During the Financial Year 2021-22, no Extra-Ordinary General meeting of the Company was held.

## Postal Ballot:

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot. During the FY 2021-22, the Company had sought approval of the members through postal ballot, the details of the same are given below:

Date of Notice	Date of Scrutinizer's report	Date of passing the resolution	Special resolutions passed
February 11, 2022	March 28, 2022	March 27, 2022	Appointment of Ms. Arundhati Mech as an Independent Director of the Company
July 16, 2021	September 20, 2021	September 18, 2021	To issue redeemable non-convertible debentures on private placement basis

# Corporate Governance Report

## Voting results of Special resolution passed through Postal Ballot Notice dated February 11, 2022:

Particulars	Number of Shareholders	Number of votes cast by them	Percentage of valid votes (%)
Votes in favour of the Resolution	200	75,25,86,059	99.9992%
Votes against the Resolution	22	5,684	0.0008%
Invalid Votes	-	-	-
Total	222	75,25,91,743	100.0000%

## Voting results of Special resolution passed through Postal Ballot Notice dated July 16, 2021:

Particulars	Number of Shareholders	Number of votes cast by them	Percentage of valid votes (%)
Votes in favour of the Resolution	277	75,49,69,687	99.9963%
Votes against the Resolution	26	27,704	0.0037%
Invalid Votes	0	0	0.0000%
Total	303	75,49,97,391	100.0000%

Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, was appointed as the Scrutinizer for conducting the Postal Ballot process, in a fair and transparent manner.

There is no immediate proposal for passing any resolution through Postal Ballot.

### Procedure for Postal Ballot:

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company also provides electronic voting (e-voting) facility to all its members.

The Company also publishes notice in the newspapers for the information of the members. Voting rights are reckoned on the equity shares held by the members as on the cut-off date. Pursuant to the provisions of the Act, the Company appoints a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submits his consolidated report to the Chairman and the voting results are announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges. The resolution, if passed by requisite majority, is deemed to have been passed on the last date specified by the Company for receipt of duly completed remote e-voting.

In view of the COVID-19 pandemic and dispensation granted by MCA, postal ballot notice was sent through e-mail only, to all those members who had registered their e-mail ids with the Company/depositories. Arrangements were also made for other members to register their e-mail id to receive the postal ballot notice and cast their vote online.

### Details of Remuneration to Directors

#### a. Pecuniary relationship/ transaction with non-executive directors

During the FY 2021-22, there were no pecuniary relationship/ transactions of any non-executive directors with the Company, apart from receiving remuneration as directors. During the FY 2021-22, the Company did not advance any loans to any of its directors.

#### b. Remuneration to Executive Directors

The details of the remuneration paid and stock options granted to Mr. G. Ramesh, Managing Director and CEO during the financial year 2021-22 is as under:

Particulars of Remuneration	Amount ₹
Gross salary	4,52,91,823
a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	-
b) Value of perquisites under section 17(2) Income-tax Act, 1961	15,028
c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-

Particulars of Remuneration	Amount ₹
Perquisite value of stock options exercised	47,70,000
Sweat Equity	-
Commission	-
Company Car	12,000
<b>Total</b>	<b>5,00,88,851</b>
Number of Stock Options granted	1,43,000

## c. Remuneration to Non-Executive Directors

### Sitting fees

Sitting fees was paid to all the Independent Directors and Non-Executive Directors of the Company.

The sitting fees for attending meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee and Risk Management Committee is ₹ 75,000 per meeting. Sitting fees for attending meetings of the Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Separate meeting of Independent Directors meetings is ₹ 25,000 per meeting.

Sitting fees payable to the Non-Executive Directors for attending Audit Committee, Nomination & Remuneration Committee, Information Technology & Strategy Committee and Risk Management Committee was increased from ₹ 50,000 per meeting to ₹ 75,000 per meeting with effect from May 25, 2021.

### Profit Related Commission

The Shareholders in its 12<sup>th</sup> Annual General Meeting held on June 21, 2019 had approved payment of profit related commission to Independent Directors at the rate of ₹ 60,000 per meeting of the Board and/or Committee attended subject to maximum of ₹ 7,50,000.

The details of sitting fees, commission and remuneration paid to non-executive directors during the financial year 2021-22 is as under:

Name of Director	Amount ₹		
	Sitting Fees	Commission	Remuneration
Mr. Arijit Basu	9,00,000	-	25,00,000
Mr. Venkatraman Srinivasan	19,50,000	7,50,000	-
Ms. Smita Affinwalla	13,00,000	7,50,000	-
Mr. Adayapalam Viswanathan	17,00,000	7,50,000	-
Dr. Amla Samanta	13,25,000	7,50,000	-
Ms. Arundhati Mech	75,000	-	-

Note: The Shareholders in its Annual General Meeting held on June 25, 2021 had approved remuneration of ₹ 30,00,000 per annum drawn on monthly basis payable to Mr. Arijit Basu, Chairman and Non-Executive Director.

### Succession Planning

Succession planning is a process of ascertaining the need for filling position at the Board and Senior Management positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in an organisation. The process of development primarily concentrates on coaching, mentoring and training the identified employees to assume higher responsibilities when the need arises. The Company has always endeavoured to nurture, train and increase the skill sets of employees at all levels, with the key objective of ensuring smooth succession without impacting the performance in current role.

The Company has in place Succession Planning Policy for appointments to the Board and to the Senior Management.



## DISCLOSURES

### Related party transactions

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interest of the Company. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a policy on related party transactions and the said policy is available on the website of the Company at <https://www.hdbfs.com/policies>.

All related party transactions are placed before the Audit Committee and the Board for their approval on quarterly basis. Transactions with related parties, as per the requirements of Ind-AS, are disclosed to the notes to accounts annexed to the financial statements. All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business.

Pursuant to the provisions of Regulation 23(8) of the SEBI Listing Regulations all material related party arrangements and transactions (whether individually or transactions taken together or series of transactions or otherwise), undertaken during FY 2021-22 with HDFC Bank Limited, being a related party of the Company were ratified and approved by the Members through Postal Ballot dated March 27, 2022.

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed to the Director's Report.

The disclosures with respect to related party as specified in Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the financial statements at Note no. 36.

In addition, as per the SEBI Listing Regulations, your Company has also submitted along with its standalone and consolidated financial results for the half year, disclosures of related party transactions with stock exchange and also published it on the website of the Company.

### Strictures and Penalties

During the year under review, as also during the last three years, no penalties or strictures were imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets.

### Vigil Mechanism/Whistle Blower Policy

The details of establishment of whistle blower policy / vigil mechanism are furnished in the Directors' Report forming part of the Annual Report.

### Subsidiary Company

The Company does not have any Subsidiary Company, hence formulation of Policy for determining Material Subsidiaries as per Regulation 16 of the SEBI Listing Regulations is not applicable for the Company.

### Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. In the past the Company has entered into derivative transactions with various counter parties to hedge its foreign exchange risks and interest rate risks associated with External Commercial Borrowings (ECBs). The ECBs are fully hedged and possess no foreign exchange risk.

### Certificate from practicing company secretary regarding Non-Debarment and Non Disqualification of Directors

The Company has received a certificate from M/s. Ashish Bhatt and Associates, Practicing Company Secretary, to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed as **Annexure - I**.



# Corporate Governance Report



## Details of recommendation of any Committee of the Board not accepted by the Board and reasons thereof

During the year under review, the Board of your Company has accepted all the recommendations made by its Committee(s), from time to time.

## Fees paid to Statutory Auditors

Total fees paid by the Company during the FY 2021-22 to the Statutory Auditors including all entities in their network firm/entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in crore)
<b>M/s. Khimji Kunverji &amp; Co. LLP &amp; their network firm/entity of which they are a part</b>		
1	Fees as Statutory Auditors	0.49
2	Fees for other services	0.00
<b>M/s. B. K. Khare &amp; Co. &amp; their network firm/entity of which they are a part</b>		
1	Fees as Statutory Auditors	0.49
2	Fees for other services	0.00
<b>M/s. B S R &amp; Co. LLP, Chartered Accountants &amp; their network firm/entity of which they are a part</b>		
1	Fees as Statutory Auditors	0.16
2	Fees for other services	0.01

## Complaints pertaining to sexual harassment

The details of complaints filed, disposed of and pending during every quarter pertaining to sexual harassment are reported to the Board and are included in the Directors Report forming part of this Annual Report.

## CEO/CFO Certification

The Managing Director & Chief Executive Officer and Chief Financial Officer have certified to the Board with regard to the financial statements and internal controls relating to financial reporting for the year ended March 31, 2022 as required under the SEBI Listing Regulations. The said Certificate is attached as “**Annexure - II**” and forms part of this Report.

## Report on corporate governance

The Company is a High Value Debt Listed Entity (“HVDLE”) pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 7, 2021. Accordingly, the Regulation 16 to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance became applicable to the Company with effect from September 7, 2021. The Company has been submitting the quarterly corporate governance compliance report to the stock exchange as required under regulation 27(2) of the SEBI Listing Regulations from the applicable period.

The Company has obtained a certificate from M/s. Ashish Bhatt & Associates, Practicing Company Secretaries regarding compliance with the provisions relating to corporate governance laid down under the SEBI Listing Regulations. This certificate is annexed to the Directors’ Report.

## Code of conduct

The SEBI Listing Regulations requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors prescribed in the Act. Accordingly, the Company has a Board approved code of conduct for Board members and senior management of the Company. This code has been placed on the Company’s website and can be accessed at <https://www.hdbfs.com/policies>.

All the Board members and senior management personnel have affirmed compliance with the code for the year ended March 31, 2022. A declaration to this effect signed by the Managing Director and CEO forms part of Annual Report as **Annexure - III**.

## **Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure**

None of the Independent Director of the Company has resigned before the expiry of his/her respective tenure(s) during the FY 2021-22.

## **Compliance of mandatory and discretionary requirements**

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations applicable to the Company being a High Value Debt Listed Company.

The Company has also complied with the discretionary requirements as under:

### **a) The Board**

A Chairman's office has been made available for the non-executive Chairman. He is allowed reimbursement of expenses incurred in performance of his duties.

### **b) Modified opinion(s) in audit report**

The Company confirms that its financial statements have unmodified audit opinion.

### **c) Separate posts of Chairperson and Managing Director or the Chief Executive Officer**

Mr. Arijit Basu is the Non-Executive Chairman and Mr. G. Ramesh is the Managing Director & Chief Executive Officer of the Company.

### **d) Reporting of internal auditor**

The internal auditor reports directly to the Audit Committee.

## **Adherence to Accounting Standards**

The Company has complied with the applicable Indian Accounting Standards (Ind-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.

## **Risk Management and internal control policies adopted by the Company**

The Company has a well-defined Risk Management Framework in place. The Company has procedures to periodically place before the Audit Committee, Risk Management Committee and the Board, the risk assessment and mitigation plans being followed by the Company.

## **Secretarial Standards**

The Company has complied with the applicable provisions of secretarial standards issued by The Institute of Company Secretaries of India.

## **Means of communication**

A separate dedicated section 'Investors' is maintained on the website of the Company for ease of the shareholders. The information required to be disseminated by the Company in terms SEBI Listing Regulations are uploaded on the website of the Company.

Quarterly, half-yearly and annual financial results are intimated to the BSE Limited and National Stock Exchanges of India Limited and published in Free Press Journal (Mumbai edition). The Financial Results are also uploaded on the website of the Company.

The Annual Report of the Company, the quarterly/ half- yearly and the Annual Financial Results are displayed on the Company's website at <https://www.hdbfs.com/investors>.

# Corporate Governance Report



## GENERAL SHAREHOLDER INFORMATION

### 15<sup>th</sup> Annual General Meeting

**Day and Date** : Thursday, June 23, 2022

**Time** : 12 pm

**Venue/Mode of AGM** : Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

**Financial Year** : April 1, 2021 to March 31, 2022

**Dividend Payment date:** On or after June 27, 2022

### Listing on stock exchanges:

The non-convertible securities of the Company are listed on the debt market segment of BSE Limited. Commercial Papers of the Company are listed on the debt market segment of the National Stock Exchange of India Limited, however as on March 31, 2022 there are no outstanding Commercial Papers of the Company.

Name of Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2022.

### Stock Code

The equity shares of the Company are not listed on the Stock Exchange, hence the Stock code is not applicable.

### Market price data and performance in comparison to broad-based indices such as BSE sensx, CRISIL Index etc.

Not applicable, as the equity shares of the Company are not listed.

### Suspension of Securities from trading

During the FY 2021-22, none of the securities of the Company were suspended from trading.

### Registrar and share transfer agent and Share transfer system

In terms of Regulation 7 of the SEBI Listing Regulations, Link Intime India Pvt. Ltd. continues to be the Registrar and Share Transfer Agent and handles all relevant share registry services. All the securities of the Company are in dematerialised form, hence there are no physical transfer of securities.

### Distribution of shareholding

Shareholding pattern of the Company as at March 31, 2022:

Name of Shareholder	No. of equity shares held	Percentage
HDFC Bank Limited	75,05,96,670	94.96
Others	3,98,43,361	5.04
<b>Total (Issued &amp; Paid-up Shares)</b>	<b>79,04,40,031</b>	<b>100.00</b>

### Dematerialization of shares and liquidity

As on March 31, 2022, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange.

### Outstanding Global Depository Receipts ("GDRs")/American Depository Receipts ("ADRs")/Warrants or any Convertible Instruments, Conversion Date and likely impact on equity

As on March 31, 2022, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

# Corporate Governance Report



## Address for correspondence

Investors and shareholders can correspond with the share transfer agent of the Company or the Company at the following addresses:

### Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.

Address: C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400083

Website: <http://www.linkintime.co.in>

### Contact person for Equity Shares:

Mr. Pradeep Mokale

Tel.: +91 022 4918 6270

Fax: +91 022 4918 6060

Email: [pradeep.mokale@linkintime.co.in](mailto:pradeep.mokale@linkintime.co.in), [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### Contact person for Commercial Papers & Non-Convertible Securities:

Mr. Ganesh Jadhav

Tel.: +91 022 4918 6270

Fax: +91 022 4918 6060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in), [bonds.helpdesk@linkintime.co.in](mailto:bonds.helpdesk@linkintime.co.in), [ganesh.jadhav@linkintime.co.in](mailto:ganesh.jadhav@linkintime.co.in)

### Company's correspondence details:

HDB Financial Services Limited

Ms. Dipti Khandelwal, Company Secretary & Compliance Officer

Address: Ground Floor, Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai - 400034.

Email: [compliance@hdbfs.com](mailto:compliance@hdbfs.com) Tel: +91 22 49116300

Fax: +91 22 49116666

### Plant Locations/Offices:

As of March 31, 2022, the Company has 1,374 branches in 989 cities in India.

### Ratings

The credit rating details are disclosed in the Directors Report forming part of this Annual Report.

### Unclaimed Dividend

Pursuant to Sections 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), including amendment thereto, dividend, if not claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The list of the unclaimed dividend along with the name of the shareholders, dividend amount and proposed date of transfer to IEPF account has been uploaded on the website of the Company at <https://www.hdbfs.com/investors>.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to BSE Limited's Notice dated January 07, 2022 read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members,  
HDB Financial Services Limited  
Radhika, 2<sup>nd</sup> Floor, Navrangpura,  
Ahmedabad, 380009, Gujarat.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HDB Financial Services Limited having CIN U65993GJ2007PLC051028 and having registered office at Radhika, 2<sup>nd</sup> Floor, Navrangpura, Ahmedabad, 380009, Gujarat (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with BSE Limited's Notice no. 20220107-16 dated January 07, 2022 read with Schedule V Para-C Sub 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 Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No	Name of Director	DIN	Date of Appointment in the Company
1	Mr. Arijit Basu	06907779	June 1, 2021
2	Mr. Venkatraman Srinivasan	00246012	March 12, 2015
3	Ms. Smita Cawas Affinwalla	07106628	March 12, 2015
4	Dr. Amla Ashim Samanta	00758883	May 1, 2019
5	Mr. Adayapalam Kumaraswamy Viswanathan	08518003	July 24, 2019
6	Ms. Arundhati Mech	09177619	February 11, 2022
7	Mr. Ramesh Ganesan	05291597	July 1, 2012

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Ashish Bhatt & Associates**

Sd/-  
**Ashish Bhatt**  
**Practicing Company Secretary**  
**FCS No: 4650**  
**C.P. No. 2956**  
**UDIN: F004650D000337917**

Place: Thane  
Date: May 18, 2022

**COMPLIANCE CERTIFICATE**

(Pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Board of Directors of  
**HDB Financial Services Limited**

We, the undersigned, in our respective capacities as Managing Director & Chief Executive Officer and Chief Financial Officer of the Company, to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2022 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
  - (ii) 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.
- b) 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.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
  - (i) there have been no significant changes in internal control over financial reporting during this year;
  - (ii) there have been no significant changes in accounting policies during this year; and
  - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**G. Ramesh**  
**Managing Director & Chief Executive Officer**

Sd/-  
**Jaykumar Shah**  
**Chief Financial Officer**

Place: Mumbai  
Date: April 16, 2022

**Declaration by Managing Director and Chief Executive Officer**  
[Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015]

To,  
The Board of Directors,  
**HDB Financial Services Limited**

I, Mr. G. Ramesh, Managing Director & Chief Executive Officer of HDB Financial Services Limited hereby declare that, all the Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct of the Company laid down for them for the year ended March 31, 2022.

Sd/-  
**G. Ramesh**  
**Managing Director & Chief Executive Officer**

Place: Mumbai  
Date: May 18, 2022

# Independent Auditors' Report



To the Members of HDB Financial Services Limited

## Report on the audit of the Standalone Ind AS Financial Statements

### Opinion

1. We have audited the accompanying standalone Ind AS financial statements of HDB Financial Services Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Ind AS Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("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 state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS 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 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 Standalone Ind AS Financial Statements.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the year under report. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<b>Provisioning based on Expected Credit Loss model (ECL) under IND AS 109 and testing of Impairment of assets, more particularly the Loan Book of the Company</b>	
	Refer to the accounting policies in 'Note 3(B) to the Standalone Ind AS Financial Statements: Expected Credit Loss', 'Note 2.11 to the Standalone Ind AS Financial Statements: Revenue Recognition' and 'Note 2.2(G) to the Standalone Ind AS Financial Statements: Impairment of Financial Assets and 'Note 44 to the Standalone Ind AS Financial Statements: Risk Management'.	
	<p><b>Subjective estimates:</b></p> <p>Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:</p> <ul style="list-style-type: none"> <li>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> <li>• Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> <li>• Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Standalone Ind AS Financial Statements as a whole, and possibly many times that amount.</p> <p><b>Disclosures:</b></p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<p><b>Our key audit procedures included:</b></p> <p>Review of Policy/procedures &amp; design/controls</p> <ul style="list-style-type: none"> <li>➤ Minutely going through the Board approved Policy and approach concerning the assessment of credit and other risks and ascertainment/ageing of 'default' by the borrowers and procedures in relation to stages and ECL computation.</li> <li>➤ Studying the report of review of ECL model of the Company for the year, as performed by an independent expert, whose report is placed before the Board of Directors of the Company.</li> <li>➤ Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>➤ Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (and those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information, which included overdue reports.</li> <li>➤ Understanding management's approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals.</li> <li>➤ Testing of review controls over measurement of provisions and disclosures in the Standalone Ind AS Financial Statements.</li> <li>➤ Involvement of Information system resource to obtain comfort over data integrity and process of report generation through interface of various systems.</li> <li>➤ Understanding of models and general economic indicator criteria used for regression testing over data of the loan book.</li> </ul> <p><b>Substantive verification</b></p> <ul style="list-style-type: none"> <li>➤ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>➤ Model calculations testing through re-performance, where possible.</li> <li>➤ Assessing disclosures - Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Standalone Ind AS Financial Statements are appropriate and sufficient.</li> </ul>

2	Information Technology
	<p><b>IT systems and controls</b></p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>These includes implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p> <p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> <li>➤ Review of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>➤ Deployed our internal experts to carry out IT general Controls testing and identifying gaps, if any.</li> <li>➤ Our other processes include: <ul style="list-style-type: none"> <li>• selectively recomputing interest calculations and maturity dates;</li> <li>• Selectively re-evaluating masters updation, interface with resultant reports;</li> <li>• Selective testing of the interface of INFOR with other IT systems like LMS and other workflows.</li> <li>• Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system)</li> <li>• Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> <li>• Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases</li> </ul> </li> </ul>

## Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Ind AS Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report
6. Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS 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. We have nothing to report in this regard.

## Management's responsibility for the Standalone Ind AS Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the state of affairs, profit and 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Ind AS Financial Statements, the management is 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process

## Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SAs 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 Standalone Ind AS Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - 12.1 Identify and assess the risks of material misstatement of the Standalone Ind AS 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.
  - 12.2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.
  - 12.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- 12.4 Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS 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 auditor's report.
- 12.5 Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's 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 Matter

16. The comparative financial information of the Company for the year ended March 31, 2021 included in Standalone Ind AS Financial Statements, were audited by the then statutory auditors "BSR & Co. LLP, Chartered Accountants" for the year ended March 31, 2021 whose reports dated April 17, 2021 expressed an unmodified opinion on those financial statements. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

17. 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 the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. As required by Section 143(3) of the Act, we report that:
  - 18.1 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.
  - 18.2 In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - 18.3 The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
  - 18.4 In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - 18.5 On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - 18.6 With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - 18.7 In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

# Independent Auditors' Report (Continued)



19. With respect to the other matters to be included in the Auditor's 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, we report as under:
- 19.1 The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its Standalone Ind AS Financial Statements – Refer Note 38.2 to the Standalone Ind AS Financial Statements;
- 19.2 The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38.3 to the Standalone Ind AS Financial Statements;
- 19.3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company].
- 19.4 The management has represented to us that 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. Based on such audit procedures, considered reasonable and appropriate, adopted by us, nothing has come to our notice indicating that such representation contains any material misstatement.
- 19.5 The management has also represented to us that 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. Based on such audit procedures, considered reasonable and appropriate, adopted by us, nothing has come to our notice indicating that such representation contains any material misstatement.
- 19.6 The final dividend recommended by the Board of Directors is in compliance with provisions of Section 123 of the Act- Refer note 86 to the Standalone Ind AS Financial Statements in our opinion

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number - 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership Number: 044784  
UDIN: 22044784AHELNT3554

Place: Mumbai  
Date: 16 April, 2022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration Number - 105146W/W- 100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
Membership Number: 033494  
UDIN: 22033494AHFEZZ8606

Place: Mumbai  
Date: 16 April, 2022



(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE").  
The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.- Refer note 85 to the Standalone Ind AS Financial Statements.
- ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- (b) During the year, the company has availed sanctioned working capital limit in excess of ₹ 5 crores from Banks on the basis of security of current assets. Based on our examination of the records of the company, the quarterly returns/ statements filed by the company with the said bank are in agreement with the books of accounts maintained by the company.
- iii. (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c) & (d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 55 to the Standalone Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
- (f) Based on our audit procedures and the information and explanation made available to us, 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. According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. 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. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities in all cases during the year.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company did not have dues which have not been deposited as on March 31, 2022, on account of any disputes.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans from bank during the year for the purposes for which they were obtained, other than temporary parking in Liquid Mutual Funds for a few days during the year, pending utilization towards purpose for which the same are obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) & (f) The company does not have any subsidiaries, associates, or joint ventures. Accordingly, the provisions of the clauses (ix)(e)&(f) of the Order are not applicable.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit, other than the instances of fraud noticed and reported by the management in terms of the regulatory provisions applicable to the Company amounting to ₹ 4.69 crores comprising of 6 instances. Also refer Note 71 to the Standalone Ind AS Financial Statements.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the 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) Our review of the whistle blower complaints received during the year by the Company did not reveal any material observations.
- xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.]
- (c) The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.
- (d) As per information provided in course of our audit, the group to which the Company belongs, does not have CIC.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year
- xviii. During the year, M/s BSR & Co LLP, the Statutory auditors of the Company have resigned with effect from 20 July, 2021 consequent to amended rules/regulations applicable to the Company. (i.e. vide RBI circular dated April 27, 2021). As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in Note 39 to the Standalone Ind AS Financial statements which describe the maturity analysis of assets & liabilities other information accompanying the financial statements, 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 that the 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 we neither give any guarantee nor any 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) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report 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) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project.
- xxi. Reporting under clause xxi of the Order is not applicable at the standalone level of reporting.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number - 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership Number: 044784  
UDIN: 22044784AHELNT3554

Place: Mumbai  
Date: 16 April, 2022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration Number - 105146W/W- 100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
Membership Number: 033494  
UDIN: 22033494AHFEZZ8606

Place: Mumbai  
Date: 16 April, 2022



(Referred to in paragraph 18.6 under 'Report on Other Legal and Regulatory Requirements' section of our report 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 the Companies Act, 2013.**

**Opinion**

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of HDB Financial Services Limited ("the Company") as at 31 March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls 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 ("the Guidance Note").

**Management's responsibility for Internal Financial Controls**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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, including adherence to the 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, as required under the Act.

**Auditor's responsibility**

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the 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 auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

**Meaning of Internal Financial Controls with reference to the Standalone Financial Statements**

7. A company's internal financial controls with reference to the 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 controls with reference to the Standalone Financial Statements include 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 the Standalone Financial Statements**

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number - 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership Number: 044784  
UDIN: 22044784AHELNT3554

Place: Mumbai  
Date: 16 April, 2022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration Number - 105146W/W- 100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
Membership Number: 033494  
UDIN: 22033494AHFEZZ8606

Place: Mumbai  
Date: 16 April, 2022

# Standalone Balance Sheet as at 31 March 2022

(Currency : Indian Rupees in crore)



Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS:</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	507.78	753.51
(b) Bank balances other than (a) above	5	176.19	222.87
(c) Derivative financial instruments	6	132.44	-
(d) Trade receivables	7	141.82	117.32
(e) Loans	8	57,162.45	58,601.44
(f) Investments	9	2,233.51	1,592.90
(g) Other financial assets	10	314.60	249.22
		<b>60,668.79</b>	<b>61,537.26</b>
<b>2 Non-financial Assets</b>			
(a) Current tax assets (Net)	11	13.34	56.91
(b) Deferred tax assets (Net)	12	1,051.17	729.99
(c) Property, plant and equipment		78.14	91.52
(d) Capital work-in-progress	13	-	-
(e) Other intangible assets		12.01	7.98
(f) Right of Use Assets	14	202.49	217.40
		<b>1,357.15</b>	<b>1,103.80</b>
<b>TOTAL ASSETS</b>		<b>62,025.94</b>	<b>62,641.06</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
<b>3 Financial Liabilities</b>			
(a) Derivative financial instruments	6	-	42.72
(b) Trade payables	15	-	0.01
(i) Total outstanding dues of micro enterprises and small enterprises		<b>246.91</b>	<b>334.25</b>
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Debt securities	16	25,332.31	23,802.07
(d) Borrowings (other than debt securities)	17	19,501.72	22,569.07
(e) Subordinated liabilities	18	4,139.05	3,987.61
(f) Other financial liabilities	19	2,708.72	2,844.93
		<b>51,928.71</b>	<b>53,580.66</b>
<b>4 Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	20	59.73	173.05
(b) Provisions	21	314.75	319.85
(c) Other non-financial liabilities	22	183.02	121.26
		<b>557.50</b>	<b>614.16</b>
<b>5 Equity</b>			
(a) Equity share capital	23	790.44	789.19
(b) Other equity	24	8,749.29	7,657.05
		<b>9,539.73</b>	<b>8,446.24</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>62,025.94</b>	<b>62,641.06</b>

Significant accounting policies and notes to the Standalone Financial Statements.

2 - 88

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Statement of Profit and Loss for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>1 Revenue from operations</b>			
(a) Interest income	25	8,362.97	8,487.88
(b) Sale of services		2,363.41	2,020.43
(c) Other financial charges		569.01	405.05
(d) Net gain on fair value changes	26	16.48	40.04
(e) Net gain / (loss) on derecognition of financial instruments under amortised cost category		(5.58)	(8.62)
<b>Total Revenue from operations</b>		<b>11,306.29</b>	10,944.78
<b>2 Expenses</b>			
(a) Finance Costs	27	3,325.50	3,882.93
(b) Impairment on financial instruments	28	2,465.73	3,068.77
(c) Employee Benefits Expenses	29	3,500.41	2,955.59
(d) Depreciation, amortization and impairment	13,14	98.94	107.79
(e) Others expenses	30	568.15	428.99
<b>Total Expenses</b>		<b>9,958.73</b>	10,444.07
<b>3 Profit before tax</b>		<b>1,347.56</b>	500.71
<b>4 Tax Expense:</b>	11,12		
(a) Current tax		663.40	419.09
(b) Deferred tax (credit)		(327.24)	(309.85)
<b>Total Tax expense</b>		<b>336.16</b>	109.24
<b>5 Profit for the year</b>		<b>1,011.40</b>	391.47
<b>6 Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan		(13.15)	(20.97)
- Income tax relating to items that will not be reclassified to profit or loss		2.25	5.28
<b>Sub total (a)</b>		<b>(10.90)</b>	(15.69)
(b) Items that will be reclassified to profit or loss			
- Movement in cash flow hedge reserve		33.00	2.99
- Income tax relating to items that will be reclassified to profit or loss		(8.31)	(0.75)
<b>Sub total (b)</b>		<b>24.69</b>	2.24
<b>Other Comprehensive Income</b>		<b>13.79</b>	(13.45)
<b>7 Total Comprehensive Income for the year</b>		<b>1,025.19</b>	378.02
<b>8 Earnings per equity share (for continuing operations)</b>	31		
Basic (₹)		12.81	4.97
Diluted (₹)		12.80	4.97
Significant accounting policies and notes to the Standalone Financial Statements.	2 - 88		

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Statement of Changes in Equity as at 31 March 2022

(Currency : Indian Rupees in crore)

## Statement of Changes in Equity



	As at 31 March 2022	As at 31 March 2021
<b>A Equity Share Capital</b>		
Balance at the beginning of the period	789.19	787.58
-Changes in Equity Share Capital due to prior period errors	-	-
-Restated balance at the beginning of the current reporting period	-	-
-Changes in Equity Share Capital during the year	1.25	1.61
Balance at the end of the reporting period	790.44	789.19

## B Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
Balance as at April 1, 2021	2,960.70	62.97	1,090.94	3,617.98	(42.65)	(32.89)	7,657.05
Adjustment on initial application of IndAS 116	-	-	-	-	-	-	-
Profit for the year	-	-	-	1,011.40	-	-	1,011.40
Other Comprehensive Income	-	-	-	-	(10.90)	24.69	13.79
Total Comprehensive Income for the year	-	-	-	1,011.40	(10.90)	24.69	1,025.19
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	202.28	(202.28)	-	-	-
Premium on issue of shares	36.63	-	-	-	-	-	36.63
Share based payment	-	30.42	-	-	-	-	30.42
Transfer on allotment of shares pursuant to ESOP scheme	57.86	(57.86)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
<b>Balance As At March 31, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>

# Standalone Statement of Changes in Equity as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## B Other Equity (Contd.)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee Stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings-Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
Balance as at April 1, 2020	2,925.43	49.42	1,012.65	3,304.80	(26.96)	(35.13)	7,230.22
Adjustment on initial application of IndAS 116	-	-	-	-	-	-	-
Profit for the year	-	-	-	391.47	-	-	391.47
Other Comprehensive Income	-	-	-	-	(15.69)	2.24	(13.45)
Total Comprehensive Income for the year	-	-	-	391.47	(15.69)	2.24	378.01
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	78.29	(78.29)	-	-	-
Premium on issue of shares	35.27	-	-	-	-	-	35.27
Share based payment	-	13.55	-	-	-	-	13.55
Dividends	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
<b>Balance As At March 31, 2021</b>	<b>2,960.70</b>	<b>62.97</b>	<b>1,090.94</b>	<b>3,617.98</b>	<b>(42.65)</b>	<b>(32.89)</b>	<b>7,657.05</b>

As required by section 45-IC of the RBI Act 1934, the Company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1934.

Significant accounting policies and notes to the Standalone Financial Statements.

Note 2 - 88

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Cash Flow Statement for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit/(loss) before tax	1,347.56	500.71
	<b>Adjustments for</b>		
	Interest Income	(8,362.97)	(8,487.88)
	Interest Expenses	3,316.64	3,857.22
	(Profit)/loss on sale of asset	(0.06)	1.91
	Realised net loss/ (gain) on FVTPL investments	39.29	(79.75)
	Unrealised gain on FVTPL investments	(22.81)	(5.15)
	Discount on commercial paper	8.86	25.71
	Provision for compensated absence and gratuity	3.52	15.78
	Employee share based payment expenses	30.42	13.55
	Depreciation, amortization and impairment	98.94	107.79
	Impairment on financial instruments	2,465.73	3,065.52
	<b>Operating cash flow before working capital changes</b>	<b>(1,074.88)</b>	<b>(984.59)</b>
	<b>Adjustments for working capital changes:</b>		
	Interest Paid	(3,699.47)	(3,695.31)
	Interest Received	8,353.15	8,447.48
	Increase in Loans	(1,016.51)	(4,482.17)
	(Increase)/ decrease in trade receivables	(24.50)	66.12
	Increase in other financial assets and others	(47.70)	(65.41)
	Increase/(decrease) in other financial and non financial liabilities & provisions	(960.09)	7.85
	Increase/(decrease) in trade payables	(87.34)	184.28
	<b>Cash generated from operations</b>	<b>1,442.66</b>	<b>(521.75)</b>
	Direct taxes paid (net of refunds)	514.43	180.00
	<b>Net cash flow generated from/(used in) operating activities (A)</b>	<b>1,957.09</b>	<b>(341.75)</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of investments	(24,583.62)	(15,557.50)
	Proceeds of investments	23,920.20	15,713.15
	Purchase of fixed assets	(41.13)	(24.64)
	Proceeds from sale of fixed assets	1.27	0.38
	<b>Net cash generated (used in)/from investing activities (B)</b>	<b>(703.28)</b>	<b>131.38</b>



# Standalone Cash Flow Statement for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>C</b>	<b>Cash flow from financing activities</b>		
	Debt securities issued	8,876.00	10,541.10
	Debt securities repaid	(7,274.50)	(9,378.90)
	Borrowings other than debt securities issued	8,800.35	9,309.34
	Borrowings other than debt securities repaid	(12,026.41)	(10,195.20)
	Subordinated debt issued	150.00	356.50
	Proceeds from issue of shares and security premium	37.89	36.87
	Repayment of lease liabilities	(62.87)	(61.78)
	<b>Net cash generated (used in)/from financing activities (C)</b>	<b>(1,499.54)</b>	<b>607.93</b>
	<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(245.73)</b>	<b>397.56</b>
	Add : Cash and cash equivalents as at the beginning of the year	753.51	355.95
	Cash and cash equivalents as at the end of the year*	507.78	753.51
	*Components of cash and cash equivalents		
	Balances with banks	430.81	650.42
	Demand drafts on hand	11.32	12.88
	Cash on hand	35.07	29.62
	Collateral with Banks for Derivative	30.58	60.59
		507.78	753.51
	Significant accounting policies and notes to the Standalone Financial Statements.	<b>Note 2 - 88</b>	

The notes referred to above form an integral part of the Standalone Financial Statements.

The above Standalone Statement of cash flow has been prepared under the indirect method set out in Ind-AS 7 - Statement of Cash Flow.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353



# Notes to the Standalone Financial Statements for the year ended 31 March 2022



## 1 Company overview

HDB Financial Services Limited ('the Company'), incorporated in Ahmedabad, India, is a Systemically Important Non Deposit taking Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934.

The Company provides lending services and business process outsourcing services. The Company also provides services related to the marketing and promotion of various financial products.

The Company's registered office is situated at Radhika, 2<sup>nd</sup> floor, Law Garden Road, Navrangpura, Ahmedabad - 380009, India, while its corporate office is located in Mumbai, India. The Company is a subsidiary of HDFC Bank Limited.

## 2 Significant accounting policies

### 2.1 Statement of Compliance, Basis of preparation & presentation of financial statements

#### (A) Compliance with Ind-AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. These standalone financial statements have been subjected to audit by the Statutory Auditors of the Company, have been reviewed by the Audit Committee and approved by the Board of Directors and authorized for issue on 16 April 2022.

#### (B) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

#### (C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR crores in compliance with Schedule III of the Act, unless otherwise stated.

#### (D) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Company's functional currency. All amounts are rounded-off to the nearest crores, unless otherwise indicated.

#### (E) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

## **2.2 Financial Instruments**

### **(A) Date of recognition**

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

### **(B) Initial measurement**

Recognised financial instruments are initially measured at transaction price, which equates fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

### **(C) Classification and subsequent measurement**

#### **(i) Financial assets**

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

#### **(a) Financial assets carried at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

#### **(b) Financial assets at fair value through other comprehensive income**

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial

assets are recognised in Other Comprehensive Income ('OCI'), except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

**(c) Financial assets at fair value through profit and loss**

Financial assets, which do not meet the criteria for categorization as at amortized cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in statement of profit and loss.

The Company records investments in equity instruments, mutual funds and treasury bills at FVTPL.

**(ii) Financial liabilities and equity instrument**

Debt and equity instruments issued by the 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.

**(a) Equity instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

**(b) Financial liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.

**(D) Reclassification**

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

**(E) Offsetting**

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(F) Derecognition**

**(i) Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Company neither transfers nor retains substantially all of 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 the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

**(ii) Financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

**(G) Impairment of financial assets**

The Company applies the expected credit loss ('ECL') model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Company categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material. Adjustments including reversal of ECL is recognised through statement of profit and loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

### **(H) Write offs**

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

## **2.3 Impairment of non-financial assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

## **2.4 Foreign exchange transactions and translations**

### **(A) Initial recognition**

Transactions in foreign currencies are recognized at prevailing exchange rates between reporting currency and foreign currency on transaction date.

### **(B) Conversion**

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.



## **2.5 Derivative financial instruments**

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

### **Hedge accounting policy**

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

### **Cash Flow Hedges**

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of 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.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

## **2.6 Cash and cash equivalents**

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

The Company follows the policy of crediting the customer's account only on receipt of amount in the bank and as such no cheques in hand are taken into consideration.

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)

### 2.7 Upfront servicers fees booked on direct assignment

Servicer fees receivable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

### 2.8 Property, plant and equipment

#### (A) Recognition and measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

#### (B) Subsequent expenditure

Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future economic benefits / functioning capability from / of such assets.

#### (C) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Company	Estimated useful life under Schedule II of the Act
Computers	2-5 years	3 years
Software and system development	3 years	3 years
Office equipment	3 years	5 years
Motor cars	4 years	8 years
Furniture and fixtures	3-7 years	10 years
Building	60 years	60 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

The Company uniformly estimates a zero residual value for all these assets. Items costing less than ₹ 5,000 are fully depreciated in the year of purchase. Depreciation is pro-rated in the year of acquisition as well as in the year of disposal.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Consequently, the useful life of certain computer-related assets, furniture and fixtures, office equipment and motor cars differ from the life prescribed in Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the year the asset is de-recognised.

## **2.9 Other intangible assets**

Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 3 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

## **2.10 Dividend**

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## **2.11 Revenue recognition**

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different sources of revenue are explained below:

### **(A) Income from lending business**

#### **Interest income**

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).



**Other financial charges**

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

**(B) Income from BPO services and other financial charges**

Income from BPO services comprise of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers. Performance obligations are satisfied over time and revenue is recorded on a monthly basis.

**(C) Income from direct assignment**

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

**2.12 Finance costs**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

**2.13 Employee benefits**

**(A) Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(B) Provident fund**

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**(C) ESIC and Labour welfare fund**

The Company's contribution paid/payable during the year to ESIC and Labour welfare fund are recognised in the statement of profit and loss.

**(D) Gratuity**

The Company operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Company makes annual contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**(E) Share-based payments**

The Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 - Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding amount.

**2.14 Provisions and contingencies**

The Company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

**2.15 Leases**

Effective 01 April 2019, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 01 April 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, 01 April 2019.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

### 2.16 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

### 2.17 Income tax

#### (A) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

#### (B) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 tax authority.

### 2.18 Earnings per share

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 2.19 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 ('MD') of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

Operating segments identified by the Company comprises as under:

- Lending services
- BPO services

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### 2.20 Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements.

To the extent possible, the Company uses active market data and external valuers for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models or through external valuers. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



The Company physically repossess and take into custody properties or other assets and also engages external agents to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

### 2.21 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### 3 Critical accounting estimates and judgements

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

#### (A) Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell 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.

Fair value measurements under Ind AS are categorised 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 measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 42.

#### (B) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information.

The inputs used and process followed by the Company in determining the ECL have been detailed in Note 44.

#### (C) Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

**(D) Business model assessment**

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. 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 assets.

**(E) Useful life and expected residual value of assets**

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**(F) Leases**

- The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

**(G) Deferred Tax**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**(H) Defined benefit plans**

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(I) Provisions and contingencies**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.



# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 4 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	35.07	29.62
Balances with banks	430.81	650.42
Demand drafts on hand	11.32	12.88
Collateral with Banks for Derivative	30.58	60.59
<b>Total</b>	<b>507.78</b>	<b>753.51</b>

## 5 Bank balances Other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Deposits with bank	1.89	0.03
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	172.96	221.09
Interest accrued but not due on fixed deposits	1.34	1.75
<b>Total</b>	<b>176.19</b>	<b>222.87</b>

## 6 Derivative financial Instruments

	As at 31 March 2022			As at 31 March 2021		
	Notional amounts	Fair Value-Assets	Fair Value-Liabilities	Notional amounts	Fair Value-Assets	Fair Value-Liabilities
Part I						
(i) Currency derivatives:						
Currency swaps	4,017.00	132.44	-	3,874.83	-	42.72
<b>Subtotal (i)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>
(ii) Interest rate derivatives						
Forward Rate Agreements and Interest Rate swaps	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>
Part II						
Included in above (Part I) are derivatives held for						
(i) Fair value hedging:						
Currency derivatives	-	-	-	-	-	-
Interest Rate derivatives	-	-	-	-	-	-
<b>Subtotal (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(ii) Cash flow hedging:						
Currency derivatives	4,017.00	132.44	-	3,874.83	-	42.72
Interest rate derivatives	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>
(iii) Undesignated Derivatives						
Currency Swaps	-	-	-	-	-	-
<b>Subtotal (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

## 7 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Receivables Considered good - Secured	-	-
Receivables Considered good - Unsecured	124.20	117.33
Receivables which have significant increase in the credit risk	20.79	4.53
Receivables credit impaired	0.13	0.02
Unbilled Trade Receivables	-	-
	145.12	121.88
Less: Impairment loss allowance	3.30	4.56
<b>Total</b>	<b>141.82</b>	<b>117.32</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

### Reconciliation of impairment Loss allowance on trade receivables:

	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	4.56	6.82
Increase during the year	2.11	0.73
Decrease during the year	(3.37)	(2.99)
Balance at end of the year	3.30	4.56

### Trade receivables aging schedule :

Previous Year figures are in (brackets)

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	123.55 (117.43)	0.41 0.39	(0.05) 0.16	0.10 (0.02)	0.20 (0.42)	124.21 (117.33)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	19.50 (1.07)	0.79 (1.80)	0.39 (0.63)	0.02 (0.94)	0.09 (0.08)	20.79 (4.54)
(iii) Undisputed Trade Receivables - credit impaired	- (0.00)	- -	0.07 (0.02)	0.06 -	- (0.00)	0.13 (0.02)
(iv) Disputed Trade Receivables - considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade Receivables - which have significant increase in credit risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(vii) Unbilled Trade Receivables	- -	- -	- -	- -	- -	- -
<b>TOTAL</b>	<b>143.05</b> (118.50)	<b>1.20</b> (1.41)	<b>0.41</b> (0.49)	<b>0.18</b> (0.96)	<b>0.29</b> (0.50)	<b>145.13</b> (121.89)



# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 8 Loans (at amortised cost)

	As at 31 March 2022	As at 31 March 2021
A Term Loans in India	61,326.32	61,325.00
B Public sector		
Others	61,326.32	61,325.00
<b>Total</b>	<b>61,326.32</b>	<b>61,325.00</b>
C Secured (Secured by tangible assets)	46,644.29	46,894.73
Unsecured	14,682.03	14,430.27
<b>Total</b>	<b>61,326.32</b>	<b>61,325.00</b>
D Less: Impairment loss allowance	4,163.87	2,723.56
<b>Total</b>	<b>57,162.45</b>	<b>58,601.44</b>
<b>Term Loans in India - at amortised cost</b>		
- Public sector		
- Others		
Secured (Secured by tangible assets)	46,644.29	46,894.73
Unsecured	14,682.03	14,430.27
<b>Total Gross Loans</b>	<b>61,326.32</b>	<b>61,325.00</b>
Less: Impairment loss allowance	4,163.87	2,723.56
<b>Total</b>	<b>57,162.45</b>	<b>58,601.44</b>

## Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	As at 31 March 2022	As at 31 March 2021
Stage 1	56,142.18	55,263.27
Stage 2	2,125.38	3,300.87
Stage 3	3,058.76	2,760.86
	<b>61,326.32</b>	<b>61,325.00</b>

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person.

Particulars	As at 31 March 2022	% to the total Loans and Advances in the nature of loans	As at 31 March 2021	% to the total Loans and Advances in the nature of loans
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 9 Investments

	As at 31 March 2022	As at 31 March 2021
<b>Recorded at Fair value through profit and loss account</b>		
Outside India	-	-
In India		
Mutual fund units	946.45	572.21
Treasury bills / G-Sec	1,197.57	882.82
Securities receipt of ARC	88.04	136.42
<b>Recorded at Amortised Cost</b>		
Outside India	-	-
In India		
Unquoted equity shares	1.45	1.45
<b>Total</b>	<b>2,233.51</b>	<b>1,592.90</b>

## 10 Other financial assets

	As at 31 March 2022	As at 31 March 2021
Capital advances	0.43	1.22
Security deposits at amortised cost (Unsecured, considered good)	21.64	19.78
Prepaid rent (Security deposits, Unsecured, considered good)	7.19	7.62
Retained interest on assigned loan	3.12	8.71
Servicing assets on assigned loan	0.96	2.26
Advances recoverable in cash or in kind (Unsecured, considered good)	281.26	209.63
<b>Total</b>	<b>314.60</b>	<b>249.22</b>

## 11 Current tax assets (Net)

	As at 31 March 2022	As at 31 March 2021
<b>Current tax assets</b>		
Advance tax and tax deducted at source (Net of provision for tax ₹ 663.40 crore) (Previous Year: ₹ 419.09 crore)	13.34	56.91
<b>Total</b>	<b>13.34</b>	<b>56.91</b>

## 12 Deferred tax assets (Net)

	Balance as at 1 April 2020	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2022
<b>Deferred Tax Asset</b>							
Depreciation and amortisation	16.77	4.05	-	20.82	14.78	-	35.60
Provision for employee benefits	7.58	(2.86)	5.28	10.00	2.04	2.25	14.30
Loans - Impairment	325.13	371.33	-	696.46	349.57	-	1,046.03
Loans - DSA	63.27	(34.82)	-	28.45	(15.45)	-	13.00
Lease	3.78	3.64	-	7.42	(10.87)	-	(3.45)
Cash Flow Hedges Reserve	11.82	-	(0.75)	11.07	-	(8.31)	2.76
<b>Deferred Tax Asset</b>	<b>428.35</b>	<b>341.34</b>	<b>4.53</b>	<b>774.22</b>	<b>340.07</b>	<b>(6.06)</b>	<b>1,108.24</b>

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)

(Currency : Indian Rupees in crore)

	Balance as at 1 April 2020	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2022
<b>Deferred Tax Liabilities</b>							
Borrowings	(12.07)	0.60	-	(11.47)	4.32	-	(7.15)
Investments - MTM and others	(0.57)	(1.43)	-	(2.00)	(16.84)	-	(18.84)
Securitization and others	(0.09)	(30.67)	-	(30.76)	(0.32)	-	(31.08)
<b>Deferred Tax Liabilities</b>	(12.73)	(31.50)	-	(44.23)	(12.84)	-	(57.07)
<b>Net Deferred Tax Assets</b>	415.62	309.84	4.53	729.99	327.24	(6.06)	1,051.17
Deferred Tax Asset						1,051.17	729.99
Movement in Net deferred tax Asset during the year						321.18	314.37

The components of income tax expense for the years ended 31 March 2022 and 2021 are:

	As at 31 March 2022	As at 31 March 2021
<b>Current tax:</b>		
In respect of current year	663.40	419.09
In respect of prior years	-	-
<b>Deferred Tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	(327.24)	(309.85)
In respect of prior years	-	-
Total Income Tax recognised in profit or loss	336.16	109.24
Current tax	663.40	419.09
Deferred tax (Debit)	(327.24)	(309.85)

Income Tax recognised in Other comprehensive income

	As at 31 March 2022	As at 31 March 2021
Deferred tax related to items recognised in Other comprehensive income during the year:		
Income tax relating to items that will not be reclassified to profit or loss	2.25	5.28
Income tax relating to items that will be reclassified to profit or loss	(8.31)	(0.75)
Total Income tax recognised in Other comprehensive income (Debit)	(6.06)	4.53

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at 31 March 2022	As at 31 March 2021
Profit before tax	1,347.56	500.71
Applicable income tax rate (%)	25.17	25.17
Income tax expense calculated at applicable income tax rate	339.15	126.02
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	14.16	11.65
Effect of tax incentives (net)	(17.14)	(28.43)
Effects of income not considered as taxable on compliance of condition	-	-
Income tax for earlier year	-	-
Income tax expense recognised in profit and loss	336.16	109.24

**Notes to the Standalone Financial Statements  
as at 31 March 2022 (Continued)**

(Currency : Indian Rupees in crore)



**13 Property, Plant and Equipment (PPE) and Other Intangible assets**

Description	Office equipment	Furniture and fixtures	Leasehold improvements	Computers	Building	Motor cars	Total PPE Tangibles	Software and System development	Total Other Intangibles	Total
<b>Balance as at 1<sup>st</sup> April, 2021</b>	61.62	93.46	79.06	142.88	0.15	8.03	385.21	39.23	39.23	424.43
Additions during the year	2.85	3.04	4.70	16.49	-	2.47	29.55	11.58	11.58	41.13
Disposals/Adjustments during the year	1.34	1.35	3.05	0.62	-	1.65	8.00	-	-	8.00
<b>Balance as at 31<sup>st</sup> March, 2022</b>	63.13	95.15	80.72	158.76	0.15	8.85	406.76	50.81	50.81	457.57
<b>Accumulated Depreciation / impairment as at 1<sup>st</sup> April, 2021</b>	47.23	73.50	45.36	122.45	0.02	5.13	293.69	31.25	31.25	324.93
Depreciation charge during the year	5.93	8.29	9.03	16.87	0.02	1.58	41.72	7.56	7.56	49.28
Disposals/Adjustments during the year	1.30	1.28	2.43	0.61	0.02	1.15	6.79	-	-	6.79
<b>Accumulated Depreciation / impairment as at 31<sup>st</sup> March, 2022</b>	51.86	80.51	51.96	138.71	0.03	5.56	328.63	38.80	38.80	367.43
<b>Net carrying amount as at 31<sup>st</sup> March, 2022</b>	11.27	14.64	28.76	20.05	0.12	3.29	78.13	12.01	12.01	90.14
<b>Balance as at 1<sup>st</sup> April, 2020</b>	59.26	93.79	79.00	137.68	0.15	7.39	377.27	33.43	33.43	410.70
Additions during the year	3.45	2.41	4.18	7.61	-	1.13	18.79	5.80	5.80	24.58
Disposals/Adjustments during the year	1.09	2.74	4.12	2.41	-	0.49	10.85	-	-	10.85
<b>Balance as at 31<sup>st</sup> March, 2021</b>	61.61	93.46	79.06	142.88	0.15	8.03	385.21	39.23	39.23	424.43
<b>Accumulated Depreciation / impairment as at 1<sup>st</sup> April, 2020</b>	40.43	66.75	38.49	103.40	0.04	3.67	252.79	24.36	24.36	277.15
Depreciation charge for the year	7.83	8.90	9.44	21.46	0.00	1.84	49.46	6.88	6.88	56.34
Disposals/Adjustments during the year	1.03	2.15	2.57	2.41	0.02	0.38	8.56	-	-	8.56
<b>Accumulated Depreciation / impairment as at 31<sup>st</sup> March, 2021</b>	47.23	73.50	45.36	122.45	0.02	5.13	293.68	31.25	31.25	324.93
<b>Net carrying amount as at 31<sup>st</sup> March, 2021</b>	14.39	19.96	33.70	20.43	0.13	2.91	91.52	7.98	7.98	99.50

**Note : No revaluation of any class of asset is carried out during the year.**

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 14 Right of Use Assets

	As at 31 March 2022	As at 31 March 2021
Right of Use Assets	202.49	217.40
Total	202.49	217.40

## 15 Trade Payables

	As at 31 March 2022	As at 31 March 2021
Trade payables		
i) total outstanding dues to micro and small enterprises	-	0.01
ii) total outstanding dues of creditors other than micro and small enterprises	246.91	334.25
iii) unbilled trade payables	-	-
Total	246.91	334.26

15.1 Trade Payables includes ₹ 0 Crore (Previous Year: ₹ 0.01 Crore) payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to “Suppliers” registered under this act. The above is based on the information available with the Company which has been relied upon by the auditors

15.2 Trade payables aging schedule :

Previous Year figures are in (brackets)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	- (0.01)	- -	- -	- -	- (0.01)
ii) Others	239.47 (326.49)	1.45 (3.02)	2.78 (2.03)	3.21 (2.71)	246.91 (334.25)
iii) Disputed dues - MSME	- -	- -	- -	- -	- -
iv) Disputed dues - Others	- -	- -	- -	- -	- -
v) Unbilled Trade payables	- -	- -	- -	- -	- -
Total	239.47 (326.50)	1.45 (3.02)	2.78 (2.03)	3.21 (2.71)	246.91 (334.26)

## 16 Debt Securities

	As at 31 March 2022	As at 31 March 2021
At Amortised Cost		
<b>Secured</b>		
Privately placed redeemable non convertible debenture Secured by pari passu charge by mortgage of Company's Office no.319, 3 <sup>rd</sup> Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and receivables under financing activity.	25,357.70	23,356.20

**Notes to the Standalone Financial Statements  
as at 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured</b>		
Commercial paper	-	400.00
Total	<b>25,357.70</b>	23,756.20
<b>Less: Unamortised borrowing cost/Unmatured discount on Commercial paper/Premium and discount on NCD</b>	<b>25.39</b>	(45.87)
Debt Securities net of unamortised cost	<b>25,332.31</b>	23,802.07
Debt securities in India	<b>25,357.70</b>	23,756.20
Debt securities outside India	-	-
Total	<b>25,357.70</b>	23,756.20
<b>Less: Unamortised borrowing cost/Unmatured discount on Commercial paper/Premium and discount on NCD</b>	<b>25.39</b>	(45.87)
Debt Securities net of unamortised cost	<b>25,332.31</b>	23,802.07

16.1 No non convertible debentures, non convertible perpetual debentures and any other borrowing is guaranteed by directors and/or others.

16.2 Terms of repayment of privately placed redeemable non convertible debenture.

Previous Year figures are in (brackets)

Rate of interest (%)	0-1 year	1-3 years	3-5 years	>5 years	Total
4.5-5.5	<b>1,380.00</b> (575.00)	<b>2,616.00</b> (2,330.00)	- -	- -	<b>3,996.00</b> (2,905.00)
5.5-6.5	<b>1,510.00</b> -	<b>6,470.00</b> (3,050.00)	<b>1,390.00</b> -	- -	<b>9,370.00</b> (3,050.00)
6.5-7.5	- -	<b>5,691.10</b> (6,311.10)	- -	- -	<b>5,691.10</b> (6,311.10)
7.5-8.5	<b>3,189.00</b> (1,942.00)	<b>280.00</b> (2,129.00)	- (280.00)	<b>900.00</b> (600.00)	<b>4,369.00</b> (4,951.00)
8.5-9.5	<b>1,931.60</b> (4,207.50)	- (1,931.60)	- -	- -	<b>1,931.60</b> (6,139.10)
9.5-10.5	- -	- -	- -	- -	- -
<b>Total</b>	<b>8,010.60</b> (6,724.50)	<b>15,057.10</b> (15,751.70)	<b>1,390.00</b> (280.00)	<b>900.00</b> (600.00)	<b>25,357.70</b> (23,356.20)

16.3 All the above non convertible debentures are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year (Refer Note 82).

**17 Borrowings (Other than Debt Securities)**

	As at 31 March 2022	As at 31 March 2021
<b>At Amortised Cost</b>		
Borrowings (other than debt securities)		
<b>Secured</b>		
(a) External commercial borrowings (ECB)	<b>4,017.00</b>	4,849.83
(b) Term loan against hypothecation of Receivables under financing activity	<b>14,291.45</b>	15,614.53
(c) Borrowing under Securitisation	<b>1,205.64</b>	2,036.41
(d) Borrowing under ARC	-	97.20
<b>Total</b>	<b>19,514.09</b>	22,597.97

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

	As at 31 March 2022	As at 31 March 2021
Less: Unamortised borrowing cost	12.37	28.90
Borrowings (Other than Debt Securities) net of unamortised cost	19,501.72	22,569.07
Borrowings in India	15,497.09	18,723.14
Borrowings outside India	4,017.00	3,874.83
Total	19,514.09	22,597.97
Less: Unamortised borrowing cost	12.37	28.90
Borrowings (Other than Debt Securities) net of unamortised cost	19,501.72	22,569.07

17.1 - No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others.

17.2 - During the period presented there were no defaults in the repayment of principal and interest.

17.3(a) - Terms of repayment of External commercial borrowings from International Finance Corporation.

Previous Year figures are in (brackets)

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
8 - 9	- (975.00)	- -	- -	- (975.00)

17.3(b) - Terms of repayment of External commercial borrowings in foreign currency

Previous Year figures are in (brackets)

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
6 - 9	4,017.00 (3,874.83)	- -	- -	4,017.00 (3,874.83)

The Company had availed total External Commercial Borrowing (ECBs) of USD 530 million for financing prospective borrower as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. Out of same USD 230 million was raised in FY20-21. The borrowing had a maturity of three years. In terms of the RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps. The charges for raising of the aforesaid ECB has been amortised over the tenure of the ECB.

17.4 - Terms of repayment of Term loans from Banks.

Previous Year figures are in (brackets)

Marginal Cost of Funds Based Lending Rate (MCLR) (a)	0-1 year	1-3 years	3-5 years	Total
Overnight MCLR + (0.00% to 0.75%)	-	100.00	-	100.00
	-	-	-	-
1 Month MCLR + (0.00% to 0.75%)	41.67 (733.33)	41.67 (716.67)	- (16.67)	83.33 (1,466.67)
3 Month MCLR + (0.00% to 1.5%)	75.00 (1,797.73)	75.00 (2,164.39)	- -	150.00 (3,962.12)

**Notes to the Standalone Financial Statements  
as at 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

<b>Marginal Cost of Funds Based Lending Rate (MCLR) (a)</b>	<b>0-1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>Total</b>
6 Month MCLR + (0.00% to 0.75%)	- (804.55)	- (1,008.33)	- -	- (1,812.88)
1 Year MCLR + (0.00% to 0.25%)	- (631.82)	- (45.45)	- -	- (677.27)
1 Year MCLR + (0.25% to 1.25%)	- -	- -	- -	- -
<b>Total (a)</b>	<b>116.67</b> (3967.43)	<b>216.67</b> (3934.84)	- (16.67)	<b>333.33</b> (7918.94)
<b>Rate linked to T-Bills rates (b)</b>	<b>0-1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>Total</b>
3 Month T-Bills rates (0.00% to 4.00%)	<b>1579.53</b> (655.00)	<b>1,562.28</b> (919.69)	<b>136.67</b> -	<b>3,278.48</b> (1,574.69)
6 Month T-Bills rates (0.00% to 3.50%)	<b>109.09</b> (109.09)	- (109.09)	- -	<b>109.09</b> (218.18)
12 Month T-Bills rates (0.00% to 3.50%)	<b>431.67</b> (210.83)	<b>772.50</b> (530.83)	- (110.83)	<b>1,204.17</b> (852.49)
Overnight Index Swap (OIS) (0.00% to 3.50%)	- -	- (500.00)	- -	- (500.00)
Repo Rate (0.00% to 3.50%)	<b>1,061.46</b> (726.67)	<b>2,286.39</b> (1,616.70)	<b>1,473.21</b> (31.82)	<b>4,821.06</b> (2,375.19)
Mumbai InterBank Offer rate (MIBOR) (0.00% to 3.50%)	<b>725.00</b> (197.92)	<b>252.08</b> (450.00)	- (27.12)	<b>977.08</b> (675.04)
<b>Total (b)</b>	<b>3,906.75</b> (1899.51)	<b>4,873.25</b> (4126.31)	<b>1,609.88</b> (169.77)	<b>10,389.88</b> (6195.59)
Fixed Interest rate 4.50% - 5.50%	<b>1,018.70</b> (318.18)	<b>2,187.40</b> (1,090.91)	<b>362.14</b> (90.91)	<b>3,568.24</b> (1,500.00)
<b>Total (a)+(b)</b>	<b>5,042.12</b> (6,185.12)	<b>7,277.32</b> (9,152.06)	<b>1,972.01</b> (277.35)	<b>14,291.45</b> (15,614.53)

17.5 All the above Term loans are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year.

17.6 Terms of repayment of Borrowing under Securitisation.

Previous Year figures are in (brackets)

<b>Rate of interest (%)</b>	<b>0-1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>Total</b>
3.50% to 8.00%	<b>763.50</b> (1,198.04)	<b>429.25</b> (793.05)	<b>12.89</b> (45.32)	<b>1,205.64</b> (2,036.41)

17.7 Term Loans were fully used for the purpose for which the same were obtained.

17.8 Periodic statements of securities filed with the lending banks are as per books of accounts.



# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 18 Subordinated Liabilities

	As at 31 March 2022	As at 31 March 2021
<b>At Amortised Cost</b>		
<b>Unsecured</b>		
(a) Privately placed subordinated (Tier II) redeemable bonds	3,500.00	3,500.00
(b) Redeemable non convertible perpetual bonds	650.00	500.00
Total	4,150.00	4,000.00
Less: Unamortised borrowing cost	10.95	12.39
Subordinated Liabilities net of unamortised cost	4,139.05	3,987.61
Subordinated Liabilities in India	4,150.00	4,000.00
Subordinated Liabilities outside India	-	-
Total	4,150.00	4,000.00
Less: Unamortised borrowing cost	10.95	12.39
Subordinated Liabilities net of unamortised cost	4,139.05	3,987.61

18.1 - No subordinate debts and any other borrowing is guaranteed by directors and / or others.

18.2 - Terms of repayment of Privately placed unsecured subordinated (Tier II) redeemable bonds and redeemable non convertible perpetual bonds.

Previous Year figures are in (brackets)

Rate of interest	<5 years	>5 years	Total
7.5-10.5	4,000.00 (1,330.00)	150.00 (2,670.00)	4,150.00 (4,000.00)

## 19 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Interest accrued	1,511.65	1,914.16
Overdrawn balances in current account with banks	850.59	576.42
Deposits (not as defined in Section 2(31) of Companies Act, 2013)	10.22	10.29
Creditors for other expenses	18.31	22.79
Statutory liabilities	78.82	73.72
Lease Liability (RTU)	239.13	247.55
Total	2,708.72	2,844.93

## 20 Current tax liabilities (Net)

	As at 31 March 2022	As at 31 March 2021
Provisions for tax (Net of advance tax ₹ 440.00 crore, Previous Year ₹ 180.00 crore)	59.73	173.05
Total	59.73	173.05

## 21 Provisions

	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
Gratuity (funded)	71.44	67.92
Salary, bonus and reimbursements	208.10	222.18
Contribution to provident fund	35.21	29.75
Total	314.75	319.85

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 22 Other non-financial liabilities

	As at 31 March 2022	As at 31 March 2021
Other payables	-	-
Provision for expenses	183.02	121.26
Total	183.02	121.26

## 23 Equity Share capital

	Face Value	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	₹ each	Number of shares	Number of shares		
Authorised equity shares	10	1,00,15,50,000	1,00,15,50,000	1,001.55	1,001.55
Issued, Subscribed & Paid up equity shares fully paid up	10	79,04,40,031	78,91,85,216	790.44	789.19
Total				790.44	789.19

### 23.1 Reconciliation of the number of shares

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Equity shares of ₹10 fully paid up				
Shares outstanding at the beginning of the year	78,91,85,216	789.19	78,75,79,656	787.58
Shares issued - exercised for ESOP scheme	12,54,815	1.25	16,05,560	1.61
Shares outstanding at the end of the year	79,04,40,031	790.44	78,91,85,216	789.19

### 23.2 Terms/rights attached to equity shares.

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

### 23.3 Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2022			As at 31 March 2021		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Equity shares of ₹ 10 fully paid up HDFC Bank Limited (Holding Company)	75,05,96,670	94.96	0.00%	75,05,96,670	95.11	0.00%

# Notes to the Standalone Financial Statements as at 31 March 2022 (Continued)

(Currency : Indian Rupees in crore)

## 23.4 Number of shares reserved for ESOPs

Particulars	As at 31 March 2022	As at 31 March 2021
Equity shares of ₹10 fully paid up		
Number of Shares reserved for ESOPs (Refer note 34)	40,69,315	31,76,650

## 24 Other equity

	As at 31 March 2022	As at 31 March 2021
<b>Other equity</b>		
(i) Securities Premium Account	3,055.19	2,960.70
(ii) Employee stock Options Outstanding Account	35.53	62.97
(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	1,293.22	1,090.94
(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	4,427.10	3,617.98
(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations	(53.55)	(42.65)
(vi) Cash Flow Hedges Reserve	(8.20)	(32.89)
	8,749.29	7,657.05

### (i) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

### (ii) Employee stock Options Outstanding Account

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

### (iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

### (iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

### (v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings.

### (vi) Cash Flow Hedges Reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

## 25 Interest Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>On Financial Assets measured at Amortised Cost -</b>		
Interest on Loans	8,293.64	8,420.35
Interest on deposits with Banks	11.39	22.67
<b>On Financial Assets measured at fair value through profit or loss (FVTPL) -</b>		
Interest income from Investment	57.94	44.86
<b>Total</b>	<b>8,362.97</b>	<b>8,487.88</b>

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)

(Currency : Indian Rupees in crore)

## 26 Net gain/ (loss) on fair value changes

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain/(loss) on financial instruments at fair value through profit or loss (FVTPL)		
Investments	16.48	40.04
Unquoted equity shares	-	-
	16.48	40.04
Net gain/(loss) on financial instruments at fair value through profit or loss (FVTPL)		
Realised	39.29	34.89
Unrealised	(22.81)	5.15
<b>Total</b>	<b>16.48</b>	<b>40.04</b>

## 27 Finance Costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Interest expenses on financial liabilities measured at amortised cost</b>		
Interest on borrowings (includes Interest on lease liabilities ₹ 19.68 Crore, Previous Year ₹ 25.47 crore)	1,248.83	1,684.74
Interest on debt securities	1,671.08	1,791.21
Interest on subordinated liabilities	369.15	346.70
Discount on commercial paper	8.86	25.71
Other borrowing costs	27.58	34.57
<b>Total</b>	<b>3,325.50</b>	<b>3,882.93</b>

## 28 Impairment on financial instruments

	For the year ended 31 March 2022	For the year ended 31 March 2021
Impairment on financial instruments at amortised cost		
Loans	2,466.99	3,071.52
Investment	-	(0.49)
Trade receivables	(1.26)	(2.26)
<b>Total</b>	<b>2,465.73</b>	<b>3,068.77</b>

## 29 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages (including bonus)	3,162.38	2,684.48
Contribution to provident and other funds	277.92	233.35
Employee share based payment expenses	30.42	13.55
Staff welfare expenses	29.69	24.21
<b>Total</b>	<b>3,500.41</b>	<b>2,955.59</b>

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

### 30 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	5.53	5.69
Rates and taxes	0.78	1.76
Telephone	30.70	31.56
Power and fuel	24.50	20.03
Repairs and maintenance-premises	4.79	3.37
Repairs and maintenance-others	4.47	2.24
Credit report charges	37.65	34.25
Commission and brokerage	2.56	2.22
Auditor's remuneration (Refer Note 32)	1.16	1.06
Insurance	0.71	1.64
Loss on sale of asset	(0.06)	1.91
Expenses towards Corporate Social Responsibility Initiative (Refer Note 40)	25.83	30.83
Others administrative expenses	429.53	292.43
<b>Total</b>	<b>568.15</b>	<b>428.99</b>

### 31 Earnings per Share

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net Profit (₹ in crore)	1,011.40	391.47
Weighted average number of equity shares		
Basic	78,94,77,686	78,80,29,727
Diluted	78,99,39,967	78,83,47,209
Earnings per share (₹)		
Basic	12.81	4.97
Diluted	12.80	4.97
Face value per share (₹)	10.00	10.00

The dilutive effect on the earnings per share is caused by the potential shares that would be issued upon the exercise of the ESOP Options. As a result of the dilution, the denominator increased by 4,62,281 shares (Previous Year 3,17,481 shares).

### 32 Auditor's Remuneration

	For the year ended 31 March 2022	For the year ended 31 March 2021
As Auditor *	1.05	0.90
For taxation matters	-	-
For company law matters	-	-
For other services	-	0.07
For reimbursement of expenses	0.02	-
<b>Sub Total</b>	<b>1.07</b>	<b>0.97</b>
GST	0.09	0.09
<b>Total</b>	<b>1.16</b>	<b>1.06</b>

\* Includes ₹ 0.15 crore to erstwhile Statutory Auditors

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

### 33 Leases

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

#### I. Lease disclosures under Ind-AS 116 for the current year ended 31 March 2022

##### (i) Amounts recognised in the Balance sheet

S.N.	Particulars	31 March 2022	31 March 2021
a)	<b>Right-of-use assets (net)</b>	<b>202.49</b>	217.40
b)	<b>Lease liabilities</b>		
	Current	<b>45.64</b>	41.23
	Non-current	<b>193.49</b>	206.32
	<b>Total Lease liabilities</b>	<b>239.13</b>	247.55
c)	<b>Additions to the Right-of-use assets</b>	<b>37.42</b>	30.75

##### (ii) Amounts recognised in the Statement of Profit and Loss

S.N.	Particulars	31 March 2022	31 March 2021
a)	Depreciation charge for right-of-use assets	<b>49.67</b>	51.44
b)	Interest expense (included in finance cost)	<b>19.68</b>	25.47
c)	Expense relating to short-term leases	<b>5.53</b>	5.69

##### (iii) Cash Flows

Particulars	31 March 2022	31 March 2021
The total cash outflow of leases	<b>62.87</b>	61.78

##### (iv) Future Commitments

Particulars	31 March 2022	31 March 2021
Future undiscounted lease payments to which leases is not yet commenced	<b>23.72</b>	1.72

##### (v) Maturity analysis of undiscounted lease liability

Period	31 March 2022	31 March 2021
Not later than one year	<b>62.93</b>	60.03
Later than one year and not later than five years	<b>173.91</b>	189.86
Later than five years	<b>62.31</b>	64.18
<b>Total</b>	<b>299.15</b>	314.07

### 34 Accounting for Employee Share based Payments

In accordance with resolution approved by the shareholders, the Company has reserved shares, for issue to employees through ESOP Scheme. On the approval of Nomination and Remuneration Committee (NRC), each ESOP scheme is issued. The NRC has approved stock option schemes ESOP-10 on October 13, 2017, ESOP-11 on January 15, 2019, ESOP-12 on October 5, 2020, ESOP-13 on January 14, 2021, ESOP-13A on August 31, 2021 and ESOP-14 on October 27, 2021. Under the term of the schemes, the Company may issue stock options to employees and directors of the Company, each of which is convertible into one equity share.

Such options vest at a definitive date, save for specific incidents, prescribed in the scheme as framed/approved by the NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of four years from the date of vesting.

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**

**Description of share based payments plans**

Particulars	ESOP-10	ESOP-11	ESOP-12	ESOP-13	ESOP-13A	ESOP-14
i. Vesting requirements	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Oct 2017	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Jan 2019	60% at the end of 12 months and 40% at the end of 24 months from 31 Oct 2020	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Jan 2021	30% at the end of each 12 and 24 months and 40% at the end of 36 months from August 31, 2021	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2021
ii. Maximum term of option	7 years	7 years	6 years	7 years	7 years	7 years
iii. Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
iv. Modifications to share based payment plans	NA	NA	NA	NA	NA	NA
v. Any other details as disclosed in the audited Ind-AS financials	NA	NA	NA	NA	NA	NA

**Method used for accounting for shared based payment plan.**

The Company uses fair value to account for the compensation cost of stock options to employees of the Company.

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31 March 2022**

Particulars	Out-standing, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP-10	48,150	-	5,500	650	42,000	42,000
ESOP-11	3,94,000	-	2,69,610	17,960	1,06,430	1,06,430
ESOP-12	15,58,900	-	7,73,130	82,860	7,02,910	1,23,570
ESOP-13	11,75,600	-	2,06,575	35,870	9,33,155	1,41,245
ESOP-13A	-	50,000	-	-	50,000	-
ESOP-14	-	22,44,730	-	9,910	22,34,820	-
Total	31,76,650	22,94,730	12,54,815	1,47,250	40,69,315	4,13,245
Weighted average exercise price (₹)	313.22	432.48	301.93	317.09	383.81	300.52

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31 March 2021**

Particulars	Out-standing, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP-10	12,83,200	-	11,68,150	66,900	48,150	48,150
ESOP-11	8,68,380	-	4,37,410	36,970	3,94,000	71,280
ESOP-12	-	16,02,500	-	43,600	15,58,900	-
ESOP-13	-	11,76,950	-	1,350	11,75,600	-
Total	21,51,580	27,79,450	16,05,560	1,48,820	31,76,650	1,19,430
Weighted average exercise price (₹)	237.65	320.33	229.62	255.07	313.22	249.41

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

Following summarises the information about stock options outstanding as at 31 March 2022

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	42,000	2.53
ESOP - 11	274	1,06,430	3.79
ESOP - 12	300	7,02,910	4.52
ESOP - 13	348	9,33,155	5.64
ESOP - 13A	409	50,000	6.42
ESOP - 14	433	22,34,820	6.58

Following summarises the information about stock options outstanding as at 31 March 2021

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	48,150	3.59
ESOP - 11	274	3,94,000	4.58
ESOP - 12	300	15,58,900	5.07
ESOP - 13	348	11,75,600	5.94

## Fair Value methodology

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. The shares of Company are not listed on any stock exchange. Accordingly, the Company had considered the volatility of the Company's stock price based on historical volatility of similar listed enterprises. The various assumptions considered in the pricing model for the stock options granted by the Company are:

Particulars	ESOP 13A	ESOP 14
Dividend yield	0.00%	0.00%
Expected volatility	59.89%	56.24%
Risk-free interest rate	5.35%	5.41%
Expected life of the option	4.10 Years	4.10 Years

The Company recorded an employee stock compensation expense of ₹30.42 crore (previous year ₹13.55 crore) in Statement of Profit and Loss.

## 35 Segment reporting

S.N.	Particulars	31 March 2022	31 March 2021
i.	<b>Segment Revenue</b>		
	Lending business	8,942.88	8,924.35
	BPO Services	2,363.41	2,020.43
	Unallocated	-	-
	<b>Income from Operations</b>	<b>11,306.29</b>	<b>10,944.78</b>
ii.	<b>Segment Results</b>		
	Lending business	1,238.71	445.98
	BPO Services	134.69	103.72
	Unallocated	(25.84)	(48.99)
	<b>Profit before tax</b>	<b>1,347.56</b>	<b>500.71</b>



**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

S.N.	Particulars	31 March 2022	31 March 2021
	<b>Income Tax expenses</b>		
	Current tax	663.40	419.09
	Deferred tax Asset	(327.24)	(309.85)
	Income tax for earlier year	-	-
	<b>Net Profit</b>	<b>1,011.40</b>	<b>391.47</b>
iii.	<b>Capital Employed</b>		
	Segment assets		
	Lending business	60,812.70	61,694.54
	BPO Services	148.72	147.52
	Unallocated	1,064.51	798.99
	<b>Total Assets</b>	<b>62,025.94</b>	<b>62,641.05</b>
	Segment Liabilities		
	Lending business	52,009.27	53,886.31
	BPO Services	95.61	50.43
	Unallocated	381.33	258.08
	<b>Total Liabilities</b>	<b>52,486.21</b>	<b>54,194.82</b>
	Net Segment assets/(liabilities)	<b>9,539.73</b>	<b>8,446.23</b>
iv.	<b>Capital Expenditure (including net CWIP)</b>		
	Lending business	36.25	22.48
	BPO Services	4.88	2.11
	Unallocated	-	-
	<b>Total</b>	<b>41.13</b>	<b>24.59</b>
v.	<b>Depreciation</b>		
	Lending business	79.17	87.83
	BPO Services	19.77	15.34
	Unallocated	-	4.62
	<b>Total</b>	<b>98.94</b>	<b>107.79</b>
vi.	<b>Other non cash expenditure</b>		
	Lending business	2,465.73	3,068.77
	BPO Services	-	-
	Unallocated	-	-
	<b>Total</b>	<b>2,465.73</b>	<b>3,068.77</b>

**a) Chief Operating Decision Maker**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director ('MD') of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

**b) Operating Segment**

**Primary Segment (Business Segment)**

The Company is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

**Secondary Segment (Geographical Segment)**

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

## d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

## e) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

## 36 Related party disclosures

Name of the related party and nature of relationship

**Holding Company:** HDFC Bank Limited

**Enterprise under common control of holding company:** HDFC Securities Limited

### Key Management Personnel :

Arijit Basu (Chairman & Non Executive Director) (Appointed w.e.f 01 June 2021)

Arundhati Mech (Independent Director) (Appointed w.e.f 11 February 2022)

Smita Affinwalla (Independent Director)

Venkatraman Srinivasan (Independent Director)

Dr. Amla Samanta (Independent Director)

Adayapalam Viswanathan (Independent Director)

G Ramesh (Managing Director & CEO)

### Other related parties :

HDFC Ergo General Insurance Company Limited

HDFC Life Insurance Company Limited

HDFC Asset Management Company Limited

HDBFS Employees Welfare Trust

### Details of Related Party Transactions for the Year:

Related party	Nature of transaction	31 March 2022	31 March 2021
HDFC Bank Limited	Bank charges	12.20	11.98
	Charges for back office support services received / recoverable	921.26	907.26
	Charges for sales support services received / recoverable	1,607.28	1,233.14
	Commission Expenses	1.71	4.94
	Corporate logo license fees	14.63	3.72
	Fixed deposits placed	17.77	1,172.73
	Interest paid on non-convertible debentures	185.85	59.92
	Interest paid on term loan and OD account	312.90	379.94
	Interest received on fixed deposits	5.47	12.78
	Investment banking fees paid	0.56	1.26
	Reimbursement of IT expense, secondment charge & other common expenses	0.89	2.74
	Rent paid for premises taken on sub-lease	2.37	2.42
	Securities purchased during the year	1,310.00	3,115.00
	Securitisation	-	473.06

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

Related party	Nature of transaction	31 March 2022	31 March 2021
	Term loan availed during the year	<b>4,050.00</b>	2,350.00
	Tele collection charges / field collection charges received / recoverable for collection services rendered	<b>220.58</b>	206.53
HDFC Securities Limited	Rent received / receivable for premises given on sub-lease	<b>0.07</b>	0.08
Key Management Personnel	Director sitting fees and commission paid	<b>1.25</b>	0.80
	Salary including perquisites and allowances	<b>4.53</b>	3.79
	Stock Options#	<b>0.48</b>	0.86
HDFC Life Insurance Company Limited	Income from Insurance commission	<b>6.19</b>	7.91
	Rent Expense	-	0.01
HDFC Ergo General Insurance Company Limited	Income from Insurance commission	<b>9.89</b>	9.77
	Insurance Premium Expense (Car & Group policy)	<b>1.86</b>	-

# The intrinsic value of the stock options granted is Nil. However, the Company in compliance with Ind-AS 102 has been charged to the statement of profit and loss of ₹2.62 crore (previous year ₹1.10 crore) with a corresponding credit to the reserves.

**Balances outstanding:**

Related party	Nature of transaction	31 March 2022	31 March 2021
HDFC Bank Limited	Securitisation	<b>454.03</b>	1,469.56
	Balance in current accounts	<b>409.00</b>	645.56
	Balance receivable	<b>95.95</b>	85.66
	Balance payable	<b>0.12</b>	1.92
	Fixed deposit	<b>88.51</b>	182.53
	Security deposit paid	<b>0.11</b>	0.11
	Security deposit received	<b>9.85</b>	9.85
	Term loan outstanding	<b>6,067.14</b>	5,572.73
	Non convertible debentures issued	<b>5,080.00</b>	3,115.00
	Undrawn commitment facility	-	500.00
HDFC Securities Ltd.	Balance receivable	-	0.13
HDFC Life Insurance Company Limited**	Balance payable - Securities	<b>920.00</b>	905.00
	Balance payable - Expenses	<b>0.01</b>	0.01
	Balance receivable	<b>0.72</b>	1.59
HDFC Asset Management Company Limited	Balance payable	<b>346.00</b>	811.90
	Balance receivable	-	0.36
HDFC Ergo General Insurance Company Limited**	Balance payable	<b>120.00</b>	70.00
	Balance receivable	<b>1.36</b>	1.22

\*\* excludes amounts pertaining to insurance premiums payable that are in the nature of pass through.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 37 Employee benefits

### (A) Defined contribution plan

The contribution made to various statutory funds is recognized as expense and included in Note 29 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss.

### (B) Defined benefit plan (Gratuity)

The Company contributes to the group gratuity fund based on the actuarial valuation determined as at the year-end through the HDFC Life Insurance Company ('HDFC Life') Limited and Life Insurance Corporation of India Limited (LIC). HDFC Life and LIC have certified the Fair Value of the Plan Assets.

Details of Actuarial Valuation as at March 31, 2022 :

	Particulars	31 March 2022	31 March 2021
<b>A.</b>	<b>Change in defined benefit obligation</b>		
1	Defined benefit obligation at beginning of period	149.09	116.48
2	Service cost		
	a. Current service cost	17.17	12.76
	b. Past service cost	1.49	-
	c. (Gain) / loss on settlements	-	-
3	Interest expenses	5.75	5.67
4	Cash flows		
	a. Benefit payments from plan	(19.88)	(10.00)
	b. Benefit payments from employer	-	-
	c. Settlement payments from plan	-	-
	d. Settlement payments from employer	-	-
5	Remeasurements		
	a. Effect of changes in demographic assumptions	2.51	4.36
	b. Effect of changes in financial assumptions	(3.08)	5.10
	c. Effect of experience adjustments	13.85	14.72
6	Transfer In / Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
7	Defined benefit obligation at end of period	166.90	149.09
<b>B.</b>	<b>Change in fair value of plan assets</b>		
1	Fair value of plan assets at beginning of period	81.51	54.53
2	Interest income	3.15	2.66
3	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	30.66	32.78
	(ii) Employer direct benefit payments	-	-
	(iii) Employer direct settlement payments	-	-
	b. Participant contributions	-	-
	c. Benefit payments from plan assets	(19.88)	(10.00)
	d. Benefit payments from employer	-	-
	e. Settlement payments from plan assets	-	-
	f. Settlement payments from employer	-	-
4	Remeasurements		
	a. Return on plan assets (excluding interest income)	0.13	1.54
5	Transfer In / Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
6	Fair value of plan assets at end of period	95.57	81.51

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

	Particulars	31 March 2022	31 March 2021
<b>C.</b>	<b>Amounts recognised in the Balance Sheet</b>		
1	Defined benefit obligation	166.90	149.09
2	Fair value of plan assets	(95.57)	(81.51)
3	Funded status	71.33	67.58
4	Effect of asset ceiling	-	-
5	Net defined benefit liability (asset)	71.33	67.58
<b>D.</b>	<b>Components of defined benefit cost</b>		
1	Service cost		
	a. Current service cost	17.17	12.76
	b. Past service cost	1.49	-
	c. (Gain)/loss on settlements	-	-
	d. Total service cost	18.66	12.76
2	Net interest cost		
	a. Interest expense on DBO	5.75	5.67
	b. Interest (income) on plan assets	3.15	2.66
	c. Interest expense on effect of (asset ceiling)	-	-
	d. Total net interest cost	2.60	3.01
3	Remeasurements (recognised in OCI/Retained Earnings)		
	a. Effect of changes in demographic assumptions	2.51	4.36
	b. Effect of changes in financial assumptions	(3.08)	5.10
	c. Effect of experience adjustments	13.85	14.72
	d. Return on plan assets (excluding interest income)	0.13	1.54
	e. Changes in asset ceiling (excluding interest income)	-	-
	f. Total remeasurements included in OCI/Retained Earnings	13.15	22.64
4	Total defined benefit cost recognised in P&L and OCI	34.41	38.41
<b>E.</b>	<b>Re-measurement</b>		
	a. Actuarial Loss/(Gain) on DBO	13.28	24.18
	b. Returns above Interest Income	(0.13)	(1.54)
	c. Change in Asset ceiling	-	-
	Total Re-measurements (OCI / Retained Earnings)	13.15	22.64
<b>F.</b>	<b>Employer Expense (P&amp;L)</b>		
	a. Current Service Cost	17.17	12.76
	b. Interest Cost on net DBO	2.60	3.01
	c. Past Service Cost	1.49	-
	d. Total P&L Expenses	21.26	15.77
<b>G.</b>	<b>Net defined benefit liability (asset) reconciliation</b>		
1	Net defined benefit liability (asset)	67.58	61.95
2	Defined benefit cost included in P&L	21.26	15.77
3	Total remeasurements included in OCI/Retained Earnings	13.15	22.64
4	a. Employer contributions	(30.66)	(32.78)
	b. Employer direct benefit payments	-	-
	c. Employer direct settlement payments	-	-
5	Net transfer	-	-
6	Net defined benefit liability (asset) as of end of period	71.33	67.58
<b>H.</b>	<b>Reconciliation of OCI (Re-measurement)</b>		
1	Recognised in OCI at the beginning of period	57.11	34.46
2	Recognised in OCI during the period	13.15	22.64
3	Recognised in OCI/Retained Earnings at the end of the period	70.26	57.11

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

	Particulars	31 March 2022	31 March 2021
<b>I.</b>	<b>Sensitivity analysis - DBO end of Period</b>		
1	Discount rate + 100 basis points	(4.38)	(3.77)
2	Discount rate - 100 basis points	4.77	4.10
3	Salary Increase Rate + 1%	4.57	3.66
4	Salary Increase Rate - 1%	(4.29)	3.49
5	Attrition Rate + 1%	(1.34)	1.27
6	Attrition Rate - 1%	1.42	1.35
<b>J.</b>	<b>Significant actuarial assumptions</b>		
1	Discount rate Current Year (p.a.)	4.77%	3.86%
2	Discount rate Previous Year (p.a.)	3.86%	4.87%
3	Salary increase rate (p.a.)	6.00% - 11.00%	5.00% - 9.00%
4	Attrition Rate (%)	9.00% - 74.00%	9.00% - 76.00%
5	Retirement Age (years)	60	60
6	Pre-retirement mortality	IALM (2012-14) Urban	IALM (2006-08) Ultimate
7	Disability	Nil	Nil
<b>K.</b>	<b>Data</b>		
1	No.	1,15,490	99,629
2	Average age (yrs.)	28.99	29.23
3	Average past service (yrs.)	2.42	2.71
4	Average salary monthly (₹)	9,046.16	8,863.61
5	Future service (yrs.)	31.01	30.77
6	Weighted average duration of DBO	4.00	4.00
<b>L.</b>	<b>Expected cash flows for following year</b>		
1	Expected contributions/Addl. Provision Next Year	29.61	30.31
2	Expected total benefit payments		
	Year 1	51.64	47.88
	Year 2	33.72	30.37
	Year 3	24.02	20.98
	Year 4	16.99	15.27
	Year 5	12.79	10.90
	Next 5 years	32.29	25.22

Category of Plan asset	% of Fair value to total planned assets (as at 31 March 2022)
Government securities and corporate bonds/debentures	86.48%
Money market instruments and fixed deposits	11.93%
Net current assets and other approved security	1.59%
<b>Total</b>	<b>100.00%</b>

The Company's gratuity plan obligation is determined by actuarial valuation and is funded by investments in government securities. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Company's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Company monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.



# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## C) Compensated absences

The Company neither has a policy of encashment of unavailed leaves for its employees nor allow the leaves to be carry forward to next year.

- D) The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Company will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

## 38 Contingent liabilities

S.N.	Particulars	31 March 2022	31 March 2021
1	Claims against the Company not acknowledged as debt (Refer Note 38.1)	90.59	93.55
2	Estimated amount of contracts remaining to be executed on capital account and not provided for: (Net of Advances amounting to ₹0.43 crore, previous year ₹1.22 crore)	13.27	8.64
3	Undrawn committed sanctions to borrowers	59.40	26.65

### 38.1 Claims against the Company not acknowledged as debt

Particulars	31 March 2022	31 March 2021
Suit filed by borrowers	5.25	3.36
Other contingent liabilities in respect of :		
1. Provident Fund matter - (see (a) below)	50.14	50.14
2. Payment of Bonus (Amendment) Act, 2015 - (see (b) below)	34.88	34.88
3. Income tax matter	-	4.85
4. Payment of Labour Welfare Fund	0.32	0.32
<b>Total</b>	<b>90.59</b>	<b>93.55</b>

#### a) Provident Fund matter

The Company has received a notice of demand from the Provident Fund department amounting to ₹ 50.14 crore. The Company had filed an appeal challenging the Provident Fund Commissioner's order before the Provident Fund Appellate Tribunal, wherein the Company had received a favourable outcome. However, a sum of ₹ 1 crore has been deposited under protest with the Provident Fund Appellate Authority. This amount is shown under Other financial assets.

The Provident Fund department has challenged order of the appellate authority in the High Court. The management of the Company is of the view that no material losses will arise in respect of the legal claim and accordingly the same has been disclosed as a contingent liability. In the eventuality of any claim arising out of this case, the same will be billed to the customer in the year the claim is final and accordingly no provision has been made.

#### b) Payment of Bonus (Amendment) Act, 2015

As per the amendment to the Payment of Bonus (Amendment) Act, 2015 vide notification number DL-(N)04/70007/2003-16 issued on 1 January 2016 by Government of India, the Company would be required to pay statutory bonus to all eligible employees as per the amendments specified thereunder, with effect from 1 April 2014. However, various High Courts have granted a stay on retrospective effect of Payment of Bonus (Amendment) Act, 2015 from financial year 2014-15. In light of the above, the Company has decided to disclose such bonus amounting to ₹ 34.88 crore as a contingent liability.

### 38.2 The Company's pending litigations comprise of claims against the Company by the customers and proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

**38.3** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

## 39 Maturity analysis of assets & liabilities

Particulars	31 March 2022		31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents (CCE)	477.20	30.58	753.51	-
(b) Bank balances other than CCE	176.19	-	220.50	2.37
(c) Derivative financial instruments	-	132.44	-	-
(d) Trade receivables	141.82	-	117.32	-
(e) Loans	21,299.76	35,862.69	18,500.34	40,101.10
(f) Investments	2,144.02	89.49	1,455.03	137.87
(g) Other financial assets	58.99	255.61	209.63	39.59
	<b>24,297.98</b>	<b>36,370.81</b>	<b>21,256.33</b>	<b>40,280.93</b>
<b>Non-financial Assets</b>				
(a) Current tax assets (Net)	13.34	-	56.91	-
(b) Deferred tax assets (Net)	-	1,051.17	-	729.99
(c) Property, plant and equipment	-	78.14	-	91.52
(d) Capital work-in-progress	-	-	-	-
(e) Other intangible assets	-	12.01	-	7.98
(f) Right of use assets	49.00	153.49	47.39	170.01
	<b>62.34</b>	<b>1,294.81</b>	<b>104.30</b>	<b>999.50</b>
<b>TOTAL ASSETS</b>	<b>24,360.32</b>	<b>37,665.62</b>	<b>21,360.63</b>	<b>41,280.43</b>
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Derivative financial instruments	-	-	42.72	-
(b) Trade payables	246.91	-	334.26	-
(c) Debt securities	8,003.83	17,328.48	7,131.39	16,670.68
(d) Borrowings other than debt securities	8,752.04	10,749.68	8,352.32	14,216.75
(e) Subordinated liabilities	599.23	3,539.82	-	3,987.61
(f) Other financial liabilities	2,344.47	364.25	2,291.85	553.08
	<b>19,946.48</b>	<b>31,982.23</b>	<b>18,152.54</b>	<b>35,428.12</b>
<b>Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)	59.73	-	173.05	-
(b) Provisions	264.61	50.14	282.24	37.61
(c) Other non-financial liabilities	183.02	-	121.26	-
	<b>507.36</b>	<b>50.14</b>	<b>576.55</b>	<b>37.61</b>
<b>TOTAL LIABILITIES</b>	<b>20,453.84</b>	<b>32,032.37</b>	<b>18,729.09</b>	<b>35,465.73</b>
<b>NET</b>	<b>3,906.48</b>	<b>5,633.25</b>	<b>2,631.54</b>	<b>5,814.70</b>



# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 40 Corporate Social Responsibility

The average profit before tax of the Company for the last three financial years was ₹ 1,234.89 crore, basis which the Company was required to spend ₹ 24.70 crore towards Corporate Social Responsibility (CSR) activities for the current financial year.

a) Amount spent during the year on:

Particulars	31 March 2022			31 March 2021		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	25.83	Not Applicable	25.83	23.52	7.31	30.83

b) In case of Section 135(5) unspent amount:

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
7.31	NIL	24.70	25.83	(1.13)

Note: ₹ 7.31 crore reported as unspent in financial year 2020-21 has been transferred to Unspent CSR Account. Of this, ₹ 5.03 crore has been disbursed towards Ongoing Projects during the year.

c) In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
NIL	24.70	25.83	(1.13)

Note: ₹ 1.13 crore was spent over and above the prescribed CSR Budget of ₹ 24.70 crore for the financial year 2021-22.

d) In case of Section 135(6) Details of ongoing projects

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent Account
NIL	7.31	24.70	25.83	5.03	(1.13)	2.28

e) Nature of CSR activities

CSR activities for promotion of healthcare including water & sanitation, livelihood enhancements through skill and vocational training, promoting quality education and supporting water conservation initiatives etc.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)

(Currency : Indian Rupees in crore)

## 41 Details of dues to Micro, Small and Medium Enterprises

As per the confirmation received from the parties following is the status of MSME parties.

Particulars	31 March 2022	31 March 2021
The Principal amount remaining unpaid at the end of the year	-	0.01
The Interest Amount remaining unpaid at the end of the year	-	-
Interest paid along with amount of payment made to the supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day	-	-
Amount of interest accrued and remaining unpaid	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Balance of MSME parties at the end of the year	-	0.01

**Note** - The above is based on the information available with the Company which has been relied upon by the auditors.

## 42 Fair value measurement

### a) Valuation principles

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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

### b) Total financial assets measured at fair value on a recurring basis :

The following tables show an analysis of the fair value of financial assets by level of the fair value hierarchy.

Investments	Category	Fair value hierarchy	Fair Value	
			31 March 2022	31 March 2021
Mutual fund units	FVTPL	Level 1	946.45	572.21
Unquoted equity shares	FVTPL	Level 3	1.45	1.45
Treasury bills	FVTPL	Level 1	1,197.57	882.82
Securities receipt of ARC	FVTPL	Level 2	88.04	136.42
Derivative financial instruments	FVTPL	Level 2	132.44	-

#### Level 1:

Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Treasury bills are valued based on market quotes.

#### Level 2:

Fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data.

#### Level 3:

Fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Unquoted equity shares are measured at fair value using suitable valuation models viz., net asset value technique.

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**

(Currency : Indian Rupees in crore)

- c) The table below presents information pertaining to the fair values and carrying values of the Company's financial assets and liabilities.

Particulars	Category	Fair value hierarchy	31 March 2022		31 March 2021	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>						
(a) Cash and cash equivalents (CCE)	Amortised cost		<b>507.78</b>	<b>507.78</b>	753.51	753.51
(b) Bank balances other than CCE	Amortised cost		<b>176.19</b>	<b>176.19</b>	222.87	222.87
(c) Derivative financial instruments	FVTPL	Level 2	<b>132.44</b>	<b>132.44</b>	-	-
(d) Trade receivables	Amortised cost		<b>141.82</b>	<b>141.82</b>	117.32	117.32
(e) Loans	Amortised cost	Level 3	<b>57,162.45</b>	<b>54,511.90</b>	58,601.44	55,503.95
(f) Investments - Mutual funds and Treasury bills	FVTPL	Level 1	<b>2,144.02</b>	<b>2,144.02</b>	1,455.03	1,455.03
Investments - In Security Receipts	FVTPL	Level 2	<b>88.04</b>	<b>88.04</b>	136.42	136.42
Investments - Unquoted equity shares	FVTPL	Level 3	<b>1.45</b>	<b>1.45</b>	1.45	1.45
(g) Other financial assets	Amortised cost		<b>314.60</b>	<b>314.60</b>	249.22	249.22
			<b>60,668.79</b>	<b>58,018.24</b>	61,537.26	58,439.77
<b>Financial Liabilities</b>						
(a) Derivative financial instruments	FVTPL	Level 2	-	-	42.72	42.72
(b) Trade payables	Amortised cost		<b>246.91</b>	<b>246.91</b>	334.26	334.26
(c) Debt securities	Amortised cost	Level 2	<b>25,332.31</b>	<b>26,356.46</b>	23,802.07	25,052.85
(d) Borrowings other than Securitisation	Amortised cost	Level 2	<b>18,296.08</b>	<b>17,976.30</b>	20,532.65	19,753.95
Borrowings under Securitisation	Amortised cost	Level 2	<b>1,205.64</b>	<b>1,193.88</b>	2,036.41	2,004.24
(e) Subordinated liabilities	Amortised cost	Level 2	<b>4,139.05</b>	<b>4,429.21</b>	3,987.61	4,281.90
(f) Other financial liabilities	Amortised cost		<b>2,708.72</b>	<b>2,708.72</b>	2,844.94	2,844.94
			<b>51,928.71</b>	<b>52,911.47</b>	53,580.66	54,314.86

**(i) Short-term and other financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities

**(ii) Loans**

These financial assets are recorded at amortised cost, the fair values of which are estimated at portfolio level using a discounted cash flow model based on contractual cash flows discounted using market rates incorporating the counterparties' credit risk.

**(iii) Debt securities, borrowings and subordinated liabilities**

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the Company's own credit risk or based on market-observable data such as secondary market prices for its traded debt, as relevant.

**43 Capital Management**

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Company comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

**44 Risk Management**

While 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.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

**a) Credit risk**

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and industry concentrations, and by monitoring exposures in relation to such limits.

**Financial assets measured on a collective basis**

The Company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured/unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## Significant increase in credit risk

The Company considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

## Impairment assessment

The company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e. borrower becomes 0 days past due on its contractual payments.

## Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

## Loss given default

The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The company uses data obtained from third party sources and combines such data with inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios.

## Credit quality of assets

- a) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	31 March 2022	31 March 2021
Stage 1	56,142.18	55,263.27
Stage 2	2,125.38	3,300.87
Stage 3	3,058.76	2,760.86
<b>Total</b>	<b>61,326.32</b>	<b>61,325.00</b>

- b) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

	31 March 2022			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	55,263.27	3,300.87	2,760.86	61,325.00
Originated or new	28,624.70	251.85	156.66	29,033.21
Matured or repaid	(24,958.69)	(1,099.41)	(1,818.27)	(27,876.37)
Transfers to Stage 1	1,964.69	(1,394.17)	(570.52)	-
Transfers to Stage 2	(2,016.03)	2,097.54	(81.51)	-
Transfers to Stage 3	(2,735.76)	(1,031.30)	3,767.06	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Gross carrying amount - closing balance	56,142.18	2,125.38	3,058.76	61,326.32

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

	31 March 2021			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	54,243.55	1,928.27	2,259.13	58,430.95
Originated or new	24,165.19	269.87	142.71	24,577.77
Matured or repaid	(18,076.95)	(753.75)	(1,365.78)	(20,196.48)
Transfers to Stage 1	919.63	(650.27)	(269.36)	-
Transfers to Stage 2	(3,088.42)	3,229.17	(140.75)	-
Transfers to Stage 3	(2,899.73)	(722.42)	3,622.15	-
Amounts written off (net of recovery)	-	-	(1,487.24)	(1,487.24)
Gross carrying amount - closing balance	<b>55,263.27</b>	<b>3,300.87</b>	<b>2,760.86</b>	<b>61,325.00</b>

	31 March 2022			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	<b>1,306.11</b>	<b>542.71</b>	<b>874.74</b>	<b>2,723.56</b>
Originated or new	<b>362.16</b>	<b>50.74</b>	<b>82.96</b>	<b>495.86</b>
Matured or repaid	<b>333.52</b>	<b>202.97</b>	<b>1,563.48</b>	<b>2,099.97</b>
Transfers to Stage 1	<b>335.24</b>	<b>(176.84)</b>	<b>(158.40)</b>	-
Transfers to Stage 2	<b>(108.83)</b>	<b>133.96</b>	<b>(25.13)</b>	-
Transfers to Stage 3	<b>(231.39)</b>	<b>(242.29)</b>	<b>473.68</b>	-
Amounts written off (net of recovery)	-	-	<b>(1,155.52)</b>	<b>(1,155.52)</b>
Impairment loss allowance - closing balance	<b>1,996.81</b>	<b>511.25</b>	<b>1,655.81</b>	<b>4,163.87</b>

	31 March 2021			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	634.25	212.22	438.60	1,285.07
Originated or new	401.34	38.68	34.77	474.79
Matured or repaid	(175.73)	(66.92)	1,108.56	865.91
Transfers to Stage 1	111.71	(56.61)	(55.09)	-
Transfers to Stage 2	(61.34)	90.13	(28.79)	-
Transfers to Stage 3	(60.93)	(66.90)	127.83	-
Remeasurement	456.81	392.11	736.11	1,585.03
Amounts written off (net of recovery)	-	-	(1,487.24)	(1,487.24)
Impairment loss allowance - closing balance	<b>1,306.11</b>	<b>542.71</b>	<b>874.74</b>	<b>2,723.56</b>

c) **Modified financial assets**

The Company renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

Upon renegotiation, such accounts are classified as Stage 3. Such accounts are upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

<b>Exposure to modified financial assets</b>	<b>31 March 2022</b>	31 March 2021
Gross carrying amount	<b>5,100.35</b>	3,649.96
Impairment allowance	<b>1,975.22</b>	956.92
Net carrying amount	<b>3,125.13</b>	2,693.04

### Analysis of risk concentration

The following table shows risk concentration of the Company's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

	<b>31 March 2022</b>	31 March 2021
Carrying value of Loans	<b>57,162.44</b>	58,601.44
Mortgage backed loans	<b>16,404.30</b>	17,041.68
Other assets backed loans	<b>24,290.68</b>	25,430.92
Personal loans	<b>13,143.46</b>	13,322.88
Others	<b>3,324.00</b>	2,805.97
<b>Total</b>	<b>57,162.44</b>	58,601.44

### Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees
- For retail lending, mortgages over residential properties

The Company also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

### Collateral coverage - credit impaired loans

<b>Loan to Value (LTV) range</b>	<b>31 March 2022</b>	31 March 2021
Upto 50 % Coverage	<b>1,259.26</b>	1,476.62
51-75 % Coverage	<b>139.87</b>	402.89
76-100 % Coverage	<b>3.75</b>	5.95
Above 100% Coverage	<b>0.07</b>	0.65
<b>Total</b>	<b>1,402.95</b>	1,886.11

### b) Liquidity risk and funding management

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. 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.



# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## Maturity profile of financial liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31<sup>st</sup> March.

31 March 2022	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	246.91	-	-	-	246.91
Derivative financial instruments	-	-	-	-	-
Debt securities	9,999.33	16,693.39	1,684.16	1,117.35	29,494.22
Borrowings	8,182.18	10,532.33	932.43	12.56	19,659.50
Borrowings under Securitization	774.09	408.48	11.31	-	1,193.88
Subordinated liabilities	975.04	1,338.21	878.57	2,981.50	6,173.32
Total	20,177.55	28,972.40	3,506.47	4,111.41	56,767.84

31 March 2021	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	334.26	-	-	-	334.26
Derivative financial instruments	42.72	-	-	-	42.72
Debt securities	8,780.45	17,885.98	399.14	793.20	27,858.77
Borrowings	8,107.92	13,506.54	282.55	-	21,897.01
Borrowings under Securitization	1,342.04	842.97	14.75	-	2,199.76
Subordinated liabilities	363.54	1,497.86	1,013.71	3,396.56	6,271.67
Total	18,970.94	33,733.35	1,710.15	4,189.76	58,604.19

## c) Market risk

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

### i) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

	% Increase/decrease in rate		Increase/decrease in profit	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Borrowings that are re-priced	0.25%	0.25%	31.69	38.00
Loans that are re-priced	0.25%	0.25%	35.63	40.31

### ii) Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.



# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or from external events. The operational risks of the Company are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

## 45 Impact of hedging activities

### a) Disclosure of effects of hedge accounting on financial position:

31 March 2022								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	4,017.00		132.44		30 Oct 2022, 29 Nov 2020, 10 Dec 2022 & 18th June 2023	175.17	175.17	Borrowings

31 March 2021								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	3,874.83	-	-	42.72	30 Oct 2022, 29 Nov 2020, 10 Dec 2022 and 18 June 2023	(124.04)	(124.04)	Borrowings

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## b) Disclosure of effects of hedge accounting on financial performance

31 March 2022				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	175.17	-	(142.17)	Finance cost

31 March 2021				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	(124.04)	-	127.03	Finance cost

## 46 Changes in Liabilities arising from financing activities

Particulars	1 April 2021	Cash flows	Exchange Difference	Other	31 March 2022
Debt securities	23,802.07	1,555.63	-	(25.39)	25,332.31
Borrowings other than debt securities	20,532.66	(2,248.95)	-	12.37	18,296.08
Borrowings under Securitization	2,036.41	(830.77)	-	-	1,205.64
Subordinated liabilities	3,987.61	140.49	-	10.95	4,139.05
<b>Total</b>	<b>50,358.75</b>	<b>(1,383.60)</b>	<b>-</b>	<b>(2.07)</b>	<b>48,973.08</b>

Particulars	1 April 2020	Cash flows	Exchange Difference	Other	31 March 2021
Debt securities	22,593.38	1,162.82	-	45.87	23,802.07
Borrowings other than debt securities	20,954.00	(450.24)	-	28.90	20,532.66
Borrowings under Securitization	2,626.16	(593.04)	-	3.29	2,036.41
Subordinated liabilities	3,630.55	344.67	-	12.39	3,987.61
<b>Total</b>	<b>49,804.09</b>	<b>464.21</b>	<b>-</b>	<b>90.45</b>	<b>50,358.75</b>

- (i) Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc
- (ii) Total Liabilities comprises of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

## 47 Expenditure / Remittances in Foreign Currencies

### a) Expenditure in Foreign Currencies

Particulars	31 March 2022	31 March 2021
Interest and processing charges for debt instrument	-	15.70
Professional charges	0.14	0.03
Annual software application fee	0.20	0.12

- b) There is no dividend paid in foreign currency.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 48 Event after Reporting Date

Subsequent events are tracked and evaluated by the Company. Necessary adjustments / disclosures have been provided in the financial statements for significant subsequent events.

## 49 Transfer of Financial Assets

### 49.1 Transferred financial assets that are not derecognised in their entirety

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

#### A) Securitisation

The Company has transferred certain pools of fixed rate loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) sponsored by commercial banks for consideration received in cash at the inception of the transaction.

The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Company to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs etc. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 17.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	31 March 2022	31 March 2021
Carrying amount of transferred assets measured at amortised cost	1,211.85	2,167.91
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	1,205.64	2,036.41
Fair value of assets	1,154.16	1,964.93
Fair value of associated liabilities	1,193.88	2,004.24
Net position at Fair Value	(39.72)	(39.31)

#### B) Assignment

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	31 March 2022	31 March 2021
Carrying amount of de-recognised financial asset	117.98	235.67
Carrying amount of retained assets at amortised cost*	13.41	26.37
Gain on sale of the de-recognised financial asset	Nil	Nil

\*excludes Excess Interest Spread (EIS) on de-recognised financial assets

## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

### 49.2 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

**RBI disclosures from Notes 50 to 80 have been prepared as per RBI Circulars / Directives basis Ind-AS financial statements. RBI disclosures are prepared basis gross carrying value of loans.**

### 50 A Disclosure relating to securitisation pursuant to Reserve Bank of India notification RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021 for Non-STC Securitisation Transactions.

Sr. No	Particulars	31 March 2022	31 March 2021
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	5.00	8.00
2	Total amount of securitised assets as per books of the SPEs	1,223.15	2,078.13
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	62.64	98.71
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	190.47	262.81
	• Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• loss	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

Sr. No	Particulars	31 March 2022	31 March 2021
7	Performance of facility provided. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	-	-
	Fixed Deposit		
	(a) Amount paid	17.12	62.85
	(b) Repayment received	17.12	62.85
	(c) Outstanding amount	172.96	221.09
	Corporate Guarantee		
	(a) Amount paid	36.07	-
	(b) Repayment received	36.07	-
	(c) Outstanding amount	62.64	98.71
8	Average default rate of portfolios observed in the past.	1.86 %	1.42 %
9	Amount and number of additional/top up loan given on same underlying asset.*		
	(a) Amount	0.09	18.86
	(b) Number	10.00	1,408.00
	*Additional funding made as part of COVID Restructure.		
10	Investor complaints		
	(a) Directly/Indirectly received	NIL	NIL
	(b) Complaints outstanding	NIL	NIL

**50 B Disclosure relating to securitisation pursuant to Reserve Bank of India notification RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021 for STC (Simple, transparent and comparable) Securitisation Transactions are not applicable.**

**50 C Disclosure of financial assets sold to securitisation Company pursuant to Reserve Bank of India notification RBI/DOR/2021-22/86 DOR.STR.REC. 51/21.04.048/2021-22 dated 24 September 2021.**

a) Details of stressed loans transferred during the year

Sr No.	Particulars	31 March 2022			31 March 2021		
		To ARCs	To permitted transferees	To other transferees	To ARCs	To permitted transferees	To other transferees
i)	Number of Accounts	80	-	-	28,959	-	-
ii)	Aggregate principal outstanding of loans transferred	14.41	-	-	644.23	-	-
iii)	Weighted average residual tenor of the loans transferred	6.73 Years	-	-	2.23 Years	-	-
iv)	Net book value of loans transferred (at the time of transfer)	12.57	-	-	97.20	-	-
v)	Aggregate consideration	7.50	-	-	310.88	-	-
vi)	Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

During the year excess provisions of ₹ 1.84 crore (Previous Year ₹ 113.47 crore) reversed to the profit and loss account on accounts of sale of stressed loans.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## b) Security Receipts (SRs) Ratings held

Particulars	31 March 2022		31 March 2021	
	Rating Agencies	Rating	Rating Agencies	Rating
EARC TRUST SC - 411 Series I (*)	Indian rating and research	NR3-(75% - 100%)	NA	unrated

(\*) Rating Band awarded by SEBI approved Ratings agencies to Security Receipts issued by above mentioned trust(s) set up by Edelweiss Asset Reconstruction Company Ltd (EARC).

## c) Details of loans acquired during the year

Sr. No	Particulars	31 March 2022		31 March 2021	
		From Lenders listed in Clause 3	From ARCs	From Lenders listed in Clause 3	From ARCs
i)	Aggregate principal outstanding of loans acquired	-	-	-	-
ii)	Aggregate consideration paid	-	-	-	-
iii)	Weighted average residual tenor of loans acquired	-	-	-	-

## d) Details of Assignment Transactions

Sr No.	Particulars	31 March 2022			31 March 2021		
		To ARCs	To permitted transferees	To other transferees	To ARCs	To permitted transferees	To other transferees
i)	Number of Accounts	-	-	-	-	-	-
ii)	Aggregate principal outstanding of loans transferred	-	-	-	-	-	-
iii)	Weighted average residual tenor of the loans transferred	-	-	-	-	-	-
iv)	Net book value of loans transferred (at the time of transfer)	-	-	-	-	-	-
v)	Aggregate consideration	-	-	-	-	-	-
vi)	Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

\* The securitised loans disclosed in the above notes, i.e. 50A, 50B and 50C do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

- 51** Total fixed deposits stands at ₹ 172.96 crore (previous year ₹ 221.09 crore) on account of securitisation transaction outstanding till 31<sup>st</sup> March 2022.
- 52** Loan against gold portfolio to Total assets is 0.77% (Previous year 1.09%).
- 53** Disclosure pursuant to Reserve Bank of India notification RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 updated as on 03 March 2022 pertaining to gold loans

## Details of Gold auctions conducted\*

Particulars	31 March 2022	31 March 2021
No of loan accounts	2,822	1,019
Outstanding loan amount	30.01	5.19
Sale Consideration of gold **	35.40	10.92

\* there is no sister concern participation in any of the above auctions.

\*\* the excess of sales consideration over and above the outstanding amount is repaid to respective borrower.

- 54** Disclosure pursuant to Reserve Bank of India notification RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 updated as on 03 March 2022 pertaining to Asset Classification as per RBI Norms

## As at 31 March 2022

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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)
<b>Performing Assets</b>						
Standard	Stage 1	56,142.18	1,996.81	54,145.37	220.34	1,776.47
	Stage 2	2,125.38	511.25	1,614.13	8.34	502.91
<b>Subtotal</b>		<b>58,267.56</b>	<b>2,508.05</b>	<b>55,759.51</b>	<b>228.68</b>	<b>2,279.38</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	2,829.45	1,589.28	1,240.17	258.35	1,330.93
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	224.85	62.07	162.78	38.10	23.97
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		224.85	62.07	162.78	38.10	23.97
Loss	Stage 3	4.47	4.47	-	3.97	0.50
<b>Subtotal for NPA</b>		<b>3,058.76</b>	<b>1,655.81</b>	<b>1,402.95</b>	<b>300.42</b>	<b>1,355.40</b>
Other items such as guarantee, loan commitment, 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	419.21	1.12	418.09	-	1.12
	Stage 2	20.78	2.05	18.73	-	2.05
	Stage 3	0.13	0.13	-	0.74	(0.61)
<b>TOTAL</b>	Stage 1	<b>56,561.40</b>	<b>1,997.93</b>	<b>54,563.47</b>	<b>220.34</b>	<b>1,777.59</b>
	Stage 2	<b>2,146.16</b>	<b>513.29</b>	<b>1,632.87</b>	<b>8.34</b>	<b>504.95</b>
	Stage 3	<b>3,058.90</b>	<b>1,655.94</b>	<b>1,402.96</b>	<b>301.16</b>	<b>1,354.78</b>
	<b>Total</b>	<b>61,766.45</b>	<b>4,167.16</b>	<b>57,599.29</b>	<b>529.84</b>	<b>3,637.32</b>



# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

**As at 31 March 2021**

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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)
<b>Performing Assets</b>						
Standard	<b>Stage 1</b>	55,263.28	1,304.83	53,958.45	214.39	1,090.44
	<b>Stage 2</b>	3,300.87	542.71	2,758.16	8.10	534.61
<b>Subtotal</b>		58,564.14	1,847.54	56,716.60	222.49	1,625.05
<b>Non-Performing Assets (NPA)</b>						
Substandard	<b>Stage 3</b>	2,760.86	874.74	1,886.12	322.47	552.27
Doubtful - up to 1 year	<b>Stage 3</b>	-	-	-	18.01	(18.01)
1 to 3 years	<b>Stage 3</b>	-	-	-	-	-
More than 3 years	<b>Stage 3</b>	-	-	-	-	-
Subtotal for doubtful		-	-	-	18.01	(18.01)
Loss	<b>Stage 3</b>	-	-	-	9.25	(9.25)
<b>Subtotal for NPA</b>		2,760.86	874.74	1,886.12	349.73	525.01
Other items such as guarantee, loan commitment, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	<b>Stage 1</b>	428.62	5.31	423.31	-	5.31
	<b>Stage 2</b>	4.53	0.50	4.03	-	0.50
	<b>Stage 3</b>	0.02	0.02	(0.00)	1.02	(1.00)
<b>TOTAL</b>	<b>Stage 1</b>	55,691.89	1,310.14	54,381.75	214.39	1,095.75
	<b>Stage 2</b>	3,305.40	543.22	2,762.18	8.10	535.11
	<b>Stage 3</b>	2,760.88	874.76	1,886.11	350.75	524.02
	<b>Total</b>	61,758.17	2,728.12	59,030.05	573.24	2,154.88

**Additional Disclosure pursuant to Reserve Bank of India notification RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 updated as on 03 March 2022**

**55 A The below table depicts stage wise count and amount of loan book outstanding as on 31 March 2022.**

Sr. No.	Stage	Count	31 March 2022
<b>1</b>	Stage 1	<b>36,55,901</b>	<b>56,142.18</b>
<b>2</b>	Stage 2	<b>1,10,555</b>	<b>2,125.38</b>
<b>3</b>	Stage 3	<b>1,62,567</b>	<b>3,058.76</b>
<b>TOTAL</b>		<b>39,29,023</b>	<b>61,326.32</b>

**Note:** The company follows the due process for recovery of the overdues. The recovery process is carried out inhouse & through collection agencies. Proper legal process & regulatory requirements are followed in recovery & collection activities.



**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

**55 B Movement of Credit impaired loans under Ind-AS**

S.N.	Particulars	31 March 2022	31 March 2021
(i)	Movement of Credit impaired loans under Ind-AS (Net) to Loans (Net) (%)	2.41%	3.22%
(ii)	Movement of Credit impaired loans under Ind-AS (Gross)		
	a) Opening balance	2,760.86	2,259.13
	b) Additions during the year	3,927.26	3,764.85
	c) Reductions during the year	3,629.36	3,263.12
	d) Closing balance	3,058.76	2,760.86
(iii)	Movement of Credit impaired loans under Ind-AS (Net)		
	a) Opening balance	1,886.12	1,820.53
	b) Additions during the year	1,803.61	2,866.15
	c) Reductions during the year	2,286.78	2,800.56
	d) Closing balance	1,402.95	1,886.12
(iv)	Movement of impairment loss allowance on credit impaired loans		
	a) Opening balance	874.74	438.60
	b) Impairment loss allowance made during the year	2,120.12	898.70
	c) Write-off / write-back of excess allowance	1,339.05	462.56
	d) Closing balance	1,655.81	874.74

**55C Movement of impairment loss allowance for low credit risk loans and significant increase in credit risk loans**

S.N.	Particulars	31 March 2022	31 March 2021
(i)	Movement of impairment allowance for low credit risk loans and significant increase in credit risk loans		
	a) Opening balance	1,848.82	846.46
	b) Additions during the year	949.39	1,372.83
	c) Reductions during the year	290.15	370.47
	d) Closing balance	2,508.06	1,848.82

**56 Concentration of Loan, Exposures & Credit impaired loan**

a) Concentration of Loan

Particulars	31 March 2022	31 March 2021
Total Advances to Twenty Largest Borrowers	198.85	184.69
Percentage of advances to twenty largest borrowers to Total Advances	0.32%	0.30%

b) Concentration of Exposures

Particulars	31 March 2022	31 March 2021
Total Exposure to Twenty Largest Borrowers	198.85	184.69
Percentage of exposures to twenty largest borrowers to Total Exposures	0.32%	0.30%

c) Concentration of credit impaired loans

Particulars	31 March 2022	31 March 2021
Total Exposure to Top four credit impaired accounts	21.79	26.24

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## d) Sector-wise distribution of credit impaired loans

Sr. No.	Sector	Percentage of Impairment loss allowance to Total credit impaired loans in that sector	
		31 March 2022	31 March 2021
1	Agriculture & allied activities	7.51%	5.41%
2	Corporate borrowers	3.26%	4.96%
3	Services	2.56%	2.95%
4	Unsecured personal loans	4.83%	3.34%
5	Auto loans	4.98%	4.89%
6	Other personal loans	0.00%	0.00%
7	Others	10.67%	6.65%

Note: MSME category is included in the above categories

## 57 Details of credit impaired financial assets purchased/sold

The Company has not purchased any credit impaired financial assets during the financial year 2021-22. However, the Company has transferred certain credit impaired assets to Asset Reconstruction Company in terms of guidelines issued by RBI circular no. DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 (Refer Note 50C). Further, the Company has not sold any credit impaired financial asset to institutions other than to Securitization / Reconstruction Company (SC / RC).

## 58 Customer Complaints

S.N.	Particulars	31 March 2022	31 March 2021
a)	No. of Complaints pending at the beginning of the year	391	130
b)	No. of Complaints received during the year	4,334	12,925
c)	No. of Complaints redressed during the year	4,661	12,664
d)	No. of Complaints pending at the end of the year	64	391

Note :- Complaints include any expression of dissatisfaction from a customer or any identified service deficiency

## 59 Investments

S.N.	Particulars	31 March 2022	31 March 2021
1	Value of Investments*		
i)	Gross value of Investments	2,247.54	1,584.13
ii)	Unrealised fair value movement	(14.03)	8.78
iii)	Fair value of Investments	2,233.51	1,592.90
	<i>* Please note that all investments are held in India</i>		
2	Movement of unrealised fair value movement on investments		
i)	Opening Balance	8.78	3.63
ii)	Add : increase in unrealised fair value during the year	-	5.15
iii)	Less : decrease in unrealised fair value during the year	22.81	-
iv)	Closing Balance	(14.03)	8.78

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 60 Derivatives

### a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

S.N.	Particulars	31 March 2022	31 March 2021
i)	The notional principal of swap agreements	4,017.00	3,874.83
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreement	-	-
iii)	Collateral required by the Company upon entering into swaps	-	-
iv)	Concentration of credit risk arising from the swaps	4.34%	4.19%
v)	The fair value of the swap book (Asset / (Liability))	1.00	1.00

### b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative.

### c) Disclosures on Risk Exposure in Derivatives

#### Qualitative Disclosures

- The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.
- Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.
- The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

#### Quantitative Disclosures

### d) Foreign currency non-repatriate loans availed

S.N.	Particulars	31 March 2022		31 March 2021	
		Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives*	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount)				
	- For hedging	4,017.00	-	3,874.83	-
ii)	Marked to Market Positions				
	(a) Asset [+] Estimated gain	-	-	-	-
	(b) Liability [-] Estimated loss	-	-	-	-
iii)	Credit exposure	4,017.00	-	3,874.83	-
iv)	Unhedged exposures	-	-	-	-

\* Cross currency interest rate swap

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 61 Exposure to Capital Market

Sr. No.	Particulars	31 March 2022	31 March 2021
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	2.30	2.30
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPO's / ESOP's), convertible bonds, convertible debentures and units of equity oriented mutual funds	0.02	0.04
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 ;	-	-
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)	All exposures to Venture capital funds (both registered and unregistered)	-	-
	<b>Total Exposure to Capital Market</b>	<b>2.32</b>	<b>2.34</b>

## 62 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	31 March 2022	31 March 2021
CRAR%	20.22%	18.89%
CRAR - Tier I Capital %	15.22%	13.44%
CRAR - Tier II Capital %	5.00%	5.45%
Amount of Subordinated Debt raised as Tier-II capital	3,500	3,500
Amount Raised by the issue of Perpetual Debt Instruments	650	500

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 63 Exposure to Real Estate Sector

Categories	31 March 2022	31 March 2021
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);	<b>11,779.72</b>	12,171.29
ii. Commercial Real Estate - (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 shall also include non-fund based (NFB) limits)	<b>5,345.78</b>	5,506.12
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential,	-	-
b) Commercial Real Estate	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>17,125.50</b>	17,677.41

## 64 Maturity pattern of certain items of assets and liabilities

Particulars	Deposits	Advances	Investments(*)	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 30/31 days	<b>45.96</b> -	<b>2,453.75</b> 2,049.29	<b>2,144.03</b> 1,455.03	<b>1,530.02</b> 781.39	- -	- -
Over one month to 2 months	<b>1.04</b> -	<b>1,926.23</b> 1,583.03	- -	<b>691.34</b> 1,650.10	- -	- -
Over 2 months upto 3 months	- 2.59	<b>1,951.17</b> 1,708.44	- -	<b>1,497.90</b> 1,761.29	- -	- -
Over 3 months to 6 months	<b>25.24</b> 22.90	<b>5,399.67</b> 4,605.46	- -	<b>4,175.78</b> 4,719.02	- -	- -
Over 6 months to 1 year	<b>103.95</b> 195.01	<b>9,568.93</b> 8,554.29	- -	<b>7,195.46</b> 6,571.91	- -	<b>2,264.60</b> -
Over 1 year to 3 years	- 2.37	<b>24,094.04</b> 24,455.10	- -	<b>23,936.94</b> 26,364.01	- -	<b>1,740.02</b> 3,851.76
Over 3 years to 5 years	- -	<b>5,936.77</b> 7,787.17	<b>88.03</b> 136.42	<b>2,614.90</b> 1,401.65	- -	- -
Over 5 years	- -	<b>5,831.89</b> 7,858.66	<b>1.45</b> 1.45	<b>3,326.11</b> 3,257.62	- -	- -
<b>Total</b>	<b>176.19</b> 222.87	<b>57,162.45</b> 58,601.44	<b>2,233.51</b> 1,592.90	<b>44,968.45</b> 46,506.99	- -	<b>4,004.63</b> 3,851.76

\* Long-Term Investment in Clayfin Technologies Private Limited (Erstwhile Vayana Private Limited) are shown in "over 5 year"

Previous year figures are presented in *italics*.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

- 65 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 pertaining to Resolution Framework for COVID-19-related Stress read with RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 pursuant to Resolution Framework 2.0 - Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) and Disclosure pursuant to Reserve Bank of India Circular RBI/2021-22/31 DOR.STR.REC. 11/21.04.048 /2021-22 dated 5 May 2021 pertaining to Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses**

## Format-B For Resoultion framework

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount Paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	327.13	49.10	-	21.75	256.28
Corporate persons*	53.41	-	-	7.55	45.86
Of which, MSMEs	53.41	-	-	7.55	45.86
Others	0.32	-	-	0.01	0.31
<b>Total</b>	<b>380.86</b>	<b>49.10</b>	<b>-</b>	<b>29.31</b>	<b>302.45</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

- 66 Disclosure pursuant to Reserve Bank of India Circular Resolution Framework - 2.0: Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) – Revision in the threshold for aggregate exposure issued vide circular no. RBI/2021-22/47 DOR.STR.REC.21/21.04.048/2021-22 dated June 4, 2021 read with Circular RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019.**

Type of borrower	Year	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan
MSMEs	Current Year	49,823	3,711.08
	Previous Year	56,950	3,619.06

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

Disclosure on Liquidity Risk Management Framework pursuant to Reserve Bank of India notification RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 dated March 03, 2022.

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended 31 March 2022 is given below:

Particulars	Quarter Ended 31 March 2022			Quarter Ended 31 December 2021			Quarter Ended 30 September 2021			Quarter Ended 30 June 2021		
	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*
High Quality Liquid Assets												
1 Total High Quality Liquid Assets (HQLA)	948.78	100%	948.78	851.43	100%	851.43	1,028.60	100%	1,028.60	1,056.61	100%	1,056.61
Cash & Bank Balances	139.82	100%	139.82	121.51	100%	121.51	171.29	100%	171.29	185.33	100%	185.33
Investment in T-Bills	808.96	100%	808.96	729.92	100%	729.92	857.31	100%	857.31	871.29	100%	871.29
Cash Outflows												
2 Deposits (for deposit taking companies)	N.A.	115%	N.A.	N.A.	115%	N.A.	N.A.	115%	N.A.	N.A.	115%	N.A.
3 Unsecured wholesale funding	-	115%	-	-	115%	-	-	115%	-	-	115%	-
4 Secured wholesale funding	1,234.41	115%	1,419.57	950.41	115%	1,092.97	1,211.27	115%	1,392.96	1,765.67	115%	2,030.52
5 Additional requirements, of which												
(i) Outflows related to derivative exposures and other collateral requirements**	500.00	115%	575.00	500.01	115%	575.00	500.01	115%	575.00	500.00	115%	575.00
(ii) Outflows related to loss of funding on debt products		115%	-		115%	-		115%	-		115%	-
(iii) Credit and liquidity facilities	-	115%	-	-	115%	-	-	115%	-	-	115%	-
6 Other contractual funding obligations	250.24	115%	287.78	295.63	115%	339.98	176.30	115%	202.75	139.29	115%	160.18
7 Other contingent funding obligations	40.31	115%	46.36	28.36	115%	32.62	15.06	115%	17.32	11.68	115%	13.43
8 Total Cash Outflows	2,024.96		2,328.71	1,774.41		2,040.57	1,902.64		2,188.03	2,416.64		2,779.13
Cash Inflows												
9 Secured Lending	-		-	-		-	-		-	-		-
10 Inflows from fully performing exposures	2,329.62	75%	1,747.22	2,276.40	75%	1,707.30	2,094.13	75%	1,570.60	2,125.63	75%	1,594.22
11 Other cash inflows	1,372.26	75%	1,029.19	1,477.89	75%	1,108.42	1,199.44	75%	899.57	1,361.21	75%	1,020.91
12 TOTAL CASH INFLOWS	3,701.88		2,776.41	3,754.29		2,815.72	3,293.57		2,470.17	3,486.84		2,615.13
13 TOTAL HQLA			948.78			851.43			1,028.60			1,056.61
14 TOTAL NET CASH OUTFLOWS			582.18			510.14			547.01			694.78
15 LIQUIDITY COVERAGE RATIO (%)			162.97%			166.90%			188.04%			152.08%

\* The average weighted and unweighted amounts are calculated taking simple averages of monthly observations for the respective quarters

\*\* Consist of outflows related to collateral requirements where downgrade triggers upto and including 3 notches downgrade



## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

### Qualitative Disclosure on LCR

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. Reserve Bank introduced the liquidity coverage ratio (LCR) requirement for all deposit-taking NBFCs and non-deposit taking NBFCs with an asset size of ₹ 5,000 crore and above. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. LCR is calculated by dividing the stock of HQLA's by its total net cash outflow over a 30 day calendar period.

The Company has adopted the liquidity risk framework as required under RBI regulation. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors have delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Committee.

The LCR is calculated by dividing a Company's stock of HQLA by its total net cash outflows over a 30-day stress period. The guidelines for LCR were effective from December 1, 2020 with the minimum LCR to be 50% which would rise in equal annual steps to reach 100%, on December 1, 2024. The present requirement, as on December 31, 2021 is 60%. In order to determine High quality Liquid Assets, Company considers Cash and Bank Balances, Investment in Government Securities without any haircut. In order to determine net cash outflows, Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days. As per regulations, stressed cash flows is computed by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Net cash outflow over next 30 days is computed as stressed outflows less minimum of stressed inflows, 75% of stressed outflow. Accordingly LCR would be computed by dividing Company's stock of HQLA by its total net cash outflow.

Cash outflow under secured wholesale funding includes contractual obligations under Term loans, NCDs, Interest payable within 30 days. Outflow under other collateral requirement, the Company considers the loans which are callable under rating downgrade trigger up to and including 3- notch downgrade. Outflow under other contractual funding obligations primarily includes outflow on account of overdrawn balances with Banks and sundry payables. In order to determine Inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds, CPs which are maturing within 30 days. The Average LCR for the quarter ended March 31, 2022 was 162.97% as against 166.90% for the quarter ended December 31, 2021 which is well above present prescribed minimum requirement of 60%. The average HQLA for the quarter ended March 31, 2022 was ₹ 948.78 crore as against ₹ 851.43 crore for the quarter ended December 31, 2021. During the same period the composition of Government securities in the HQLA was 85% for the quarter ended March 31, 2022 as against 86% for the quarter ended December 31, 2021.

### Public Disclosure on LCR

#### Fund Concentration based on Significant counter parties

Sr.No	No of Significant counter Parties	Amount	% of Total Liabilities
1	11	26,734.78	50.94%

Note : The above is arrived including Securitization exposure to Banks

#### Top Ten Borrowings as a % of Total Borrowings

Sr.No	Particulars	Amount	% of Total Borrowing
1	Top 10	25,734.78	52.55%



## Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

### Fund Concentration Based on Significant Instrument /Products

Sr.No	No of Instruments	Amount	% of Total Liabilities
1	Non Convertible Debentures & Market Linked Debentures	25,332.31	48.26%
2	Term Loans from Banks	14,291.45	27.23%
3	Subordinate Debts & Perpetual Debts	4,139.05	7.89%
4	External Commercial Borrowings	4,004.63	7.63%
5	Securitization Borrowings	1,205.63	2.30%
6	Commercial Paper	-	-

### Stock Ratios

Sr.No	Stock Ratios	Ratio
1	Commercial Paper as a % of Total Public Funds	-
2	Commercial Paper as a % of Total Liabilities*	-
3	Commercial Paper as a % of Total Assets	-
4	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Public Fund	N.A
5	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Liabilities	N.A
6	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Assets	N.A
7	Other Short Term Liabilities** as % of Total Public Funds	41.76%
8	Other Short Term Liabilities as % of Total Liabilities	38.97%
9	Other Short Term Liabilities as a % of Total Assets	32.97%

\* Total liabilities refer to Total Outside Liabilities i.e. Balance Sheet Total excluding Share Capital and Reserves

\*\* Other short term liabilities include all contractual obligation payable within a period of 1 year excluding commercial paper

### Institutional set-up for liquidity risk management

The Company monitors its inflows and outflows in various buckets and ensures that there are no major mismatches in assets and liabilities in various buckets. The ALM is tabled and evaluated in the ALCO on a monthly basis. The Company ensures that there is adequate liquidity cushion available in the form of investments in G-Secs/ T-Bills / Mutual Funds etc. and unavailed Bank lines. The Company issues various instruments including Term Loans, Line of Credits, Non-Convertible Debentures, External Commercial Borrowings and other market instruments. The Company has a diversified mix of investors which includes Banks, Mutual Funds, Insurance firms, FIIs, Corporates, PFs etc.

## 68 Provisions and Contingencies

Particulars	31 March 2022	31 March 2021
<b>Category wise breakup of Provisions &amp; Contingencies shown in Statement of Profit and Loss</b>		
Provisions for depreciation on investment	16.47	(0.50)
Provision towards non-performing assets*	781.07	436.14
Provision made towards income tax	663.40	419.09
Provision for standard assets#	659.24	1,002.34
Provision for gratuity	3.52	15.78
Provisions for trade receivables	(1.26)	(2.26)

\* Represents impairment loss allowance on stage 3 loans.

# Represents impairment loss allowance on stage 1 and stage 2 loans.

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

**69 Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company pursuant to Reserve Bank of India notification RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 dated March 03, 2022.**

S.N.	Particulars	31 March 2022	31 March 2021
	<b>Liabilities side:</b>		
1	Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	- Secured	26,635.79	23,410.94
	- Unsecured	4,322.76	3,987.61
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	14,291.45	15,614.53
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	391.13
	(f) Other Loans	5,234.73	6,954.54
	(Represents Working Capital Demand Loans and Cash Credit from Banks)		
	<b>Assets side:</b>		
2	Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:		
	(a) Secured	46,644.29	46,894.73
	(b) Unsecured	14,682.03	14,430.27
3	Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
	(i) Lease Assets including Lease Rentals sundry debtor:		
	a) Financial Lease	-	-
	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 AFC Activities		
	a) Loans where Assets have been Repossessed	108.61	62.29
	b) Loans other than (a) above	-	-
4	Break-up of Investments (net of provision for diminution in value):		
	Current Investments:		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	946.45	572.21
	iv. Government Securities	1,197.57	882.82
	v. Others (please specify)	88.04	136.42
	II. Unquoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**

(Currency : Indian Rupees in crore)

S.N.	Particulars	31 March 2022	31 March 2021
	Long Term Investments:		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	II. Unquoted:		
	i. Shares		
	a) Equity	1.45	1.45
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
5	Borrower group-wise classification of assets financed as in (2) and (3) above: (Amount net of provisions)		
	1. Related Parties		
	(a) Subsidiaries		
	i. Secured	-	-
	ii. Unsecured	-	-
	Total	-	-
	(b) Companies in the same Group		
	i. Secured	-	-
	ii. Unsecured	-	-
	Total	-	-
	(c) Other Related Parties		
	i. Secured	-	-
	ii. Unsecured	-	-
	Total	-	-
	2. Other than Related Parties		
	i. Secured	46,644.29	46,894.73
	ii. Unsecured	14,682.03	14,430.27
	Total	61,326.32	61,325.00
6	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	1. Related Parties		
	(a) Subsidiaries		
	i. Market Value / Break up or fair value or NAV	-	-
	ii. Book Value (Net of Provisions)	-	-
	(b) Companies in the same Group		
	i. Market Value / Break up or fair value or NAV	-	-
	ii. Book Value (Net of Provisions)	-	-
	(c) Other Related Parties		
	i. Market Value / Break up or fair value or NAV	-	-
	ii. Book Value (Net of Provisions)	-	-
	2. Other than Related Parties		
	i. Market Value / Break up or fair value or NAV	-	-

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

S.N.	Particulars	31 March 2022	31 March 2021
	ii. Book Value (Net of Provisions)	<b>2,232.06</b>	1,591.45
7	Other Information		
	(i) Gross credit impaired assets		
	a. Related Parties	-	-
	b. Other than related Parties	<b>3,058.76</b>	2,760.86
	(ii) Net credit impaired assets		
	(a) Related party	-	-
	(b) Other than related Parties	<b>1,402.95</b>	1,886.11
	(iii) Assets Acquired in Satisfaction of Debt	-	-

**70 Penalties imposed by RBI and Other Regulators**

No penalties have been imposed by RBI and Other Regulators during current year (Previous year - NIL).

**71 Disclosure on frauds pursuant to RBI Master direction**

The frauds detected and reported for the year amounted to ₹4.69 crore (Previous year ₹11.65 crore).

**72 Details of Financing of Parent Company Products**

There is no financing during the current year.

**73 Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded**

The Company has not exceeded the single borrower limits / group borrower limits as set as by Reserve Bank of India.

**74 Advances against Intangible Securities**

The Company has not given any loans against intangible securities.

**75 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

There are no overseas asset owned by the Company.

**76 Draw Down from Reserves**

The Company has made no drawdown from existing reserves.

**77 Off-balance Sheet SPVs sponsored**

The Company is now required to provide its financial statements under Ind AS, which requires all securitization related SPV's to be consolidated in the books of the originator (the Company). Accordingly, these SPV's stand consolidated and none of the SPV's sponsored are off-balance sheet.

**78 Ratings**

The Credit Analysis & Research Limited (CARE) and CRISIL Limited (CRISIL) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Facility	31 March 2022		31 March 2021	
	CARE	CRISIL	CARE	CRISIL
Bank facilities	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Non-convertible debentures	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Short term debt program	A1+	A1+	A1+	A1+
Subordinated bond issue	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Perpetual bond issue	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Market Linked Debentures	PP-MLD AAA/ Stable	PP-MLD AAA/ Stable	PP-MLD AAA/ Stable	PP-MLD AAA/ Stable

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## 79 Registration under Other Regulators

The Company is not registered under any other regulator other than Reserve Bank of India, Insurance Regulatory & Development Authority of India (IRDAI) and Association of Mutual Funds in India (AMFI).

## 80 RBI Circular RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated 07 April 2021.

Under the circular all the lending institutions were required to refund/adjust the "interest on interest" charged to the borrower during the moratorium period i.e March 1,2020 to August 31,2020 in conformity with the supreme court judgement. The status of the same is mentioned in below table

S.N.	Particulars	31 March 2022	31 March 2021
1	Aggregate amount	34.36	159.47
2	Refunded/Adjusted	34.36	125.11
3	Outstanding Balance	-	34.36

## 81 Disclosure under clause 28 of the Listing Agreement for Debt Securities

Particulars	31 March 2022	31 March 2021
a) Loans and advances in the nature of loans to subsidiaries Name of the company Amount	-	-
b) Loans and advances in the nature of loans to associates Name of the company Amount	-	-
c) Loans and advances in the nature of loans to firms/companies in which directors are interested Name of the company Amount	-	-
d) Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-

## 82 Disclosure under clause 16 of the Listing Agreement for Debt Securities

The Debentures are secured by way of a first and pari passu mortgage in favour of the Security Trustee on the Company's Office no 319, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and further secured by way of hypothecation of receivables under financing activity with a minimum requirement of asset cover of 1.1 times. Assets cover as on 31 March 2022 is 1.1 times.

## 83 Details of revenue from Insurance segment

Particulars	31 March 2022	31 March 2021
Commission Income	24.70	23.69

**Notes to the Standalone Financial Statements  
for the year ended 31 March 2022 (Continued)**



(Currency : Indian Rupees in crore)

**84 Relationship with struck off companies on the basis of available data on the date of reporting**

Sr No.	Name of Struck off Company	Nature of transactions	As at 31 March 2022	As at 31 March 2021	Relation ship with the struck off company, if any, to be disclosed
1	GOLDMAN VENTURE PRIVATE LIMITED	Shareholder	*	Nil	Shareholder
2	ANISH PROJECTS DEVELOPERS (I) PRIVATE LIMITED	Loan	0.06	0.65	Borrower
3	BRAHMASUTHRA TECHNOLOGIES PRIVATE LIMITED	Loan	-	0.00	Borrower
4	FOXMIND CONNECT PRIVATE LIMITED	Loan	0.69	0.70	Borrower
5	GALAXY PARK HOSPITALITY PRIVATE LIMITED	Loan	0.55	0.62	Borrower
6	GLAMOROSO FAMILY SALOON AND SPA PRIVATE LIMITED	Loan	0.32	0.31	Borrower
7	GRAVITEE CONCEPTS PRIVATE LIMITED	Loan	0.01	0.02	Borrower
8	GUIDELINE PHARMACEUTICALS PRIVATE LIMITED	Loan	-	-0.00	Borrower
9	GVK ALLIANCE NETWORKS PRIVATE LIMITED	Loan	0.58	0.54	Borrower
10	INDONEX SERVICES PRIVATE LIMITED	Loan	-	-0.00	Borrower
11	INVENTIVE MARK EVENTS AND PRODUCTION PRIVATE LIMITED	Loan	-	0.01	Borrower
12	ONUS LABS PRIVATE LIMITED	Loan	0.35	0.25	Borrower
13	PEESSCON INDIA REALITY PRIVATE LIMITED	Loan	0.16	0.14	Borrower
14	PSV INNOVATE SOFTWARE SOLUTIONS PRIVATE LIMITED	Loan	-	0.07	Borrower
15	SATKAR SECURITY PROVIDER PRIVATE LIMITED	Loan	-0.00	0.01	Borrower
16	SHANTI SARUP AND SONS PRIVATE LIMITED	Loan	0.78	0.85	Borrower
17	SHIV Bhole INDIA TRAVELS PRIVATE LIMITED	Loan	0.51	0.48	Borrower
18	SUNRISE BUILD STRUCTURE PRIVATE LIMITED	Loan	0.24	0.24	Borrower
19	TAPOBHUMI REAL ESTATE & MARKETING PRIVATE LIMITED	Loan	0.15	0.15	Borrower
20	ARUN ELECTROCHEMICAL SYSTEMS PVT LTD	Loan	0.25	-	Borrower
21	RUSHI HERBAL PVT LTD	Loan	1.27	-	Borrower
22	TRILOGY KRIKOS PRIVATE LIMITED	Loan	-0.00	-	Borrower

**Note:-** In the absence of purchase price of share held by Goldman Venture Private Limited face value is considered for reporting purpose.

\* Less than ₹ 1000/-.

# Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

**85 A** 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 are no transaction which have not been recorded in the books.
- c) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- d) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- e) The Company has not entered into any scheme of arrangement
- f) No Registration or satisfaction of charges are pending to be filed with ROC.

- 85 B**
- a) 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.
  - b) 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.

## **86 Dividend distributed to equity shareholders**

The Board has proposed a final dividend of ₹ 1 per equity share for financial year ended March 31, 2022 in the Board of Directors meeting held on April 16, 2022.

Accounting Period	Net Profit for the accounting period	Rate of dividend (%)	Amount of Dividend	Dividend Payout ratio (%)
FY 2021-22	1,011.40	10%	79.04	7.82%

## **87 Standards issued but not yet effective**

On March 24, 2021, the Ministry of Corporate Affairs ('MCA') through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The Company has evaluated the same for reporting.

## **88 Previous year figures have been regrouped/rearranged, where necessary.**

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353



# Independent Auditors' Report



To the Members of HDB Financial Services Limited

## Report on the audit of the Consolidated Ind AS Financial Statements

### Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of HDB Financial Services Limited ("the Parent") and its controlled structured entities (the parent and its controlled structured entities together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022 and the consolidated statement of profit (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Ind AS Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 31 March 2022, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group, its controlled structured entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS 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 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 Ind AS Financial Statements.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



# Independent Auditors' Report (Continued)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<b>Provisioning based on Expected Credit Loss model (ECL) under IND AS 109 and testing of Impairment of assets, more particularly the Loan Book of the Parent Company</b>	
	Refer to the accounting policies in 'Note 3(B) to the Consolidated Ind AS Financial Statements: Expected Credit Loss', 'Note 2.11 to the Consolidated Ind AS Financial Statements: Revenue Recognition' and 'Note 2.2(G) to the Consolidated Ind AS Financial Statements: Impairment of Financial Assets and Note 44 to the Consolidated Ind AS Financial Statements: Risk Management'.	
	<p><b>Subjective estimates:</b></p> <p>Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Parent Company's estimation of ECLs are:</p> <ul style="list-style-type: none"> <li>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> <li>• Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Parent Company's modelling approach.</li> <li>• Economic scenarios - Ind AS 109 requires the Parent Company to measure ECLs on an unbiased forward looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Consolidated Ind AS Financial Statements as a whole, and possibly many times that amount.</p> <p><b>Disclosures:</b></p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Parent Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<p><b>Our key audit procedures included:</b></p> <p>Review of Policy/procedures &amp; design/controls</p> <ul style="list-style-type: none"> <li>➤ Minutely going through the Board approved Policy and approach concerning the assessment of credit and other risks and ascertainment/ageing of 'default' by the borrowers and procedures in relation to stages and ECL computation.</li> <li>➤ Studying the report of review of ECL model of the Parent Company for the year, as performed by an independent expert, whose report is placed before the Board of Directors of the Company.</li> <li>➤ Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>➤ Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (and those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information, which included overdue reports.</li> <li>➤ Understanding management's approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals.</li> <li>➤ Testing of review controls over measurement of provisions and disclosures in the Consolidated Ind AS Financial Statements.</li> <li>➤ Involvement of Information system resource to obtain comfort over data integrity and process of report generation through interface of various systems.</li> <li>➤ Understanding of models and general economic indicator criteria used for regression testing over data of the loan book.</li> </ul> <p><b>Substantive verification</b></p> <ul style="list-style-type: none"> <li>➤ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>➤ Model calculations testing through re-performance, where possible.</li> <li>➤ Assessing disclosures - Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Consolidated Ind AS Financial Statements are appropriate and sufficient.</li> </ul>

2	Information Technology	
	<p><b>IT systems and controls</b></p> <p>The Parent Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Parent Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>These includes implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p>	<p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> <li>➤ Review of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>➤ Deployed our internal experts to carry out IT general Controls testing and identifying gaps, if any.</li> <li>➤ Our other processes include: <ul style="list-style-type: none"> <li>• selectively recomputing interest calculations and maturity dates;</li> <li>• Selectively re-evaluating masters updation, interface with resultant reports;</li> <li>• Selective testing of the interface of INFOR with other IT systems like LMS and other workflows.</li> <li>• Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system)</li> <li>• Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> <li>• Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases</li> </ul> </li> </ul>

## Other Information

5. The Parent Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Parent Company's annual report, but does not include the Consolidated Ind AS Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's and Board of Directors responsibility for the Consolidated Ind AS Financial Statements

8. The Parent Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS Financial Statements by the Directors of the Parent Company, as aforesaid.
9. In preparing the Consolidated Ind AS Financial Statements, the management of the controlled structured entities included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The management of the controlled structured entities included in the Group are responsible for overseeing the financial reporting process of the Group.

## Auditor's responsibilities for the audit of the Consolidated Ind AS Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SAs 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 Ind AS Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - 12.1 Identify and assess the risks of material misstatement of the Consolidated Ind AS 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.

- 12.2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements and the operating effectiveness of such controls.
- 12.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 12.4 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 auditor's report.
- 12.5 Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 12.6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities under this section are further described in the section titled 'Other Matters' in the audit report.
13. We communicate with those charged with governance of the Parent Company and such other entities included in the Consolidated Ind AS 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's 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

16. The financial information of 5 controlled structured entities, whose financial information reflect total assets of ₹ Nil as at 31 March 2022, total revenues of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements, have not been audited either by us or by other auditors. These unaudited financial informations have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial informations are not material to the Group.
17. Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the management.
18. The comparative financial information of the Company for the year ended March 31, 2021 included in Consolidated Ind AS Financial Statements, were audited by the then statutory auditors "BSR & Co. LLP, Chartered Accountants" for the year ended March 31, 2021 whose reports dated April 17, 2021 expressed an unmodified opinion on those financial statements. Our opinion is not modified in respect of this matter

## Report on Other Legal and Regulatory Requirements

19. As required by section 143(3) of the Act, based on our audit and as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - 19.1 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 Ind AS Financial Statements.
  - 19.2 In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.
  - 19.3 The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
  - 19.4 In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - 19.5 On the basis of the written representations received from the directors of the Parent Company as on 31 March 2022, taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent company, is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - 19.6 With respect to the adequacy of internal financial controls with reference to the Financial Statements of the Parent Company, its subsidiary companies, and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - 19.7 In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Parent Company is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and as noted in the 'Other Matters' paragraph:
  - 20.1 The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group - Refer Note 38.2 to the Consolidated Ind AS Financial Statements.
  - 20.2 Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 38.3 to the Consolidated Ind AS Financial Statements;
  - 20.3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company,
  - 20.4 The management has represented to us that 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 Parent 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 Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on such audit procedures, considered reasonable and appropriate, adopted by us, nothing has come to our notice indicating that such representation contains any material misstatement.

# Independent Auditors' Report (Continued)



- 20.5 The management has also represented to us that no funds have been received by the Parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent 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. Based on such audit procedures, considered reasonable and appropriate, adopted by us, nothing has come to our notice indicating that such representation contains any material misstatement.
- 20.6 The final dividend recommended by the Board of Directors is in compliance with provisions of Section 123 of the Act - Refer note 55 to the Consolidated Ind AS Financial Statements in our opinion.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number - 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership Number: 044784  
UDIN: 22044784AHELPC4845

Place: Mumbai  
Date: 16 April, 2022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration Number - 105146W/W- 100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
Membership Number: 033494  
UDIN: 22033494AHFFE2260

Place: Mumbai  
Date: 16 April, 2022



(Referred to in paragraph “19.6” under ‘Report on Other Legal and Regulatory Requirements’ section of our report 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”)**

**Opinion**

1. In conjunction with our audit of the Consolidated Financial Statements of HDB Financial Services Limited as of and for the year ended 31 March 2022, HDB Financial Services Limited we have audited the internal financial controls with reference to the Consolidated Financial Statements of (“the Parent Company”) and its controlled structured entities as of that date.
2. In our opinion, the Parent Company and its structured control entities, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

**Management’s responsibility for Internal Financial Controls**

3. The Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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, including adherence to the respective 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, as required under the Act.

**Auditor’s responsibility**

4. Our responsibility is to express an opinion on the internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs 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 the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and also refer to ‘Other Matters’ paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

**Meaning of Internal Financial controls with reference to the Consolidated Financial Statements**

7. A company’s internal financial controls with reference to the 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 controls with reference to the 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 the consolidated Financial Statements**

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matters**

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to Parent Company, as Section 143(3)(i) of the Act is not applicable to controlled structured entities.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number - 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership Number: 044784  
UDIN: 22044784AHELPC4845

Place: Mumbai  
Date: 16 April, 2022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration Number - 105146W/W- 100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
Membership Number: 033494  
UDIN: 22033494AHFFE2260

Place: Mumbai  
Date: 16 April, 2022



# Consolidated Balance Sheet as at 31 March 2022

(Currency : Indian Rupees in crore)



Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS:</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	507.78	753.51
(b) Bank balances other than (a) above	5	176.19	222.87
(c) Derivative financial instruments	6	132.44	-
(d) Trade receivables	7	141.82	117.32
(e) Loans	8	57,162.45	58,601.44
(f) Investments	9	2,233.51	1,592.90
(g) Other financial assets	10	314.60	249.22
		<b>60,668.79</b>	<b>61,537.26</b>
<b>2 Non-financial Assets</b>			
(a) Current tax assets (Net)	11	13.34	56.91
(b) Deferred tax assets (Net)	12	1,051.17	729.99
(c) Property, plant and equipment		78.14	91.52
(d) Capital work-in-progress	13	-	-
(e) Other intangible assets		12.01	7.98
(f) Right of Use Assets	14	202.49	217.40
		<b>1,357.15</b>	<b>1,103.80</b>
<b>TOTAL ASSETS</b>		<b>62,025.94</b>	<b>62,641.06</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
<b>3 Financial Liabilities</b>			
(a) Derivative financial instruments	6	-	42.72
(b) Trade payables	15	-	0.01
(i) Total outstanding dues of micro enterprises and small enterprises		<b>246.91</b>	<b>334.25</b>
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Debt securities	16	25,332.31	23,802.07
(d) Borrowings (other than debt securities)	17	19,501.72	22,569.07
(e) Subordinated liabilities	18	4,139.05	3,987.61
(f) Other financial liabilities	19	2,708.72	2,844.93
		<b>51,928.71</b>	<b>53,580.66</b>
<b>4 Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	20	59.73	173.05
(b) Provisions	21	314.75	319.85
(c) Other non-financial liabilities	22	183.02	121.26
		<b>557.50</b>	<b>614.16</b>
<b>5 Equity</b>			
(a) Equity share capital	23	790.44	789.19
(b) Other equity	24	8,749.29	7,657.05
		<b>9,539.73</b>	<b>8,446.24</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>62,025.94</b>	<b>62,641.06</b>
Significant accounting policies and notes to the Consolidated Financial Statements.	2-57		

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Consolidated Statement of Profit and Loss for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>1 Revenue from operations</b>			
(a) Interest income	25	8,362.97	8,487.88
(b) Sale of services		2,363.41	2,020.43
(c) Other financial charges		569.01	405.05
(d) Net gain on fair value changes	26	16.48	40.04
(e) Net gain / (loss) on derecognition of financial instruments under amortised cost category		(5.58)	(8.62)
<b>Total Revenue from operations</b>		<b>11,306.29</b>	10,944.78
<b>2 Expenses</b>			
(a) Finance Costs	27	3,325.50	3,882.93
(b) Impairment on financial instruments	28	2,465.73	3,068.77
(c) Employee Benefits Expenses	29	3,500.41	2,955.59
(d) Depreciation, amortization and impairment	13,14	98.94	107.79
(e) Others expenses	30	568.15	428.99
<b>Total Expenses</b>		<b>9,958.73</b>	10,444.07
<b>3 Profit/(loss) before tax</b>		<b>1,347.56</b>	500.71
<b>4 Tax Expense:</b>	11,12		
(a) Current tax		663.40	419.09
(b) Deferred tax (credit)		(327.24)	(309.85)
<b>Total Tax expense</b>		<b>336.16</b>	109.24
<b>5 Profit for the year</b>		<b>1,011.40</b>	391.47
<b>6 Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan		(13.15)	(20.97)
- Income tax relating to items that will not be reclassified to profit or loss		2.25	5.28
<b>Sub total (a)</b>		<b>(10.90)</b>	(15.69)
(b) Items that will be reclassified to profit or loss			
- Movement in cash flow hedge reserve		33.00	2.99
- Income tax relating to items that will be reclassified to profit or loss		(8.31)	(0.75)
<b>Sub total (b)</b>		<b>24.69</b>	2.24
<b>Other Comprehensive Income</b>		<b>13.79</b>	(13.45)
<b>7 Total Comprehensive Income for the year</b>		<b>1,025.19</b>	378.02
<b>8 Earnings per equity share (for continuing operations)</b>	31		
Basic (₹)		12.81	4.97
Diluted (₹)		12.80	4.97
Significant accounting policies and notes to the Consolidated Financial Statements.	2-57		

The notes referred to above form an integral part of the Consolidated Financial Statements.  
As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Consolidated Statement of Changes in Equity as at 31 March 2022



(Currency : Indian Rupees in crore)

## Statement of Changes in Equity

### A Equity Share Capital

Balance at the beginning of the period

-Changes in Equity Share Capital due to prior period errors

-Restated balance at the beginning of the current reporting period

-Changes in Equity Share Capital during the year

Balance at the end of the reporting period

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	789.19	787.58
-Changes in Equity Share Capital due to prior period errors	-	-
-Restated balance at the beginning of the current reporting period	-	-
-Changes in Equity Share Capital during the year	1.25	1.61
Balance at the end of the reporting period	790.44	789.19

### B Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
Balance as at April 1, 2021	2,960.70	62.97	1,090.94	3,617.98	(42.65)	(32.89)	7,657.05
Adjustment on initial application of IndAS 116	-	-	-	-	-	-	-
Profit for the year	-	-	-	1,011.40	-	-	1,011.40
Other Comprehensive Income	-	-	-	-	(10.90)	24.69	13.79
Total Comprehensive Income for the year	-	-	-	1,011.40	(10.90)	24.69	1,025.19
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	202.28	(202.28)	-	-	-
Premium on issue of shares	36.63	-	-	-	-	-	36.63
Share based payment	-	30.42	-	-	-	-	30.42
Transfer on allotment of shares pursuant to ESOP scheme	57.86	(57.86)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
<b>Balance As At March 31, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>

# Consolidated Statement of Changes in Equity as at 31 March 2022 (Continued)



(Currency : Indian Rupees in crore)

## B Other Equity (Contd.)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee Stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings-Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
Balance as at April 1, 2020	2,925.43	49.42	1,012.65	3,304.80	(26.96)	(35.13)	7,230.22
Adjustment on initial application of IndAS 116	-	-	-	-	-	-	-
Profit for the year	-	-	-	391.47	-	-	391.47
Other Comprehensive Income	-	-	-	-	(15.69)	2.24	(13.45)
Total Comprehensive Income for the year	-	-	-	391.47	(15.69)	2.24	378.01
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	78.29	(78.29)	-	-	-
Premium on issue of shares	35.27	-	-	-	-	-	35.27
Share based payment	-	13.55	-	-	-	-	13.55
Dividends	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
<b>Balance As At March 31, 2021</b>	<b>2,960.70</b>	<b>62.97</b>	<b>1,090.94</b>	<b>3,617.98</b>	<b>(42.65)</b>	<b>(32.89)</b>	<b>7,657.05</b>

As required by section 45-IC of the RBI Act 1934, the Group maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Group cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1984.

Significant accounting policies and notes to the Consolidated Financial Statements.

Note 2 - 57

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Consolidated Cash Flow Statement for the year ended 31 March 2022

(Currency : Indian Rupees in crore)



Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A Cash flow from operating activities</b>		
Profit/(loss) before tax	1,347.56	500.71
<b>Adjustments for</b>		
Interest Income	(8,362.97)	(8,487.88)
Interest Expenses	3,316.64	3,857.22
(Profit)/loss on sale of asset	(0.06)	1.91
Realised net loss/ (gain) on FVTPL investments	39.29	(79.75)
Unrealised gain on FVTPL investments	(22.81)	(5.15)
Discount on commercial paper	8.86	25.71
Provision for compensated absence and gratuity	3.52	15.78
Employee share based payment expenses	30.42	13.55
Depreciation, amortization and impairment	98.94	107.79
Impairment on financial instruments	2,465.73	3,065.52
<b>Operating cash flow before working capital changes</b>	(1,074.88)	(984.59)
<b>Adjustments for working capital changes:</b>		
Interest Paid	(3,699.47)	(3,695.31)
Interest Received	8,353.15	8,447.48
Increase in Loans	(1,016.51)	(4,482.17)
(Increase)/ decrease in trade receivables	(24.50)	66.12
Increase in other financial assets and others	(47.70)	(65.41)
Increase/(decrease) in other financial and non financial liabilities & provisions	(960.09)	7.85
Increase/(decrease) in trade payables	(87.34)	184.28
<b>Cash generated from operations</b>	1,442.66	(521.75)
Direct taxes paid (net of refunds)	514.43	180.00
<b>Net cash flow generated from/(used in) operating activities (A)</b>	1,957.09	(341.75)
<b>B Cash flow from investing activities</b>		
Purchase of investments	(24,583.62)	(15,557.50)
Proceeds of investments	23,920.20	15,713.15
Purchase of fixed assets	(41.13)	(24.64)
Proceeds from sale of fixed assets	1.27	0.38
<b>Net cash generated (used in)/ from investing activities (B)</b>	(703.28)	131.38

# Consolidated Cash Flow Statement for the year ended 31 March 2022 (Continued)

(Currency : Indian Rupees in crore)



Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>C Cash flow from financing activities</b>		
Debt securities issued	8,876.00	10,541.10
Debt securities repaid	(7,274.50)	(9,378.90)
Borrowings other than debt securities issued	8,800.35	9,309.34
Borrowings other than debt securities repaid	(12,026.41)	(10,195.20)
Subordinated debt issued	150.00	356.50
Proceeds from issue of shares and security premium	37.89	36.87
Repayment of lease liabilities	(62.87)	(61.78)
<b>Net cash generated (used in)/ from financing activities (C)</b>	<b>(1,499.54)</b>	<b>607.93</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(245.73)</b>	<b>397.56</b>
Add : Cash and cash equivalents as at the beginning of the year	753.51	355.95
Cash and cash equivalents as at the end of the year *	507.78	753.51
* Components of cash and cash equivalents		
Balances with banks	430.81	650.42
Demand drafts on hand	11.32	12.88
Cash on hand	35.07	29.62
Collateral with Banks for Derivative	30.58	60.59
	507.78	753.51
Significant accounting policies and notes to the Consolidated Financial Statements.	Note 2 - 57	

The notes referred to above form an integral part of the Consolidated Financial Statements.

The above Consolidated statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flow.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784

Sd/-  
**Hasmukh B. Dedhia**  
Partner  
Membership No.: 033494

Sd/-  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

Sd/-  
**G Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: 16 April 2022

Sd/-  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

Sd/-  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Notes to the Consolidated Financial Statements for the year ended 31 March 2022



## 1 Group overview

HDB Financial Services Limited ('the Company'), incorporated in Ahmedabad, India, is a Systemically Important Non Deposit taking Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934.

It provides lending services and business process outsourcing services. It also provides services related to the marketing and promotion of various financial products.

It's registered office is situated at Ahmedabad, India, while its corporate office is located in Mumbai, India. It is a subsidiary of HDFC Bank Limited.

## 2 Significant accounting policies

### 2.1 Statement of Compliance, Basis of Preparation and Presentation of Financial Statements

#### (A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. Further, it has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC).CC.PD.No.109/22.10.106/ 2019-20 dated 13 March 2020.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. These consolidated financial statements have been subjected to audit by the Statutory Auditors, have been reviewed by the Audit Committee and approved by the Board of Directors and authorized for issue on 16 April 2022.

#### (B) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its controlled structured entities (collectively known as 'the Group') as at 31 March 2022. The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of the entity begins when the Group obtains control over the entity and ceases when the Group loses control of the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders



## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)



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 Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of structured entities to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The financial statement of the following controlled structured trusts (all incorporated in India) have been consolidated as per Ind-AS 110 - Consolidated Financial Statements.

Name of the entity	Proportion of Ownership Interest (%) <sup>*</sup>	
	31 March 2022	31 March 2021
Venus Trust March 2022	3.65%	-
Venus Trust March 2021	1.10%	1.10%
Venus Trust September 2020	0.84%	0.84%
Venus Trust March 2020	1.46%	1.46%
Venus Trust December 2019	1.86%	1.86%
Venus Trust June 2019	-	4.40%
Venus Trust March 2019	-	3.33%
Venus Trust November 2018 Series 2	-	3.34%
Venus Trust November 2018 Series 1	-	4.12%

<sup>\*</sup> the Group's share of pass through certificates issued by the trust.

The above structured entities are the entities that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, but the relevant activities are directed by means of contractual agreements. The primary use of structured entities is to provide the Group access to liquidity through asset securitisations.

### (C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR crores in compliance with Schedule III of the Act, unless otherwise stated.

### (D) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Group's functional currency. All amounts are rounded-off to the nearest crores, unless otherwise indicated.

### (E) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date



## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)



of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

### 2.2 Financial Instruments

#### (A) Date of recognition

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

#### (B) Initial measurement

Recognised financial instruments are initially measured at transaction price, which equates fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

#### (C) Classification and subsequent measurement

##### (i) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

##### (a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

**(b) Financial assets at fair value through other comprehensive income**

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

**(c) Financial assets at fair value through profit and loss**

Financial assets, which do not meet the criteria for categorization as at amortized cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in statement of profit and loss.

The Group records investments in equity instruments, mutual funds and Treasury bills at FVTPL.

**(ii) Financial liabilities and equity instrument**

Debt and equity instruments issued by the 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.

**(a) Equity instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

**(b) Financial liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.

**(D) Reclassification**

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

**(E) Offsetting**

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Group has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(F) Derecognition**

**(i) Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Group neither transfers nor retains substantially all of 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 the amount it may have to pay.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

**(ii) Financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

**(G) Impairment of financial assets**

The Group applies the expected credit loss ('ECL') model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Group's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Group categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Group.

The Group incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Group forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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. The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Group regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material. Adjustments including reversal of ECL is recognised through statement of profit and loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

**(H) Write offs**

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

## **2.3 Impairment of non-financial assets**

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

## **2.4 Foreign exchange transactions and translations**

### **(A) Initial recognition**

Transactions in foreign currencies are recognized at prevailing exchange rates between reporting currency and foreign currency on transaction date.

### **(B) Conversion**

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

## **2.5 Derivative financial instruments**

The Group enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

### **Hedge accounting policy**

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

### **Cash Flow Hedges**

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying

## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)

cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of 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.

The Group's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

### 2.6 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

The Group follows the policy of crediting the customer's account only on receipt of amount in the bank and as such no cheques in hand are taken into consideration.

### 2.7 Upfront servicers fees booked on direct assignment

Servicer fees receivable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

### 2.8 Property, plant and equipment

#### (A) Recognition and measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

#### (B) Subsequent expenditure

Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future economic benefits / functioning capability from / of such assets.

#### (C) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Group	Estimated useful life under Schedule II of the Act
Computers	2-5 years	3 years
Software and system development	3 years	3 years
Office equipment	3 years	5 years



## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)

Type of Assets	Estimated useful life as assessed by the Group	Estimated useful life under Schedule II of the Act
Motor cars	4 years	8 years
Furniture and fixtures	3-7 years	10 years
Building	60 years	60 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

The Group uniformly estimates a zero residual value for all these assets. Items costing less than ₹ 5,000 are fully depreciated in the year of purchase. Depreciation is pro-rated in the year of acquisition as well as in the year of disposal.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Consequently, the useful life of certain computer-related assets, furniture and fixtures, office equipment and motor cars differ from the life prescribed in Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the year the asset is de-recognised.

### 2.9 Other intangible assets

Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 3 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

### 2.10 Dividends

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Group. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

### 2.11 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)



**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Group satisfies a performance obligation.

Specific policies for the Group's different sources of revenue are explained below:

### **(A) Income from lending business**

#### **Interest income**

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

#### **Other financial charges**

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

### **(B) Income from BPO services and other financial charges**

Income from BPO services comprise of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers. Performance obligations are satisfied over time and revenue is recorded on a monthly basis.

### **(C) Income from direct assignment**

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

## **2.12 Finance costs**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

## **2.13 Employee benefits**

### **(A) Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



**(B) Provident fund**

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**(C) ESIC and Labour welfare fund**

The Group's contribution paid/payable during the year to ESIC and Labour welfare fund are recognised in the statement of profit and loss.

**(D) Gratuity**

The Group operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Group makes annual contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**(E) Share-based payments**

The Group recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 - Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding amount.

**2.14 Provisions and contingencies**

The Group recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 may arise from past events but probably will not require an outflow of resources to settle the obligation.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)



When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.15 Leases

Effective 01 April 2019, the Group has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 01 April 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Group is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, 01 April 2019.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)



### 2.16 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

### 2.17 Income tax

#### (A) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

#### (B) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 tax authority.

### 2.18 Earnings per share

The Group reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

# Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Continued)



## 2.19 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 ('MD') of the Group has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

Operating segments identified by the Group comprises as under:

- Lending services
- BPO services

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

## 2.20 Collateral

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements.

To the extent possible, the Group uses active market data and external valuers for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models or through external valuers. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

The Group physically repossess and take into custody properties or other assets and also engages external agents to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

## 2.21 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

## 3 Critical accounting estimates and judgements

In the process of applying the Group's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

### (A) Fair value of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell 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.

Fair value measurements under Ind AS are categorised 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 measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Group can access at measurement date

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 42.

**(B) Expected credit loss**

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward looking information.

The inputs used and process followed by the Group in determining the ECL have been detailed in Note 44.

**(C) Effective interest rate**

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

**(D) Business model assessment**

Classification and measurement of financial assets depends on the results of the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. 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 assets.

**(E) Useful life and expected residual value of assets**

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**(F) Leases**

- The determination of lease term for some lease contracts in which the Group is a lessee, including whether the Group is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

**(G) Deferred Tax**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**(H) Defined benefit plans**

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(I) Provisions and contingencies**

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Group's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.



## Notes to the Consolidated Financial Statements (Continued) as at 31 March 2022



(Currency : Indian Rupees in crore)

### 4 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	35.07	29.62
Balances with banks	430.81	650.42
Demand drafts on hand	11.32	12.88
Collateral with Banks for Derivative	30.58	60.59
<b>Total</b>	<b>507.78</b>	<b>753.51</b>

### 5 Bank balances Other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Deposits with bank	1.89	0.03
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments.	172.96	221.09
Interest accrued but not due on fixed deposits	1.34	1.75
<b>Total</b>	<b>176.19</b>	<b>222.87</b>

### 6 Derivative financial Instruments

	As at 31 March 2022			As at 31 March 2021		
	Notional amounts	Fair Value-Assets	Fair Value-Liabilities	Notional amounts	Fair Value-Assets	Fair Value-Liabilities
Part I						
(i) Currency derivatives:						
Currency swaps	4,017.00	132.44	-	3,874.83	-	42.72
<b>Subtotal (i)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>
(ii) Interest rate derivatives						
Forward Rate Agreements and Interest Rate swaps	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging:						
Currency derivatives	-	-	-	-	-	-
Interest Rate derivatives	-	-	-	-	-	-
<b>Subtotal (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(ii) Cash flow hedging:						
Currency derivatives	4,017.00	132.44	-	3,874.83	-	42.72
Interest rate derivatives	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>
(iii) Undesignated Derivatives						
Currency Swaps	-	-	-	-	-	-
<b>Subtotal (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>	<b>3,874.83</b>	<b>-</b>	<b>42.72</b>

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

# Notes to the Consolidated Financial Statements (Continued)

## as at 31 March, 2022



(Currency : Indian Rupees in crore)

### 7 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Receivables Considered good - Secured	-	-
Receivables Considered good - Unsecured	124.20	117.33
Receivables which have significant increase in the credit risk	20.79	4.53
Receivables credit impaired	0.13	0.02
Unbilled Trade Receivables	-	-
	145.12	121.88
Less: Impairment loss allowance	3.30	4.56
<b>Total</b>	<b>141.82</b>	<b>117.32</b>

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

### Reconciliation of impairment Loss allowance on trade receivables:

	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	4.56	6.82
Increase during the year	2.11	0.73
Decrease during the year	(3.37)	(2.99)
Balance at end of the year	3.30	4.56

### Trade receivables aging schedule :

Previous Year figures are in (brackets)

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	123.55 (117.43)	0.41 0.39	(0.05) 0.16	0.10 (0.02)	0.20 (0.42)	124.21 (117.33)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	19.50 (1.07)	0.79 (1.80)	0.39 (0.63)	0.02 (0.94)	0.09 (0.08)	20.79 (4.54)
(iii) Undisputed Trade Receivables - credit impaired	- 0.00	- -	0.07 (0.02)	0.06 -	- (0.00)	0.13 (0.02)
(iv) Disputed Trade Receivables - considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade Receivables - which have significant increase in credit risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(vii) Unbilled Trade Receivables	- -	- -	- -	- -	- -	- -
<b>Total</b>	<b>143.05</b> <b>(118.50)</b>	<b>1.20</b> <b>(1.41)</b>	<b>0.41</b> <b>(0.49)</b>	<b>0.18</b> <b>(0.96)</b>	<b>0.29</b> <b>(0.50)</b>	<b>145.13</b> <b>(121.89)</b>



**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

**8 Loans (at amortised cost)**

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
A Term Loans in India	<b>61,326.32</b>	61,325.00
B Public sector		
Others	<b>61,326.32</b>	61,325.00
<b>Total</b>	<b>61,326.32</b>	61,325.00
C Secured (Secured by tangible assets)	<b>46,644.29</b>	46,894.73
Unsecured	<b>14,682.03</b>	14,430.27
<b>Total</b>	<b>61,326.32</b>	61,325.00
D Less: Impairment loss allowance	<b>4,163.87</b>	2,723.56
<b>Total</b>	<b>57,162.45</b>	58,601.44
<b>Term Loans in India - at amortised cost</b>		
- Public sector		
- Others		
Secured (Secured by tangible assets)	<b>46,644.29</b>	46,894.73
Unsecured	<b>14,682.03</b>	14,430.27
<b>Total Gross Loans</b>	<b>61,326.32</b>	61,325.00
Less: Impairment loss allowance	<b>4,163.87</b>	2,723.56
<b>Total</b>	<b>57,162.45</b>	58,601.44

**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

<b>Stage</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Stage 1</b>	<b>56,142.18</b>	55,263.27
<b>Stage 2</b>	<b>2,125.38</b>	3,300.87
<b>Stage 3</b>	<b>3,058.76</b>	2,760.86
	<b>61,326.32</b>	61,325.00

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person.

<b>Particulars</b>	<b>As at 31 March 2022</b>	<b>% to the total Loans and Advances in the nature of loans</b>	<b>As at 31 March 2021</b>	<b>% to the total Loans and Advances in the nature of loans</b>
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

**9 Investments**

	As at 31 March 2022	As at 31 March 2021
<b>Recorded at Fair value through profit and loss account</b>		
Outside India	-	-
In India		
Mutual fund units	946.45	572.21
Treasury bills / G-Sec	1,197.57	882.82
Securities receipt of ARC	88.04	136.42
<b>Recorded at Amortised Cost</b>		
Outside India	-	-
In India		
Unquoted equity shares	1.45	1.45
<b>Total</b>	<b>2,233.51</b>	<b>1,592.90</b>

**10 Other financial assets**

	As at 31 March 2022	As at 31 March 2021
Capital advances	0.43	1.22
Security deposits at amortised cost (Unsecured, considered good)	21.64	19.78
Prepaid rent (Security deposits, Unsecured, considered good)	7.19	7.62
Retained interest on assigned loan	3.12	8.71
Servicing assets on assigned loan	0.96	2.26
Advances recoverable in cash or in kind (Unsecured, considered good)	281.26	209.63
<b>Total</b>	<b>314.60</b>	<b>249.22</b>

**11 Current tax assets (Net)**

	As at 31 March 2022	As at 31 March 2021
Current tax assets		
Advance tax and tax deducted at source (Net of provision for tax ₹ 663.40 crore (Previous Year: ₹ 419.09 crore))	13.34	56.91
<b>Total</b>	<b>13.34</b>	<b>56.91</b>

**12 Deferred tax assets (Net)**

	Balance as at 1 April 2020	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2022
<b>Deferred Tax Asset</b>							
Depreciation and amortisation	16.77	4.05	-	20.82	14.78	-	35.60
Provision for employee benefits	7.58	(2.86)	5.28	10.00	2.04	2.25	14.30
Loans - Impairment	325.13	371.33	-	696.46	349.57	-	1,046.03
Loans - DSA	63.27	(34.82)	-	28.45	(15.45)	-	13.00
Lease	3.78	3.64	-	7.42	(10.87)	-	(3.45)
Cash Flow Hedges Reserve	11.82	-	(0.75)	11.07	-	(8.31)	2.76
<b>Deferred Tax Asset</b>	<b>428.35</b>	<b>341.34</b>	<b>4.53</b>	<b>774.22</b>	<b>340.07</b>	<b>(6.06)</b>	<b>1,108.24</b>

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

**12 Deferred tax assets (Net) (Continued)**

	Balance as at 1 April 2020	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2022
<b>Deferred Tax Liabilities</b>							
Borrowings	(12.07)	0.60	-	(11.47)	4.32	-	(7.15)
Investments - MTM and others	(0.57)	(1.43)	-	(2.00)	(16.84)	-	(18.84)
Securitization and others	(0.09)	(30.67)	-	(30.76)	(0.32)	-	(31.08)
<b>Deferred Tax Liabilities</b>	<b>(12.73)</b>	<b>(31.50)</b>	<b>-</b>	<b>(44.23)</b>	<b>(12.84)</b>	<b>-</b>	<b>(57.07)</b>
<b>Net Deferred Tax Assets</b>	<b>415.62</b>	<b>309.84</b>	<b>4.53</b>	<b>729.99</b>	<b>327.24</b>	<b>(6.06)</b>	<b>1,051.17</b>
Deferred Tax Asset						1,051.17	729.99
Movement in Net deferred tax Asset during the year						321.18	314.37

The components of income tax expense for the years ended 31 March 2022 and 2021 are:

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Current tax:		
In respect of current year	<b>663.40</b>	419.09
In respect of prior years	-	-
Deferred Tax:		
Deferred tax relating to origination and reversal of temporary differences	<b>(327.24)</b>	(309.85)
In respect of prior years	-	-
Total Income Tax recognised in profit or loss	<b>336.16</b>	109.24
Current tax	<b>663.40</b>	419.09
Deferred tax (Debit)	<b>(327.24)</b>	(309.85)

Income Tax recognised in Other comprehensive income

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Deferred tax related to items recognised in Other comprehensive income during the year:		
Income tax relating to items that will not be reclassified to profit or loss	<b>2.25</b>	5.28
Income tax relating to items that will be reclassified to profit or loss	<b>(8.31)</b>	(0.75)
Total income tax recognised in other comprehensive income (Debit)	<b>(6.06)</b>	4.53

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Profit before tax	<b>1,347.56</b>	500.71
Applicable income tax rate (%)	<b>25.17</b>	25.17
Income tax expense calculated at applicable income tax rate	<b>339.15</b>	126.02
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	<b>14.16</b>	11.65
Effect of tax incentives (net)	<b>(17.14)</b>	(28.43)
Effects of income not considered as taxable on compliance of condition	-	-
Income tax for earlier year	-	-
Income tax expense recognised in profit and loss	<b>336.16</b>	109.24

# Notes to the Consolidated Financial Statements (Continued) as at 31 March, 2022

(Currency : Indian Rupees in crore)

## 13 Property, Plant and Equipment (PPE) and Other Intangible assets

Description	Office equipment	Furniture and fixtures	Leasehold improvements	Computers	Building	Motor cars	Total PPE Tangibles	Software and System development	Total Other Intangibles	Total
<b>Balance as at 1st April, 2021</b>	61.62	93.46	79.06	142.88	0.15	8.03	385.21	39.23	39.23	424.43
Additions during the year	2.85	3.04	4.70	16.49	-	2.47	29.55	11.58	11.58	41.13
Disposals/Adjustments during the year	1.34	1.35	3.05	0.62	-	1.65	8.00	-	-	8.00
<b>Balance as at 31st March, 2022</b>	63.13	95.15	80.72	158.76	0.15	8.85	406.76	50.81	50.81	457.57
<b>Accumulated Depreciation / impairment as at 1st April, 2021</b>	47.23	73.50	45.36	122.45	0.02	5.13	293.69	31.25	31.25	324.93
Depreciation charge during the year	5.93	8.29	9.03	16.87	0.02	1.58	41.72	7.56	7.56	49.28
Disposals/Adjustments during the year	1.30	1.28	2.43	0.61	0.02	1.15	6.79	-	-	6.79
<b>Accumulated Depreciation / impairment as at 31st March, 2022</b>	51.86	80.51	51.96	138.71	0.03	5.56	328.63	38.80	38.80	367.43
<b>Net carrying amount as at 31st March, 2022</b>	11.27	14.64	28.76	20.05	0.12	3.29	78.13	12.01	12.01	90.14
<b>Balance as at 1st April, 2020</b>	59.26	93.79	79.00	137.68	0.15	7.39	377.27	33.43	33.43	410.70
Additions during the year	3.45	2.41	4.18	7.61	-	1.13	18.79	5.80	5.80	24.58
Disposals/Adjustments during the year	1.09	2.74	4.12	2.41	-	0.49	10.85	-	-	10.85
<b>Balance as at 31st March, 2021</b>	61.61	93.46	79.06	142.88	0.15	8.03	385.21	39.23	39.23	424.43
<b>Accumulated Depreciation / impairment as at 1st April, 2020</b>	40.43	66.75	38.49	103.40	0.04	3.67	252.79	24.36	24.36	277.15
Depreciation charge for the year	7.83	8.90	9.44	21.46	0.00	1.84	49.46	6.88	6.88	56.34
Disposals/Adjustments during the year	1.03	2.15	2.57	2.41	0.02	0.38	8.56	-	-	8.56
<b>Accumulated Depreciation / impairment as at 31st March, 2021</b>	47.23	73.50	45.36	122.45	0.02	5.13	293.68	31.25	31.25	324.93
<b>Net carrying amount as at 31st March, 2021</b>	14.39	19.96	33.70	20.43	0.13	2.91	91.52	7.98	7.98	99.50

Note : No revaluation of any class of asset is carried out during the year.

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

**14 Right of Use Assets**

	As at 31 March 2022	As at 31 March 2021
Right of Use Assets	202.49	217.40
Total	202.49	217.40

**15 Trade Payables**

	As at 31 March 2022	As at 31 March 2021
Trade payables		
i) total outstanding dues to micro and small enterprises	-	0.01
ii) total outstanding dues of creditors other than micro and small enterprises	246.91	334.25
iii) Unbilled Trade payables	-	-
Total	246.91	334.26

15.1 Trade Payables includes ₹ 0 Crore (Previous Years: ₹ 0.01 Crore) payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Group during the year to “Suppliers” registered under this act. The above is based on the information available with the Group which has been relied upon by the auditors

15.2 Trade payables aging schedule :

Previous Year figures are in (brackets)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	- (0.01)	-	-	-	- (0.01)
ii) Others	239.47 (326.49)	1.45 (3.02)	2.78 (2.03)	3.21 (2.71)	246.91 (334.25)
ii) Disputed dues - MSME	-	-	-	-	-
ii) Disputed dues - Others	-	-	-	-	-
iii) Unbilled Trade payables	-	-	-	-	-
Total	239.47 (326.50)	1.45 (3.02)	2.78 (2.03)	3.21 (2.71)	246.91 (334.26)

**16 Debt Securities**

	As at 31 March 2022	As at 31 March 2021
At Amortised Cost		
<b>Secured</b>		
Privately placed redeemable Non Convertible Debenture	25,357.70	23,356.20
Secured by pari passu charge by mortgage of Group's Office no.319, 3 <sup>rd</sup> Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and receivables under financing activity.		
<b>Unsecured</b>		
Commercial paper	-	400.00
<b>Total</b>	25,357.70	23,756.20
<b>Less: Unamortised borrowing cost/Unmatured discount on Commercial paper/Premium and discount on NCD</b>	25.39	(45.87)
Debt Securities net of unamortised cost	25,332.31	23,802.07

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

**16 Debt Securities (Continued)**

	As at 31 March 2022	As at 31 March 2021
Debt securities in India	25,357.70	23,756.20
Debt securities outside India	-	-
<b>Total</b>	<b>25,357.70</b>	<b>23,756.20</b>
<b>Less: Unamortised borrowing cost/Unmatured discount on Commercial paper/Premium and discount on NCD</b>	<b>25.39</b>	<b>(45.87)</b>
Debt Securities net of unamortised cost	<b>25,332.31</b>	<b>23,802.07</b>

16.1 No non convertible debentures, non convertible perpetual debentures and any other borrowing is guaranteed by directors and/or others.

16.2 Terms of repayment of privately placed redeemable non convertible debenture.

Previous Year figures are in (brackets)

Rate of interest (%)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.5-5.5	1,380.00 (575.00)	2,616.00 (2,330.00)	- -	- -	3,996.00 (2,905.00)
5.5-6.5	1,510.00 -	6,470.00 (3,050.00)	1,390.00 -	- -	9,370.00 (3,050.00)
6.5-7.5	- -	5,691.10 (6,311.10)	- -	- -	5,691.10 (6,311.10)
7.5-8.5	3,189.00 (1,942.00)	280.00 (2,129.00)	- (280.00)	900.00 (600.00)	4,369.00 (4,951.00)
8.5-9.5	1,931.60 (4,207.50)	- (1,931.60)	- -	- -	1,931.60 (6,139.10)
9.5-10.5	- -	- -	- -	- -	- -
<b>Total</b>	<b>8,010.60 (6,724.50)</b>	<b>15,057.10 (15,751.70)</b>	<b>1,390.00 (280.00)</b>	<b>900.00 (600.00)</b>	<b>25,357.70 (23,356.20)</b>

16.3 All the above non convertible debentures are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year (Refer Note 51).

**17 Borrowings (Other than Debt Securities)**

	As at 31 March 2022	As at 31 March 2021
<b>At Amortised Cost</b>		
Borrowings (other than debt securities)		
<b>Secured</b>		
(a) External commercial borrowings (ECB)	4,017.00	4,849.83
(b) Term loan against hypothecation of Receivables under financing activity	14,291.45	15,614.53
(c) Borrowing under Securitisation	1,205.64	2,036.41
(d) Borrowing under ARC	-	97.20
<b>Total</b>	<b>19,514.09</b>	<b>22,597.97</b>
Less: Unamortised borrowing cost	12.37	28.90
Borrowings (Other than Debt Securities) net of unamortised cost	<b>19,501.72</b>	<b>22,569.07</b>
Borrowings in India	15,497.09	18,723.14
Borrowings outside India	4,017.00	3,874.83
<b>Total</b>	<b>19,514.09</b>	<b>22,597.97</b>
Less: Unamortised borrowing cost	12.37	28.90
Borrowings (Other than Debt Securities) net of unamortised cost	<b>19,501.72</b>	<b>22,569.07</b>

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

17.1 No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others.

17.2 During the period presented there were no defaults in the repayment of principal and interest.

17.3(a) Terms of repayment of External commercial borrowings from International Financial Corporation.

Previous Year figures are in (brackets)

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
8 - 9	-	-	-	-
	(975.00)	-	-	(975.00)

17.3(b) Terms of repayment of External commercial borrowings in foreign currency

Previous Year figures are in (brackets)

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
6 - 9	4,017.00	-	-	4,017.00
	(3,874.83)	-	-	(3,874.83)

The Group had availed total External Commercial Borrowing (ECBs) of USD 530 million for financing prospective borrower as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. Out of same USD 230 million was raised in FY20-21. The borrowing had a maturity of three years. In terms of the RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps. The charges for raising of the aforesaid ECB has been amortised over the tenure of the ECB.

17.4 Terms of repayment of Term loans from Banks.

Previous Year figures are in (brackets)

Marginal Cost of Funds Based Lending Rate (MCLR) (a)	0-1 years	1-3 years	3-5 years	Total
Overnight MCLR + (0.00% to 0.75%)	-	100.00	-	100.00
	-	-	-	-
1 Month MCLR + (0.00% to 0.75%)	41.67	41.67	-	83.33
	(733.33)	(716.67)	(16.67)	(1,466.67)
3 Month MCLR + (0.00% to 1.5%)	75.00	75.00	-	150.00
	(1,797.73)	(2,164.39)	-	(3,962.12)
6 Month MCLR + (0.00% to 0.75%)	-	-	-	-
	(804.55)	(1,008.33)	-	(1,812.88)
1 Year MCLR + (0.00% to 0.25%)	-	-	-	-
	(631.82)	(45.45)	-	(677.27)
1 Year MCLR + (0.25% to 1.25%)	-	-	-	-
	-	-	-	-
<b>Total (a)</b>	<b>116.67</b>	<b>216.67</b>	<b>-</b>	<b>333.33</b>
	(3967.43)	(3934.84)	(16.67)	(7918.94)
Rate linked to T-Bills rates (b)	0-1 year	1-3 years	3-5 years	Total
3 Month T-Bills rates (0.00% to 4.00%)	1579.53	1,562.28	136.67	3,278.48
	(655.00)	(919.69)	-	(1,574.69)
6 Month T-Bills rates (0.00% to 3.50%)	109.09	-	-	109.09
	(109.09)	(109.09)	-	(218.18)
12 Month T-Bills rates (0.00% to 3.50%)	431.67	772.50	-	1,204.17
	(210.83)	(530.83)	(110.83)	(852.49)



**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March, 2022**



(Currency : Indian Rupees in crore)

<b>Rate linked to T-Bills rates (b)</b>	<b>0-1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>Total</b>
Overnight Index Swap (OIS) (0.00% to 3.50%)	-	-	-	-
	-	(500.00)	-	(500.00)
Repo Rate (0.00% to 3.50%)	<b>1,061.46</b>	<b>2,286.39</b>	<b>1,473.21</b>	<b>4,821.06</b>
	(726.67)	(1,616.70)	(31.82)	(2,375.19)
Mumbai InterBank Offer rate (MIBOR) (0.00% to 3.50%)	<b>725.00</b>	<b>252.08</b>	-	<b>977.08</b>
	(197.92)	(450.00)	(27.12)	(675.04)
<b>Total (b)</b>	<b>3,906.75</b>	<b>4,873.25</b>	<b>1,609.88</b>	<b>10,389.88</b>
	(1899.51)	(4126.31)	(169.77)	(6195.59)
Fixed Interest rate 4.50% - 5.50%	<b>1,018.70</b>	<b>2,187.40</b>	<b>362.14</b>	<b>3,568.24</b>
	(318.18)	(1,090.91)	(90.91)	(1,500.00)
<b>Total (a)+(b)</b>	<b>5,042.12</b>	<b>7,277.32</b>	<b>1,972.01</b>	<b>14,291.45</b>
	(6,185.12)	(9,152.06)	(277.35)	(15,614.53)

17.5 All the above Term loans are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year.

17.6 Terms of repayment of Borrowing under Securitisation.

Previous Year figures are in (brackets)

<b>Rate of Interest (%)</b>	<b>0-1 years</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>Total</b>
3.50% to 8.00%	<b>763.50</b>	<b>429.25</b>	<b>12.89</b>	<b>1,205.64</b>
	(1,198.04)	(793.05)	(45.32)	(2,036.41)

17.7 Term Loans were used fully for the purpose for which the same were obtained.

17.8 Periodic Statements of securities filed with lending banks are as per book of accounts.

**18 Subordinated Liabilities**

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>At Amortised Cost</b>		
<b>Unsecured</b>		
(a) Privately placed subordinated (Tier II) redeemable bonds	<b>3,500.00</b>	3,500.00
(b) Redeemable non convertible perpetual bonds	<b>650.00</b>	500.00
<b>Total</b>	<b>4,150.00</b>	4,000.00
Less: Unamortised borrowing cost	<b>10.95</b>	12.39
Subordinated Liabilities net of unamortised cost	<b>4,139.05</b>	3,987.61
Subordinated Liabilities in India	<b>4,150.00</b>	4,000.00
Subordinated Liabilities outside India	-	-
<b>Total</b>	<b>4,150.00</b>	4,000.00
Less: Unamortised borrowing cost	<b>10.95</b>	12.39
Subordinated Liabilities net of unamortised cost	<b>4,139.05</b>	3,987.61

18.1 No subordinate debts and any other borrowing is guaranteed by directors and / or others.

18.2 Terms of repayment of Privately placed unsecured subordinated (Tier II) redeemable bonds and redeemable non convertible perpetual bonds.



**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Currency : Indian Rupees in crore)

Previous Year figures are in (brackets)

Rate of interest	<5 year	>5 years	Total
7.5-10.5	4,000 (1,330.00)	150 (2,670.00)	4,150 (4,000.00)

**19 Other financial liabilities**

	As at 31 March 2022	As at 31 March 2021
Interest accrued	1,511.65	1,914.16
Overdrawn balances in current account with banks	850.59	576.42
Deposits (not as defined in Section 2(31) of Companies Act, 2013)	10.22	10.29
Creditors for other expenses	18.31	22.79
Statutory liabilities	78.82	73.72
Lease Liability (RTU)	239.13	247.55
<b>Total</b>	<b>2,708.72</b>	<b>2,844.93</b>

**20 Current tax liabilities (Net)**

	As at 31 March 2022	As at 31 March 2021
Provisions for tax (Net of advance tax ₹ 440 crore, Previous Year ₹ 180.00 crore)	59.73	173.05
<b>Total</b>	<b>59.73</b>	<b>173.05</b>

**21 Provisions**

	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
Gratuity (funded)	71.44	67.92
Salary, bonus and reimbursements	208.10	222.18
Contribution to provident fund	35.21	29.75
<b>Total</b>	<b>314.75</b>	<b>319.85</b>

**22 Other non-financial liabilities**

	As at 31 March 2022	As at 31 March 2021
Other payables	-	-
Provision for expenses	183.02	121.26
<b>Total</b>	<b>183.02</b>	<b>121.26</b>

**23 Equity Share capital**

	Face Value ₹ each	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
		Number of shares	Number of shares		
Authorised equity shares	10	1,00,15,50,000	1,00,15,50,000	1,001.55	1,001.55
Issued, Subscribed & Paid up equity shares fully paid up	10	79,04,40,031	78,91,85,216	790.44	789.19
<b>Total</b>				<b>790.44</b>	<b>789.19</b>

## Notes to the Consolidated Financial Statements (Continued) for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

### 23.1 Reconciliation of the number of shares

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Equity shares of ₹10 fully paid up				
Shares outstanding at the beginning of the year	78,91,85,216	789.19	78,75,79,656	787.58
Shares issued - exercised for ESOP scheme	12,54,815	1.25	16,05,560	1.61
Shares outstanding at the end of the year	79,04,40,031	790.44	78,91,85,216	789.19

### 23.2 Terms/rights attached to equity shares.

The Group has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

### 23.3 Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2022			As at 31 March 2021		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Equity shares of ₹10 fully paid up HDFC Bank Limited (Holding Company and promoter)	75,05,96,670	94.96	0.00%	75,05,96,670	95.11	0.00%

### 23.4 Number of shares reserved for ESOPs

Particulars	As at 31 March 2022	As at 31 March 2021
Equity shares of ₹10 fully paid up		
Number of Shares reserved for ESOPs (Refer note 34)	40,69,315	31,76,650

### 24 Other equity

	As at 31 March 2022	As at 31 March 2021
(i) Securities Premium Account	3,055.19	2,960.70
(ii) Employee stock Options Outstanding Account	35.53	62.97
(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	1,293.22	1,090.94
(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	4,427.10	3,617.98
(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations	(53.55)	(42.65)
(vi) Cash Flow Hedges Reserve	(8.20)	(32.89)
	8,749.29	7,657.05

(i) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(ii) Employee stock Options Outstanding Account

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

## Notes to the Consolidated Financial Statements (Continued) for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

- (iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934  
Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.
- (iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations  
Retained earnings represents the surplus in Profit and Loss Account and appropriations.
- (v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations  
The Group recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings.
- (vi) Cash Flow Hedges Reserve  
It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

### 25 Interest Income

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>On Financial Assets measured at Amortised Cost :</b>		
Interest on Loans	8,293.64	8,420.35
Interest on deposits with Banks	11.39	22.67
<b>On Financial Assets measured at fair value through profit or loss (FVTPL) :</b>		
Interest income from Investment	57.94	44.86
<b>Total</b>	<b>8,362.97</b>	<b>8,487.88</b>

### 26 Net gain / (loss) on fair value changes

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)		
Investments	16.48	40.04
Unquoted equity shares	-	-
	<b>16.48</b>	<b>40.04</b>
Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)		
Realised	39.29	34.89
Unrealised	(22.81)	5.15
<b>Total</b>	<b>16.48</b>	<b>40.04</b>

### 27 Finance Costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Interest expenses on financial liabilities measured at amortised cost</b>		
Interest on borrowings (includes Interest on lease liabilities ₹ 19.68 Crore, Previous Year ₹ 25.47 crore)	1,248.83	1,684.74
Interest on debt securities	1,671.08	1,791.21
Interest on subordinated liabilities	369.15	346.70
Discount on commercial paper	8.86	25.71
Other borrowing costs	27.58	34.57
<b>Total</b>	<b>3,325.50</b>	<b>3,882.93</b>

# Notes to the Consolidated Financial Statements (Continued) as at 31 March 2022



(Currency : Indian Rupees in crore)

## 28 Impairment on financial instruments

	For the year ended 31 March 2022	For the year ended 31 March 2021
Impairment on financial instruments at amortised cost		
Loans	2,466.99	3,071.52
Investment	-	(0.49)
Trade receivables	(1.26)	(2.26)
<b>Total</b>	<b>2,465.73</b>	<b>3,068.77</b>

## 29 Employee benefits expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages (including bonus)	3,162.38	2,684.48
Contribution to provident and other funds	277.92	233.35
Employee share based payment expenses	30.42	13.55
Staff welfare expenses	29.69	24.21
<b>Total</b>	<b>3,500.41</b>	<b>2,955.59</b>

## 30 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	5.53	5.69
Rates and taxes	0.78	1.76
Telephone	30.70	31.56
Power and fuel	24.50	20.03
Repairs and maintenance- premises	4.79	3.37
Repairs and maintenance-others	4.47	2.24
Credit report charges	37.65	34.25
Commission and brokerage	2.56	2.22
Auditor's remuneration (Refer Note No. 32)	1.16	1.06
Insurance	0.71	1.64
Loss on sale of asset	(0.06)	1.91
Expenses towards Corporate Social Responsibility Initiative (Refer Note No. 40)	25.83	30.83
Others administrative expenses	429.53	292.43
<b>Total</b>	<b>568.15</b>	<b>428.99</b>

## 31 Earnings per Share

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net Profit (₹ in crores)	1,011.40	391.47
Weighted average number of equity shares		
Basic	789,477,686	788,029,727
Diluted	789,939,967	788,347,209
Earnings per share (₹)		
Basic	12.81	4.97
Diluted	12.80	4.97
Face value per share (₹)	10.00	10.00

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March 2022**



The dilutive effect on the earnings per share is caused by the potential shares that would be issued upon the exercise of the ESOP Options. As a result of the dilution, the denominator increased by 4,62,281 shares (Previous Year 3,17,481 shares).

**32 Auditor's Remuneration**

(Rupees in crore)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>As Auditor *</b>	<b>1.05</b>	0.90
For taxation matters	-	-
For company law matters	-	-
For other services	-	0.07
For reimbursement of expenses	<b>0.02</b>	-
<b>Sub Total</b>	<b>1.07</b>	0.97
GST	<b>0.09</b>	0.09
<b>Total</b>	<b>1.16</b>	1.06

\* Includes ₹ 0.15 crore to erstwhile Statutory Auditors

**33 Leases**

The Group has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Group. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

**I. Lease disclosures under Ind-AS 116 for the current year ended 31 March 2022**

**(i) Amounts recognised in the Balance sheet**

(Rupees in crore)

Sr No.	Particulars	31 March 2022	31 March 2021
a)	<b>Right-of-use assets (net)</b>	<b>202.49</b>	217.40
b)	<b>Lease liabilities</b>		
	Current	<b>45.64</b>	41.23
	Non-current	<b>193.49</b>	206.32
	<b>Total Lease liabilities</b>	<b>239.13</b>	247.55
c)	<b>Additions to the Right-of-use assets</b>	<b>37.42</b>	30.75

**(ii) Amounts recognised in the Statement of Profit and Loss**

(Rupees in crore)

Sr No.	Particulars	31 March 2022	31 March 2021
a)	Depreciation charge for right-of-use assets	<b>49.67</b>	51.44
b)	Interest expense (included in finance cost)	<b>19.68</b>	25.47
c)	Expense relating to short-term leases	<b>5.53</b>	5.69

**(iii) Cash Flows**

(Rupees in crore)

Particulars	31 March 2022	31 March 2021
The total cash outflow of leases	<b>62.87</b>	61.78

**(iv) Future Commitments**

(Rupees in crore)

Particulars	31 March 2022	31 March 2021
Future undiscounted lease payments to which leases is not yet commenced	<b>23.72</b>	1.72

**Notes to the Consolidated Financial Statements (Continued)**  
**as at 31 March 2022**



(v) **Maturity analysis of undiscounted lease liability** (Rupees in crore)

Period	31 March 2022	31 March 2021
Not later than one year	62.93	60.03
Later than one year and not later than five years	173.91	189.86
Later than five years	62.31	64.18
<b>Total</b>	<b>299.15</b>	<b>314.07</b>

**34 Accounting for Employee Share based Payments**

In accordance with resolution approved by the shareholders, the Group has reserved shares, for issue to employees through ESOP Scheme. On the approval of Nomination and Remuneration Committee (NRC), each ESOP scheme is issued. The NRC has approved stock option schemes ESOP-10 on October 13, 2017, ESOP-11 on January 15, 2019, ESOP-12 on October 5, 2020, ESOP-13 on January 14, 2021, ESOP-13A on August 31, 2021 and ESOP-14 on October 27, 2021. Under the term of the schemes, the Group may issue stock options to employees and directors of the Group, each of which is convertible into one equity share.

Such options vest at a definitive date, save for specific incidents, prescribed in the scheme as framed/approved by the NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of four years from the date of vesting.

**Description of share based payments plans**

Particulars	ESOP-10	ESOP-11	ESOP-12	ESOP-13	ESOP-13A	ESOP-14
i. Vesting requirements	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Oct 2017	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Jan 2019	60% at the end of 12 months and 40% at the end of 24 months from 31 Oct 2020	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Jan 2021	30% at the end of each 12 and 24 months and 40% at the end of 36 months from August 31, 2021	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2021
ii. Maximum term of option	7 years	7 years	6 years	7 years	7 years	7 years
iii. Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
iv. Modifications to share based payment plans	NA	NA	NA	NA	NA	NA
v. Any other details as disclosed in the audited Ind-AS financials	NA	NA	NA	NA	NA	NA

**Method used for accounting for shared based payment plan.**

The Group uses fair value to account for the compensation cost of stock options to employees of the Group.

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31 March 2022**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP-10	48,150	-	5,500	650	42,000	42,000
ESOP-11	394,000	-	269,610	17,960	106,430	106,430
ESOP-12	1,558,900	-	773,130	82,860	702,910	123,570
ESOP-13	1,175,600	-	206,575	35,870	933,155	141,245
ESOP-13A	-	50,000	-	-	50,000	-
ESOP-14	-	2,244,730	-	9,910	2,234,820	-
<b>Total</b>	<b>3,176,650</b>	<b>2,294,730</b>	<b>1,254,815</b>	<b>147,250</b>	<b>4,069,315</b>	<b>413,245</b>
Weighted average exercise price (₹)	313.22	432.48	301.93	317.09	383.81	300.52

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



**Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31 March 2021**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP-10	1,283,200	-	1,168,150	66,900	48,150	48,150
ESOP-11	868,380	-	437,410	36,970	394,000	71,280
ESOP-12	-	1,602,500	-	43,600	1,558,900	-
ESOP-13	-	1,176,950	-	1,350	1,175,600	-
<b>Total</b>	<b>2,151,580</b>	<b>2,779,450</b>	<b>1,605,560</b>	<b>148,820</b>	<b>3,176,650</b>	<b>119,430</b>
Weighted average exercise price (₹)	237.65	320.33	229.62	255.07	313.22	249.41

**Following summarises the information about stock options outstanding as at 31 March 2022**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	42,000	2.53
ESOP - 11	274	106,430	3.79
ESOP - 12	300	702,910	4.52
ESOP - 13	348	933,155	5.64
ESOP - 13A	409	50,000	6.42
ESOP - 14	433	2,234,820	6.58

**Following summarizes the information about stock options outstanding as at 31 March 2021**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	48,150	3.59
ESOP - 11	274	394,000	4.58
ESOP - 12	300	1,558,900	5.07
ESOP - 13	348	1,175,600	5.94

**Fair Value methodology**

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. The shares of Group are not listed on any stock exchange. Accordingly, the Group had considered the volatility of the Group's stock price based on historical volatility of similar listed enterprises. The various assumptions considered in the pricing model for the stock options granted by the Group are:

Particulars	ESOP 13A	ESOP 14
Dividend yield	0.00%	0.00%
Expected volatility	59.89%	56.24%
Risk-free interest rate	5.35%	5.41%
Expected life of the option	4.10 Years	4.10 Years

The Group recorded an employee stock compensation expense of ₹ 30.42 crore (previous year ₹13.55 crore) in Statement of Profit and Loss.

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



**35 Segment Reporting**

(Currency : Indian Rupees in crore)

<b>S.N.</b>	<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>i.</b>	<b>Segment Revenue</b>		
	Lending business	8,942.88	8,924.35
	BPO Services	2,363.41	2,020.43
	Unallocated	-	-
	<b>Income from Operations</b>	<b>11,306.29</b>	<b>10,944.78</b>
<b>ii.</b>	<b>Segment Results</b>		
	Lending business	1,238.71	445.98
	BPO Services	134.69	103.72
	Unallocated	(25.84)	(48.99)
	<b>Profit before tax</b>	<b>1,347.56</b>	<b>500.71</b>
	<b>Income Tax expenses</b>		
	Current tax	663.40	419.09
	Deferred tax Asset	(327.24)	(309.85)
	Income tax for earlier year	-	-
	<b>Net Profit</b>	<b>1,011.40</b>	<b>391.47</b>
<b>iii.</b>	<b>Capital Employed</b>		
	Segment assets		
	Lending business	60,812.70	61,694.54
	BPO Services	148.72	147.52
	Unallocated	1,064.51	798.99
	<b>Total Assets</b>	<b>62,025.94</b>	<b>62,641.05</b>
	Segment Liabilities		
	Lending business	52,009.27	53,886.31
	BPO Services	95.61	50.43
	Unallocated	381.33	258.08
	<b>Total Liabilities</b>	<b>52,486.21</b>	<b>54,194.82</b>
	Net Segment assets / (liabilities)	<b>9,539.73</b>	<b>8,446.23</b>
<b>iv.</b>	<b>Capital Expenditure (including net CWIP)</b>		
	Lending business	36.25	22.48
	BPO Services	4.88	2.11
	Unallocated	-	-
	<b>Total</b>	<b>41.13</b>	<b>24.59</b>
<b>v.</b>	<b>Depreciation</b>		
	Lending business	79.17	87.83
	BPO Services	19.77	15.34
	Unallocated	-	4.62
	<b>Total</b>	<b>98.94</b>	<b>107.79</b>
<b>vi.</b>	<b>Other non cash expenditure</b>		
	Lending business	2,465.73	3,068.77
	BPO Services	-	-
	Unallocated	-	-
	<b>Total</b>	<b>2,465.73</b>	<b>3,068.77</b>



**a) Chief Operating Decision Maker**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director ('MD') of the Group has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

**b) Operating Segment**

**Primary Segment (Business Segment)**

The Group is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

**Secondary Segment (Geographical Segment)**

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

**c) Segment Revenue and Expense**

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

**d) Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

**e) Accounting Policies**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

**36 Related party disclosures**

Name of the related party and nature of relationship

**Holding Group :** HDFC Bank Limited

**Enterprise under common control of Holding Group :** HDFC Securities Limited

**Key Management Personnel (KMP) :**

Arijit Basu (Chairman & Non Executive Director) (date of appointment 01 June 2021)

Arundhati Mech (Independent Director) (date of appointment 11 February 2022)

Smita Affinwalla (Independent Director)

Venkatraman Srinivasan (Independent Director)

Dr. Amla Samanta (Independent Director)

Adayapalam Viswanathan (Independent Director)

G Ramesh (Managing Director & CEO)

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**

(Currency : Indian Rupees in crore)



**Other related parties :**

HDFC Ergo General Insurance Company Limited

HDFC Life Insurance Company Limited

HDFC Asset Management Company Limited

HDBFS Employees Welfare Trust

**Details of Related Party Transactions for the Year:**

Related party	Nature of transaction	31 March 2022	31 March 2021
HDFC Bank Limited	Bank charges	12.20	11.98
	Charges for back office support services received / recoverable	921.26	907.26
	Charges for sales support services received / recoverable	1,607.28	1,233.14
	Commission Expenses	1.71	4.94
	Corporate logo license fees	14.63	3.72
	Fixed deposits placed	17.77	1,172.73
	Interest paid on non-convertible debentures	185.85	59.92
	Interest paid on term loan and OD account	312.90	379.94
	Interest received on fixed deposits	5.47	12.78
	Investment banking fees paid	0.56	1.26
	Reimbursement of IT expense, secondment charge & other common expenses	0.89	2.74
	Rent paid for premises taken on sub-lease	2.37	2.42
	Securities purchased during the year	1,310.00	3,115.00
	Securitisation	-	473.06
	Term loan availed during the year	4,050.00	2,350.00
	Tele collection charges / field collection charges received / recoverable for collection services rendered	220.58	206.53
HDFC Securities Limited	Rent income for premises given on sub-lease	0.07	0.08
Key Management Personnel	Director sitting fees and commission paid	1.25	0.80
	Salary including perquisites and allowances	4.53	3.79
	Stock Options#	0.48	0.86
HDFC Life Insurance Company Limited	Income from Insurance commission	6.19	7.91
	Rent Expense	-	0.01
HDFC Ergo General Insurance Company Limited	Income from Insurance commission	9.89	9.77
	Insurance Premium Expense (Car & Group policy)	1.86	-

# The intrinsic value of the stock options granted is Nil. However, the Group in compliance with Ind-AS 102 has been charged to the statement of profit and loss of ₹ 2.62 crore (previous year ₹1.10 crore) with a corresponding credit to the reserves.

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**

(Currency : Indian Rupees in crore)



**Balances outstanding:**

Related party	Nature of transaction	31 March 2022	31 March 2021
HDFC Bank Limited	Securitisation	454.03	1,469.56
	Balance in current accounts	409.00	645.56
	Balance receivable	95.95	85.66
	Balance payable	0.12	1.92
	Fixed deposit	88.51	182.53
	Security deposit paid	0.11	0.11
	Security deposit received	9.85	9.85
	Term loan outstanding	6,067.14	5,572.73
	Non convertible debentures issued	5,080.00	3,115.00
	Undrawn commitment facility	-	500.00
HDFC Securities Ltd.	Balance receivable	-	0.13
HDFC Life Insurance Company Limited**	Balance payable - Securities	920.00	905.00
	Balance payable - Expenses	0.01	0.01
	Balance receivable	0.72	1.59
HDFC Asset Management Group Limited	Balance payable	346.00	811.90
	Balance receivable	-	0.36
HDFC Ergo General Insurance Company Limited**	Balance payable	120.00	70.00
	Balance receivable	1.36	1.22

\*\* excludes amounts pertaining to insurance premiums payable that are in the nature of pass through.

**37 Employee benefits**

**(A) Defined contribution plan**

The contribution made to various statutory funds is recognized as expense and included in Note 29 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss.

**(B) Defined benefit plan (Gratuity)**

The Group contributes to the group gratuity fund based on the actuarial valuation determined as at the year-end through the HDFC Life Insurance Company ('HDFC Life') Limited and Life Insurance Corporation of India Limited (LIC). HDFC Life and LIC have certified the Fair Value of the Plan Assets.

Details of Actuarial Valuation as at March 31, 2022

	Particulars	31 March 2022	31 March 2021
<b>A.</b>	<b>Change in defined benefit obligation</b>		
1	Defined benefit obligation at beginning of period	149.09	116.48
2	Service cost		
	a. Current service cost	17.17	12.76
	b. Past service cost	1.49	-
	c. (Gain) / loss on settlements	-	-
3	Interest expenses	5.75	5.67
4	Cash flows		
	a. Benefit payments from plan	(19.88)	(10.00)
	b. Benefit payments from employer	-	-
	c. Settlement payments from plan	-	-
	d. Settlement payments from employer	-	-

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**

(Currency : Indian Rupees in crore)



	Particulars	31 March 2022	31 March 2021
5	Remeasurements		
	a. Effect of changes in demographic assumptions	2.51	4.36
	b. Effect of changes in financial assumptions	(3.08)	5.10
	c. Effect of experience adjustments	13.85	14.72
6	Transfer In /Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
7	Defined benefit obligation at end of period	166.90	149.09
	<b>B. Change in fair value of plan assets</b>		
1	Fair value of plan assets at beginning of period	81.51	54.53
2	Interest income	3.15	2.66
3	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	30.66	32.78
	(ii) Employer direct benefit payments	-	-
	(iii) Employer direct settlement payments	-	-
	b. Participant contributions	-	-
	c. Benefit payments from plan assets	(19.88)	(10.00)
	d. Benefit payments from employer	-	-
	e. Settlement payments from plan assets	-	-
	f. Settlement payments from employer	-	-
4	Remeasurements		
	a. Return on plan assets (excluding interest income)	0.13	1.54
5	Transfer In /Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
6	Fair value of plan assets at end of period	95.57	81.51
	<b>C. Amounts recognised in the Balance Sheet</b>		
1	Defined benefit obligation	166.90	149.09
2	Fair value of plan assets	(95.57)	(81.51)
3	Funded status	71.33	67.58
4	Effect of asset ceiling	-	-
5	Net defined benefit liability (asset)	71.33	67.58
	<b>D. Components of defined benefit cost</b>		
1	Service cost		
	a. Current service cost	17.17	12.76
	b. Past service cost	1.49	-
	c. (Gain) / loss on settlements	-	-
	d. Total service cost	18.66	12.76
2	Net interest cost		
	a. Interest expense on DBO	5.75	5.67
	b. Interest (income) on plan assets	3.15	2.66
	c. Interest expense on effect of (asset ceiling)	-	-
	d. Total net interest cost	2.60	3.01
3	Remeasurements (recognized in OCI / Retained Earnings)		
	a. Effect of changes in demographic assumptions	2.51	4.36
	b. Effect of changes in financial assumptions	(3.08)	5.10
	c. Effect of experience adjustments	13.85	14.72

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Currency : Indian Rupees in crore)

	Particulars	31 March 2022	31 March 2021
	d. Return on plan assets (excluding interest income)	0.13	1.54
	e. Changes in asset ceiling (excluding interest income)	-	-
	f. Total remeasurements included in OCI / Retained Earnings	13.15	22.64
4	Total defined benefit cost recognized in P&L and OCI	34.41	38.41
<b>E.</b>	<b>Re-measurement</b>		
	a. Actuarial Loss/(Gain) on DBO	13.28	24.18
	b. Returns above Interest Income	(0.13)	(1.54)
	c. Change in Asset ceiling	-	-
	Total Re-measurements (OCI / Retained Earnings)	13.15	22.64
<b>F.</b>	<b>Employer Expense (P&amp;L)</b>		
	a. Current Service Cost	17.17	12.76
	b. Interest Cost on net DBO	2.60	3.01
	c. Past Service Cost	1.49	-
	d. Total P&L Expenses	21.26	15.77
<b>G.</b>	<b>Net defined benefit liability (asset) reconciliation</b>		
1	Net defined benefit liability (asset)	67.58	61.95
2	Defined benefit cost included in P&L	21.26	15.77
3	Total remeasurements included in OCI / Retained Earnings	13.15	22.64
4	a. Employer contributions	(30.66)	(32.78)
	b. Employer direct benefit payments	-	-
	c. Employer direct settlement payments	-	-
5	Net transfer	-	-
6	Net defined benefit liability (asset) as of end of period	71.33	67.58
<b>H.</b>	<b>Reconciliation of OCI (Re-measurement)</b>		
1	Recognised in OCI at the beginning of period	57.11	34.46
2	Recognised in OCI during the period	13.15	22.64
3	Recognised in OCI / Retained Earnings at the end of the period	70.26	57.11
<b>I.</b>	<b>Sensitivity analysis - DBO end of Period</b>		
1	Discount rate +100 basis points	(4.38)	(3.77)
2	Discount rate -100 basis points	4.77	4.10
3	Salary Increase Rate +1%	4.57	3.66
4	Salary Increase Rate -1%	(4.29)	3.49
5	Attrition Rate +1%	(1.34)	1.27
6	Attrition Rate -1%	1.42	1.35
<b>J.</b>	<b>Significant actuarial assumptions</b>		
1	Discount rate Current Year (p.a.)	4.77%	3.86%
2	Discount rate Previous Year (p.a.)	3.86%	4.87%
3	Salary increase rate (p.a.)	6.00% - 11.00%	5.00% - 9.00%
4	Attrition Rate (%)	9.00% - 74.00%	9.00% - 76.00%
5	Retirement Age (years)	60	60
6	Pre-retirement mortality	IALM (2012-14)	IALM (2006-08)
		Urban	Ultimate
7	Disability	Nil	Nil
<b>K.</b>	<b>Data</b>		
1	No.	115,490	99,629
2	Average age (yrs.)	28.99	29.23
3	Average past service (yrs.)	2.42	2.71
4	Average salary monthly (₹)	9,046.16	8,863.61
5	Future service (yrs.)	31.01	30.77
6	Weighted average duration of DBO	4.00	4.00

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**

(Currency : Indian Rupees in crore)



	Particulars	31 March 2022	31 March 2021
<b>L.</b>	<b>Expected cash flows for following year</b>		
1	Expected contributions / Addl. Provision Next Year	<b>29.61</b>	30.31
2	Expected total benefit payments		
	Year 1	<b>51.64</b>	47.88
	Year 2	<b>33.72</b>	30.37
	Year 3	<b>24.02</b>	20.98
	Year 4	<b>16.99</b>	15.27
	Year 5	<b>12.79</b>	10.90
	Next 5 years	<b>32.29</b>	25.22

Category of Plan asset	% of Fair value to total planned assets (as at 31 March 2022)
Government securities and corporate bonds/debentures	<b>86.48%</b>
Money market instruments and fixed deposits	<b>11.93%</b>
Net current assets and other approved security	<b>1.59%</b>
<b>Total</b>	<b>100.00%</b>

The Group's gratuity plan obligation is determined by actuarial valuation and is funded by investments in government securities. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Group's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Group monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

**C) Compensated absences**

The Group neither has a policy of encashment of unavailed leaves for its employees nor allow the leaves to be carry forward to next year.

- D)** The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Group towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Group will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

**38 Contingent liabilities**

S.N.	Particulars	31 March 2022	31 March 2021
1	Claims against the Group not acknowledged as debt (Refer Note 38.1)	<b>90.59</b>	93.55
2	Estimated amount of contracts remaining to be executed on capital account and not provided for: (Net of Advances amounting to ₹ 0.43 crore, previous year ₹1.22 crore)	<b>13.27</b>	8.64
3	Undrawn committed sanctions to borrowers	<b>59.40</b>	26.65

# Notes to the Consolidated Financial Statements (Continued)

## for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

### 38.1 Claims against the Group not acknowledged as debt

Particulars	31 March 2022	31 March 2021
Suit filed by borrowers	5.25	3.36
Other contingent liabilities in respect of :		
1. Provident Fund matter - (see (a) below)	50.14	50.14
2. Payment of Bonus (Amendment) Act, 2015 - (see (b) below)	34.88	34.88
3. Income tax matter	-	4.85
4. Payment of Labour Welfare Fund	0.32	0.32
<b>Total</b>	<b>90.59</b>	<b>93.55</b>

#### a) Provident Fund matter

The Group has received a notice of demand from the Provident Fund department amounting to ₹ 50.14 crore. The Group had filed an appeal challenging the Provident Fund Commissioner's order before the Provident Fund Appellate Tribunal, wherein the Group had received a favourable outcome. However, a sum of ₹ 1 crore has been deposited under protest with the Provident Fund Appellate Authority. This amount is shown under Other financial assets.

The Provident Fund department has challenged order of the appellate authority in the High Court. The management of the Group is of the view that no material losses will arise in respect of the legal claim and accordingly the same has been disclosed as a contingent liability. In the eventuality of any claim arising out of this case, the same will be billed to the customer in the year the claim is final and accordingly no provision has been made.

#### b) Payment of Bonus (Amendment) Act, 2015

As per the amendment to the Payment of Bonus (Amendment) Act, 2015 vide notification number DL-(N)04/70007/2003-16 issued on 1 January 2016 by Government of India, the Group would be required to pay statutory bonus to all eligible employees as per the amendments specified thereunder, with effect from 1 April 2014. However, various High Courts have granted a stay on retrospective effect of Payment of Bonus (Amendment) Act, 2015 from financial year 2014-15. In light of the above, the Group has decided to disclose such bonus amounting to ₹ 34.88 crore as a contingent liability.

**38.2** The Group's pending litigations comprise of claims against the Group by the customers and proceedings pending with other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**38.3** The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

### 39 Maturity analysis of assets & liabilities

Particulars	31 March 2022		31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents (CCE)	477.20	30.58	753.51	-
(b) Bank balances other than CCE	176.19	-	220.50	2.37
(c) Derivative financial instruments	-	132.44	-	-
(d) Trade receivables	141.82	-	117.32	-
(e) Loans	21,299.76	35,862.69	18,500.34	40,101.10
(f) Investments	2,144.02	89.49	1,455.03	137.87
(g) Other financial assets	58.99	255.61	209.63	39.59
	<b>24,297.98</b>	<b>36,370.81</b>	<b>21,256.33</b>	<b>40,280.93</b>



**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**

(Currency : Indian Rupees in crore)



Particulars	31 March 2022		31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>Non-financial Assets</b>				
(a) Current tax assets (Net)	13.34	-	56.91	-
(b) Deferred tax assets (Net)	-	1,051.17	-	729.99
(c) Property, plant and equipment	-	78.14	-	91.52
(d) Capital work-in-progress	-	-	-	-
(e) Other intangible assets	-	12.01	-	7.98
(f) Right of Use Assets	49.00	153.49	47.39	170.01
	62.34	1,294.81	104.30	999.50
<b>TOTAL ASSETS</b>	<b>24,360.32</b>	<b>37,665.62</b>	<b>21,360.63</b>	<b>41,280.43</b>
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Derivative financial instruments	-	-	42.72	-
(b) Trade payables	246.91	-	334.26	-
(c) Debt securities	8,003.83	17,328.48	7,131.39	16,670.68
(d) Borrowings other than debt securities	8,752.04	10,749.68	8,352.32	14,216.75
(e) Subordinated liabilities	599.23	3,539.82	-	3,987.61
(f) Other financial liabilities	2,344.47	364.25	2,291.85	553.08
	19,946.48	31,982.23	18,152.54	35,428.12
<b>Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)	59.73	-	173.05	-
(b) Provisions	264.61	50.14	282.24	37.61
(c) Other non-financial liabilities	183.02	-	121.26	-
	507.36	50.14	576.55	37.61
<b>TOTAL LIABILITIES</b>	<b>20,453.84</b>	<b>32,032.37</b>	<b>18,729.09</b>	<b>35,465.73</b>
<b>NET</b>	<b>3,906.48</b>	<b>5,633.25</b>	<b>2,631.54</b>	<b>5,814.70</b>

**40 Corporate social responsibility**

The average profit before tax of the Group for the last three financial years was ₹ 1234.89 crore, basis which the Group was required to spend ₹ 24.70 crore towards Corporate Social Responsibility (CSR) activities for the current financial year.

a) Amount spent during the year on:

Particulars	31 March 2022			31 March 2021		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	25.83	Not Applicable	25.83	23.52	7.31	30.83



# Notes to the Consolidated Financial Statements (Continued) for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

b) In case of Section 135(5) unspent amount:

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
7.31	NIL	24.70	25.83	(1.13)

Note: ₹ 7.31 crore reported as unspent in financial year 2020-21 has been transferred to Unspent CSR Account. Of this, ₹ 5.03 crore has been disbursed towards Ongoing Projects during the year.

c) In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
NIL	24.70	25.83	(1.13)

Note: ₹ 1.13 crore was spent over and above the prescribed CSR Budget of ₹ 24.70 crore for the financial year 2021-22.

d) In case of Section 135(6) Details of ongoing projects

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Group	In Separate CSR Unspent Account		From Group's Bank Account	From Separate CSR Unspent A/c	With Group	In Separate CSR Unspent Account
NIL	7.31	24.70	25.83	5.03	(1.13)	2.28

e) Nature of CSR activities

CSR activities for promotion of healthcare including water & sanitation, livelihood enhancements through skill and vocational training, promoting quality education and supporting water conservation initiatives etc.

## 41. Details of dues to Micro, Small and Medium Enterprises

As per the confirmation received from the parties following is the status of MSME parties.

Particulars	31 March 2022	31 March 2021
The Principal amount remaining unpaid at the end of the year	-	0.01
The Interest Amount remaining unpaid at the end of the year	-	-
Interest paid along with amount of payment made to the supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day	-	-
Amount of interest accrued and remaining unpaid	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Balance of MSME parties at the end of the year	-	0.01

**Note** - The above is based on the information available with the Group which has been relied upon by the auditors.

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



**42 Fair value measurement**

**a) Valuation principles**

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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

**b) Total financial assets measured at fair value on a recurring basis :**

The following tables show an analysis of the fair value of financial assets by level of the fair value hierarchy. (Rupees in crore)

Particulars	Category	Fair value hierarchy	Fair Value	
			31 March 2022	31 March 2021
Mutual fund units	FVTPL	Level 1	<b>946.45</b>	572.21
Unquoted equity shares	FVTPL	Level 3	<b>1.45</b>	1.45
Treasury bills	FVTPL	Level 1	<b>1,197.57</b>	882.82
Securities receipt of ARC	FVTPL	Level 2	<b>88.04</b>	136.42
Derivative financial instruments	FVTPL	Level 2	<b>132.44</b>	-

**Level 1:**

Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Treasury bills are valued based on market quotes.

**Level 2:**

Fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data.

**Level 3:**

Fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Unquoted equity shares are measured at fair value using suitable valuation models viz., net asset value technique.

**c) The table below presents information pertaining to the fair values and carrying values of the Group's financial assets and liabilities. (Rupees in crore)**

Particulars	Category	Fair value hierarchy	31 March 2022		31 March 2021	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>						
(a) Cash and cash equivalents (CCE)	Amortised cost		<b>507.78</b>	<b>507.78</b>	753.51	753.51
(b) Bank balances other than CCE	Amortised cost		<b>176.19</b>	<b>176.19</b>	222.87	222.87
(c) Derivative financial instruments	FVTPL	Level 2	<b>132.44</b>	<b>132.44</b>	-	-
(d) Trade receivables	Amortised cost		<b>141.82</b>	<b>141.82</b>	117.32	117.32
(e) Loans	Amortised cost	Level 3	<b>57,162.45</b>	<b>54,511.90</b>	58,601.44	55,503.95

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Rupees in crore)

Particulars	Category	Fair value hierarchy	31 March 2022		31 March 2021	
			Carrying value	Fair value	Carrying value	Fair value
(f) Investments - Mutual funds and Treasury bills	FVTPL	Level 1	2,144.02	2,144.02	1,455.03	1,455.03
Investments - In Security Receipts	FVTPL	Level 2	88.04	88.04	136.42	136.42
Investments - Unquoted equity shares	FVTPL	Level 3	1.45	1.45	1.45	1.45
(g) Other financial assets	Amortised cost		314.60	314.60	249.22	249.22
			<b>60,668.79</b>	<b>58,018.24</b>	61,537.26	58,439.77
<b>Financial Liabilities</b>						
(a) Derivative financial instruments	FVTPL	Level 2	-	-	42.72	42.72
(b) Trade payables	Amortised cost		246.91	246.91	334.26	334.26
(c) Debt securities	Amortised cost	Level 2	25,332.31	26,356.46	23,802.07	25,052.85
(d) Borrowings other than Securitization	Amortised cost	Level 2	18,296.08	17,976.30	20,532.65	19,753.95
Borrowings under Securitization	Amortised cost	Level 2	1,205.64	1,193.88	2,036.41	2,004.24
(e) Subordinated liabilities	Amortised cost	Level 2	4,139.05	4,429.21	3,987.61	4,281.90
(f) Other financial liabilities	Amortised cost		2,708.72	2,708.72	2,844.94	2,844.94
			<b>51,928.71</b>	<b>52,911.47</b>	53,580.66	54,314.86

**(i) Short-term and other financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

**(ii) Loans**

These financial assets are recorded at amortised cost, the fair values of which are estimated at portfolio level using a discounted cash flow model based on contractual cash flows discounted using market rates incorporating the counterparties' credit risk.

**(iii) Debt securities, borrowings and subordinated liabilities**

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the Group's own credit risk or based on market-observable data such as secondary market prices for its traded debt, as relevant.

**43 Capital Management**

The primary objective of the Group's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Group ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Group comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

## Notes to the Consolidated Financial Statements (Continued) for the year ended 31 March 2022



### 44 Risk Management

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.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

#### a) Credit risk

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and industry concentrations, and by monitoring exposures in relation to such limits.

#### Financial assets measured on a collective basis

The Group splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured / unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

#### Significant increase in credit risk

The Group considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

#### Impairment assessment

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e. borrower becomes 0 days past due on its contractual payments.

#### Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

#### Loss given default

The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The Group uses data obtained from third party sources and combines such data with inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios.

#### Credit quality of assets

- a) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

(Rupees in crore)

Stage	31 March 2022	31 March 2021
Stage 1	56,142.18	55,263.27
Stage 2	2,125.38	3,300.87
Stage 3	3,058.76	2,760.86
<b>Total</b>	<b>61,326.32</b>	<b>61,325.00</b>

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Currency : Indian Rupees in crore)

- b) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

	31 March 2022			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	55,263.27	3,300.87	2,760.86	61,325.00
Originated or new	28,624.70	251.85	156.66	29,033.21
Matured or repaid	(24,958.69)	(1,099.41)	(1,818.27)	(27,876.37)
Transfers to Stage 1	1,964.69	(1,394.17)	(570.52)	-
Transfers to Stage 2	(2,016.03)	2,097.54	(81.51)	-
Transfers to Stage 3	(2,735.76)	(1,031.30)	3,767.06	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Gross carrying amount - closing balance	56,142.18	2,125.38	3,058.76	61,326.32

	31 March 2021			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	54,243.55	1,928.27	2,259.13	58,430.95
Originated or new	24,165.19	269.87	142.71	24,577.77
Matured or repaid	(18,076.95)	(753.75)	(1,365.78)	(20,196.48)
Transfers to Stage 1	919.63	(650.27)	(269.36)	-
Transfers to Stage 2	(3,088.42)	3,229.17	(140.75)	-
Transfers to Stage 3	(2,899.73)	(722.42)	3,622.15	-
Amounts written off (net of recovery)	-	-	(1,487.24)	(1,487.24)
Gross carrying amount - closing balance	55,263.27	3,300.87	2,760.86	61,325.00

	31 March 2022			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	1,306.11	542.71	874.74	2,723.56
Originated or new	362.16	50.74	82.96	495.86
Matured or repaid	333.52	202.97	1,563.48	2,099.97
Transfers to Stage 1	335.24	(176.84)	(158.40)	-
Transfers to Stage 2	(108.83)	133.96	(25.13)	-
Transfers to Stage 3	(231.39)	(242.29)	473.68	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Impairment loss allowance - closing balance	1,996.81	511.25	1,655.81	4,163.87

	31 March 2021			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	634.25	212.22	438.60	1,285.07
Originated or new	401.34	38.68	34.77	474.79
Matured or repaid	(175.73)	(66.92)	1,108.56	865.91
Transfers to Stage 1	111.71	(56.61)	(55.09)	-
Transfers to Stage 2	(61.34)	90.13	(28.79)	-
Transfers to Stage 3	(60.93)	(66.90)	127.83	-
Remeasurement	456.81	392.11	736.11	1,585.03
Amounts written off (net of recovery)	-	-	(1,487.24)	(1,487.24)
Impairment loss allowance - closing balance	1,306.11	542.71	874.74	2,723.56

# Notes to the Consolidated Financial Statements (Continued)

## for the year ended 31 March 2022

(Currency : Indian Rupees in crore)



### c) Modified financial assets

The Group renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as Stage 3. Such accounts are upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets	31 March 2022	31 March 2021
Gross carrying amount	5,100.35	3,649.96
Impairment allowance	1,975.22	956.92
Net carrying amount	3,125.13	2,693.04

### Analysis of risk concentration

The following table shows risk concentration of the Group's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

	31 March 2022	31 March 2021
Carrying value of Loans	57,162.44	58,601.44
Mortgage backed loans	16,404.30	17,041.68
Other assets backed loans	24,290.68	25,430.92
Personal loans	13,143.46	13,322.88
Others	3,324.00	2,805.97
<b>Total</b>	<b>57,162.44</b>	<b>58,601.44</b>

### Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees
- For retail lending, mortgages over residential properties

The Group also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

### Collateral coverage - credit impaired loans

Loan to Value (LTV) range	31 March 2022	31 March 2021
Upto 50 % Coverage	1,259.26	1,476.62
51-75 % Coverage	139.87	402.89
76-100 % Coverage	3.75	5.95
Above 100% Coverage	0.07	0.65
<b>Total</b>	<b>1,402.95</b>	<b>1,886.11</b>



# Notes to the Consolidated Financial Statements (Continued)

## for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

### b) Liquidity risk and funding management

Liquidity risk arises because of the possibility that the Group 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. 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.

#### Maturity profile of financial liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at 31st March.

31 March 2022	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	246.91				246.91
Derivative financial instruments	-				-
Debt securities	9,999.33	16,693.39	1,684.16	1,117.35	29,494.22
Borrowings	8,182.18	10,532.33	932.43	12.56	19,659.50
Borrowings under Securitization	774.09	408.48	11.31	-	1,193.88
Subordinated liabilities	975.04	1,338.21	878.57	2,981.50	6,173.32
<b>Total</b>	<b>20,177.55</b>	<b>28,972.40</b>	<b>3,506.47</b>	<b>4,111.41</b>	<b>56,767.84</b>

31 March 2021	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	334.26	-	-	-	334.26
Derivative financial instruments	42.72	-	-	-	42.72
Debt securities	8,780.45	17,885.98	399.14	793.20	27,858.77
Borrowings	8,107.92	13,506.54	282.55	-	21,897.01
Borrowings under Securitization	1,342.04	842.97	14.75	-	2,199.76
Subordinated liabilities	363.54	1,497.86	1,013.71	3,396.56	6,271.67
<b>Total</b>	<b>18,970.94</b>	<b>33,733.35</b>	<b>1,710.15</b>	<b>4,189.76</b>	<b>58,604.19</b>

### c) Market risk

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

#### i) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss.

	% Increase/decrease in rate		Increase/decrease in profit	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Borrowings that are re-priced	0.25%	0.25%	31.69	38.00
Loans that are re-priced	0.25%	0.25%	35.63	40.31

#### ii) Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arise majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

# Notes to the Consolidated Financial Statements (Continued)

## for the year ended 31 March 2022



(Currency : Indian Rupees in crore)

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

### d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Group's readiness.

## 45 Impact of hedging activities

### a) Disclosure of effects of hedge accounting on financial position:

31 March 2022								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	4,017.00		132.44		30 Oct 2022, 29 Nov 2020, 10 Dec 2022 & 18th June 2023	175.17	175.17	Borrowings

31 March 2021								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	3,874.83	-	-	42.72	30 Oct 2022, 29 Nov 2020, 10 Dec 2022 and 18 June 2023	(124.04)	(124.04)	Borrowings



**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Currency : Indian Rupees in crore)

**b) Disclosure of effects of hedge accounting on financial performance**

<b>31 March 2022</b>				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	175.17		(142.17)	Finance cost

<b>31 March 2021</b>				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	(124.04)	-	127.03	Finance cost

**46 Changes in Liabilities arising from financing activities**

Particulars	1 April 2021	Cash flows	Exchange Difference	Other	31 March 2022
Debt securities	23,802.07	1,555.63	-	(25.39)	25,332.31
Borrowings other than debt securities	20,532.66	(2,248.95)	-	12.37	18,296.08
Borrowings under Securitization	2,036.41	(830.77)	-	-	1,205.64
Subordinated liabilities	3,987.61	140.49	-	10.95	4,139.05
<b>Total</b>	<b>50,358.75</b>	<b>(1,383.60)</b>	<b>-</b>	<b>(2.07)</b>	<b>48,973.08</b>

Particulars	1 April 2020	Cash flows	Exchange Difference	Other	31 March 2021
Debt securities	22,593.38	1,162.82	-	45.87	23,802.07
Borrowings other than debt securities	20,954.00	(450.24)	-	28.90	20,532.66
Borrowings under Securitization	2,626.16	(593.04)	-	3.29	2,036.41
Subordinated liabilities	3,630.55	344.67	-	12.39	3,987.61
<b>Total</b>	<b>49,804.09</b>	<b>464.21</b>	<b>-</b>	<b>90.45</b>	<b>50,358.75</b>

- (i) Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.
- (ii) Total Liabilities comprises of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

**47 Expenditure / Remittances in Foreign Currencies**

**a) Expenditure in Foreign Currencies**

Particulars	31 March 2022	31 March 2021
Interest and processing charges for debt instrument	-	15.70
Professional charges	0.14	0.03
Annual software application fee	0.20	0.12

- b)** There is no dividend paid in foreign currency.

# Notes to the Consolidated Financial Statements (Continued)

## for the year ended 31 March 2022



### 48 Event after Reporting Date

Subsequent events are tracked and evaluated by the Group. Necessary adjustments / disclosures have been provided in the financial statements for significant subsequent events.

### 49 Transfer of Financial Assets

#### 49.1 Transferred financial assets that are not derecognised in their entirety

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

##### A) Securitisation

The Group has transferred certain pools of fixed rate loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) sponsored by commercial banks for consideration received in cash at the inception of the transaction.

The Group, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Group to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs etc. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Group is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Group has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 17.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

(Rupees in crore)

Particulars	31 March 2022	31 March 2021
Carrying amount of transferred assets measured at amortised cost	1,211.85	2,167.91
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	1,205.64	2,036.41
Fair value of assets	1,154.16	1,964.93
Fair value of associated liabilities	1,193.88	2,004.24
Net position at Fair Value	(39.72)	(39.31)

##### B) Assignment

The Group has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

(Rupees in crore)

Particulars	31 March 2022	31 March 2021
Carrying amount of de-recognised financial asset	117.98	235.67
Carrying amount of retained assets at amortised cost*	13.41	26.37
Gain on sale of the de-recognised financial asset	Nil	Nil

\*excludes Excess Interest Spread (EIS) on de-recognised financial assets

#### 49.2 Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Currency : Indian Rupees in crore)

**50 Disclosure under clause 28 of the Listing Agreement for Debt Securities**

Sr No.	Particulars	31 March 2022	31 March 2021
a)	Loans and advances in the nature of loans to subsidiaries Name of the company Amount	-	-
b)	Loans and advances in the nature of loans to associates Name of the company Amount	-	-
c)	Loans and advances in the nature of loans to firms/companies in which directors are interested Name of the company Amount	- - -	- - -
d)	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-

**51 Disclosure under clause 16 of the Listing Agreement for Debt Securities**

The Debentures are secured by way of a first and pari passu mortgage in favour of the Security Trustee on the Company's Office no 319, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and further secured by way of hypothecation of receivables under financing activity with a minimum requirement of asset cover of 1.1 times. Assets cover as on 31 March 2022 is 1.1 times.

**52 Details of revenue from Insurance segment**

Particulars	As at 31 March 2022	As at 31 March 2021
Commission Income	24.70	23.69

**53 Relationship with struck off companies on the basis of available data on the date of reporting**

Sr No.	Name of Struck off Company	Nature of transactions	As at 31 March 2022	As at 31 March 2021	Relation ship with the struck off company, if any, to be disclosed
1	GOLDMAN VENTURE PRIVATE LIMITED	Shareholder	*	Nil	Shareholder
2	ANISH PROJECTS DEVELOPERS (I) PRIVATE LIMITED	Loan	0.06	0.65	Borrower
3	BRAHMASUTHRA TECHNOLOGIES PRIVATE LIMITED	Loan	-	0.00	Borrower
4	FOXMINDE CONNECT PRIVATE LIMITED	Loan	0.69	0.70	Borrower
5	GALAXY PARK HOSPITALITY PRIVATE LIMITED	Loan	0.55	0.62	Borrower
6	GLAMOROSO FAMILY SALOON AND SPA PRIVATE LIMITED	Loan	0.32	0.31	Borrower
7	GRAVITEE CONCEPTS PRIVATE LIMITED	Loan	0.01	0.02	Borrower
8	GUIDELINE PHARMACEUTICALS PRIVATE LIMITED	Loan	-	-0.00	Borrower
9	GVK ALLIANCE NETWORKS PRIVATE LIMITED	Loan	0.58	0.54	Borrower
10	INDONEX SERVICES PRIVATE LIMITED	Loan	-	-0.00	Borrower
11	INVENTIVE MARK EVENTS AND PRODUCTION PRIVATE LIMITED	Loan	-	0.01	Borrower
12	ONUS LABS PRIVATE LIMITED	Loan	0.35	0.25	Borrower

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



(Currency : Indian Rupees in crore)

Sr No.	Name of Struck off Company	Nature of transactions	As at 31 March 2022	As at 31 March 2021	Relation ship with the struck off company, if any, to be disclosed
13	PEESSCON INDIA REALITY PRIVATE LIMITED	Loan	0.16	0.14	Borrower
14	PSV INNOVATE SOFTWARE SOLUTIONS PRIVATE LIMITED	Loan	-	0.07	Borrower
15	SATKAR SECURITY PROVIDER PRIVATE LIMITED	Loan	-0.00	0.01	Borrower
16	SHANTI SARUP AND SONS PRIVATE LIMITED	Loan	0.78	0.85	Borrower
17	SHIV Bhole INDIA TRAVELS PRIVATE LIMITED	Loan	0.51	0.48	Borrower
18	SUNRISE BUILD STRUCTURE PRIVATE LIMITED	Loan	0.24	0.24	Borrower
19	TAPOBHUMI REAL ESTATE & MARKETING PRIVATE LIMITED	Loan	0.15	0.15	Borrower
20	ARUN ELECTROCHEMICAL SYSTEMS PVT LTD	Loan	0.25	-	Borrower
21	RUSHI HERBAL PVT LTD	Loan	1.27	-	Borrower
22	TRILOGY KRIKOS PRIVATE LIMITED	Loan	-0.00	-	Borrower

Note:- In the absence of purchase price of share held by Goldman Venture Private Limited face value is considered for reporting purpose.

\* Less than ₹ 1000/-.

**54 A** 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

- The Company has not traded or invested in crypto currency or virtual currency during the financial year
- There are no transaction which have not been recorded in the books.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- The Company has not entered into any scheme of arrangement
- No Registration or satisfaction of charges are pending to be filed with ROC.

**54 B a)** 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.

- 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.

**Notes to the Consolidated Financial Statements (Continued)**  
**for the year ended 31 March 2022**



**55 Dividend distributed to equity shareholders**

The Board has proposed a final dividend of ₹ 1 per equity share for financial year ended 31 March 2022 in the Board of Directors meeting held on 16 April 2022.

Accounting Period	Net Profit for the accounting period (₹ in crore)	Rate of dividend (%)	Amount of Dividend (₹ in crore)	Dividend Payout ratio (%)
FY 2021-22	1,011.40	10%	79.04	7.82%

**56 Standards issued but not yet effective**

On 24 March 2021, the Ministry of Corporate Affairs ('MCA') through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The Company has evaluated the same for reporting.

**57 Previous year figures have been regrouped/rearranged, where necessary.**

As per our report of even date attached

For **B. K. Khare & Co.**  
*Chartered Accountants*  
 Firms' Registration No: 105102W

For **Khimji Kunverji & Co LLP**  
*Chartered Accountants*  
 Firms' Registration No:  
 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
*Partner*  
 Membership No.: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
*Partner*  
 Membership No.: 033494

**Sd/-**  
**Arijit Basu**  
*Chairman and Non-Executive Director*  
 DIN: 06907779

**Sd/-**  
**G Ramesh**  
*Managing Director & CEO*  
 DIN: 05291597

Place: Mumbai  
 Date: 16 April 2022

**Sd/-**  
**Dipti Khandelwal**  
*Company Secretary*  
 Membership No.: F11340

**Sd/-**  
**Jaykumar P. Shah**  
*Chief Financial Officer*  
 Membership No: 106353

## NOTES

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# TRANSPORT AAROGYAM KENDRA

A PHYSIOTHERAPY PROGRAM INITIATED BY



**3**

Kendras Launched

**20**

Physio Camps Conducted

**24K+**

Truckers Benefitted





**#reimaginingopportunities**

# EMPOWERING ASPIRATIONS

Annual Report 2022-23



# ACROSS THE PAGES

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## Investor Information

CIN	U65993GJ2007PLC051028
AGM Date	June 30, 2023
Day	Friday
Time	12 noon
AGM Venue	Through Video conferencing (VC) / Other Audio Visual Means (OAVM)



**Scan this QR code**

to navigate investor related information

**An electronic version of this report is available online at:**

**[www.hdbfs.com](http://www.hdbfs.com)**

### Disclaimer:

This document contains statements about expected future events and financials of HDB Financial Services Limited ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

# OUR APPROACH TO REPORTING



## Basis of Reporting

This Report provides a holistic assessment of the Company's financial and non-financial performance. Furthermore, it captures the key initiatives that have been conducted towards addressing the needs of the broader community.

## Our Approach to Reporting

Through this Report, the Company aspires to provide its stakeholders with an overall depiction of the organisation's value creation ability by providing insights into its strategies, operating environment, risks and opportunities, governance structure and its approach toward long-term sustainability.

## Reporting Period, Scope and Boundary

The reporting period for this Annual Report is April 1, 2022 to March 31, 2023. It provides an overview of the Company's operations and business development activities. The content of this report has been reviewed by the senior management of the Company and reviewed and approved by the Board of Directors to ensure accuracy, completeness and relevance of the information presented.

## Management Assurance

The Board of Directors believe that this Report presents a true and fair account of the Company's financial and non-financial matters, performance and business model. It acknowledges its responsibilities to ensure the integrity of this report.



# EMPOWERING ASPIRATIONS

Over the years, Non-Banking Financial Companies (NBFCs) have emerged as crucial players in driving the socioeconomic progress of India. With the vast potential for credit expansion in the country, it is encouraging to witness the growing recognition of NBFCs role in facilitating genuine economic activity and meeting credit needs, particularly among the unbanked.





**HDB Financial Services Limited (HDBFS) is well-positioned to capitalise on this opportunity and cater to the underserved segments of society. We take pride in Empowering the Aspiration of this group, offering a comprehensive range of consumer loans, enterprise loans and asset finance options. We serve as a prime example of how NBFCs are evolving to support India's development.**

**Our pride extends beyond providing financial support. What sets us apart is the meaningful impact we create on people's lives across India. Our Company's collaborative approach and dynamism enable us to navigate the ever-changing business landscape and deliver long-lasting value, one that meets specific expectations and fulfils dreams and goals by Empowering Aspirations.**

# A SNAPSHOT OF OUR BUSINESS

## HDBFS at a Glance

Founded in 2007, HDB Financial Services Limited ('HDBFS' OR 'The Company') has established itself as one of the prominent players in the non-banking financial space. Its expertise in loan origination, underwriting and wide product offering enables it to design solutions for various customer needs. The Company's product portfolio encompasses Loans, Fee-Based Products and Business Process Outsourcing (BPO) services.

The Company prioritises its customers' needs and follows a customer-centric fulfilment model. Its strategically located branches benefit clients through local knowledge and expertise even in non-metro cities. This approach enables the Company to meet its customers' needs with precision and exceed their expectations while consistently delivering services to generate customer delight.

At HDBFS, honesty, integrity and respect for every individual are key principles defining the organisational culture. The Company places great value in diversity and individuality and fosters an inclusive work environment where all its employees can thrive and grow.

↑ 1,492  
NUMBER OF BRANCHES 

↑ 1,054 Cities  
NATIONAL PRESENCE 



To be India's most admired NBFC, through great execution, driving simplicity and developing humility

### Vision



To deliver innovative products and services to cater to the growing needs of an aspirational India, serving both individual and business clients

### Mission





## Values

### Integrity

We ensure that the highest standard of professional conduct is embedded in every corner of the organisation. It defines how we go about our business and treat our people, customers and stakeholders.

- We are transparent and ethical in the way we conduct ourselves.
- We are honest and fair and base our conclusions on facts.
- We have a strong moral code and take responsibility of our actions.

### Respect

As we continue to increase our reach in every corner of the country, we value those who work with us and the contributions that they make to our business.

- We respect our people's individuality and diversity.
- We conduct ourselves in a manner that reflects the spirit of inclusion and humility.
- We treat all our customers, employees and stakeholders with respect and empathy.

### Excellence

In our journey of becoming India's most admired NBFC, we want to excel and set high standards in every aspect.

- We aim to execute flawlessly and deliver the highest quality of service and value through simple, relevant solutions.

- We challenge ourselves to meet our goals and pursue excellence.
- We consistently strive to exceed the expectations of our customers, colleagues and stakeholders.

### Simplicity

We keep our customers, employees and stakeholders at the heart of everything we do.

- We focus on removing complexities.
- We deliver solutions that are simple and relevant.
- Our communication, policies and processes are simple to understand and easy to follow.

### Collaboration

We believe that success is achieved not by any one individual but by teams that work together.

- We operate in a spirit of collaboration and teamwork.
- We support and encourage people to use their expertise and experience to solve everyday challenges.
- We embrace a mindset of openness and trust that helps in breaking silos.

### Agility

We proactively respond to the changing market environment and evolving needs of our customers.

- We strive to deliver the highest sustainable standards through efficient and timely execution.
- Our speed of action reflects our readiness to continuously improve and our openness to change and discovery.
- We are flexible and constantly look for ways to enhance efficiencies.



## AAA / Stable

CARE AND CRISIL RATINGS FOR LONG-TERM DEBT AND BANK FACILITIES



## A1+

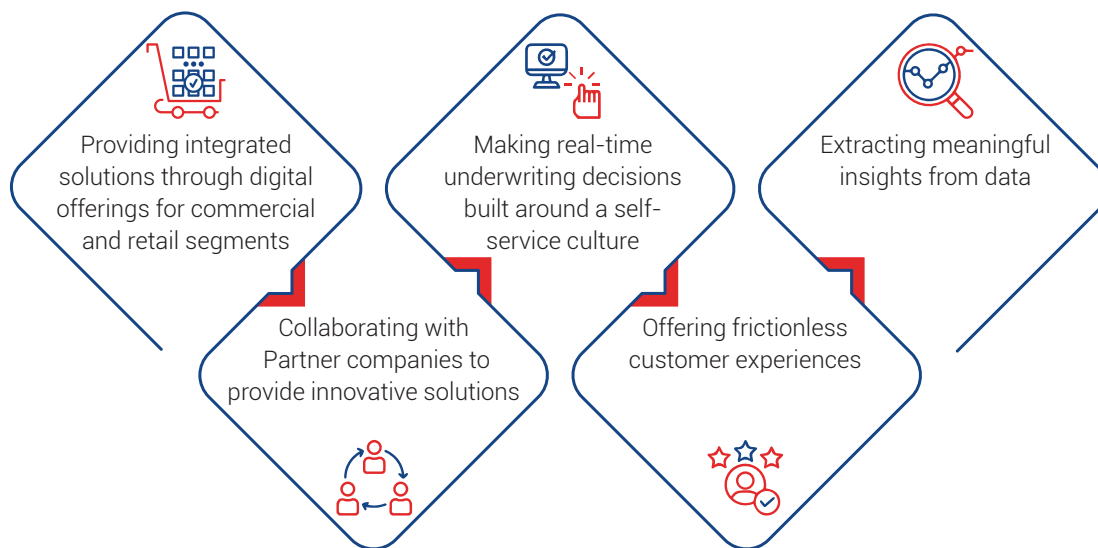
CARE AND CRISIL RATING FOR COMMERCIAL PAPERS



## Technology

HDBFS is deeply committed to delivering the highest standards of service to its customers. By effectively leveraging technology, the Company has designed its offerings in tune with the digital world we live in. Technology is used as a tool by the Company to gather deeper insights into the requirements of its customers and offer relevant solutions for their evolving needs.

HDBFS continues to provide innovative solutions and has leveraged technology to enhance its offerings on several fronts:



## Empowering Our Partners in Progress

### Our Stakeholders

HDBFS is deeply committed to ensuring that it addresses the needs of each of its stakeholders. The Company seeks to constantly align its efforts to deliver enduring value to those it serves.



### Customers

- Utilising digital offerings to pave the way for further financial inclusion
- Digitising processes to lead to a swifter turnaround for borrowers
- Providing omnichannel servicing through a pan-India branch network



### Employees

- Maintaining a solution-centric work culture
- Offering opportunities for development and growth
- Providing an array of engagement activities and actively encouraging the learning of new skills



### Communities

- Empowering communities through a wide array of CSR interventions
- Enabling local bodies and front-line workers through capacity building in different formats
- Investing in water conservation and green projects that have the potential to mitigate the risk of climate change

# AWARDS AND ACCOLADES

Best Impact Award at the CSR Summit & Awards, 2022



Best CSR Film Award at the India's Largest CSR Film Festival



**Special Jury Award for the Transport Aarogyam Kendra  
Initiative at Distinguished NBFC Awards, 2022**



**AmbitionBox Best Place to Work 2022 Award in the  
Financial Services - Mega Companies Category**





# MAKING A DIFFERENCE BY EMPOWERING ASPIRATIONS

As a nation, we have made rapid advancements on the economic front. However, this growth would benefit society only if it trickles down through socially responsible corporate citizens.

During the year, the Company displayed its commitment to society by responsibly conducting its operations and engaging in various CSR initiatives towards building a better world.

₹ **20.29** Crore  
SPENT TOWARDS CSR PROGRAMMES



**2,94,715**  
LIVES TOUCHED



Our programmes were implemented across 96 districts in 20 States and 1 Union Territory in collaboration with credible CSR Partners having an impeccable track record in addressing the local needs of the communities.

Each CSR programme is outcome-driven and the performance of every project is closely monitored so as to address the challenges and maximise social outcomes.

The key outcomes of the CSR programmes that made a difference in the lives of aspirational citizens are presented below.



## Serving the Highway Heroes through Transport Aarogyam Kendra Initiative

The Company directed its efforts towards India's truck drivers and emphasised their well-being through the introduction of Transport Aarogyam Kendras – a physiotherapy counselling and treatment centre dedicated to the trucking community. This initiative by HDBFS is the first full-time physiotherapy programme in India specifically designed for truck drivers.

- Transport Aarogyam Kendras were established in three major transport hubs across the country namely Delhi, Namakkal (Tamil Nadu) and Kalamboli (Maharashtra). This year we launched our 4th Kendra in Ranchi (Jharkhand), on September 8, 2022 (World Physiotherapy Day) to address key issues that truck drivers face due to prolonged sitting and driving hours.
- Every Transport Aarogyam Kendra is furnished with necessary medical equipment and is managed by trained and qualified staff. It is equipped to provide truck drivers with preventative and remedial care for musculoskeletal disorders caused by prolonged periods of driving in a fixed position, repetitive twisting of the neck and back, working and sleeping in cramped spaces, insufficient rest and an inadequate diet.
- Thanks to the collaborative efforts of key stakeholder groups, we were able to conduct week-long physiotherapy camps in major transport hubs located in Tier II and Tier III cities, at zero cost to truck drivers. This initiative was made possible through the joint efforts of transporters, industry associations and NGOs who came together to serve the highway heroes.

## SDGs Impacted



**60,000+**  
STAKEHOLDERS BENEFITTED



**90**  
PHYSIO-CAMPS HELD



**4**  
TRANSPORT AAROGYAM KENDRAS



## Upgrading Medical Infrastructure

During the financial year 2022-23, the Company continued its collaboration with various healthcare organisations. This was done to reinforce the need for affordable healthcare services and support the country's endeavours to enhance capacity and infrastructure in healthcare.

- Contributed towards equipping the charitable cancer care facility established by the Tata Cancer Care Foundation in Tirupati (Andhra Pradesh).
- Collaborated with Sankara Eye Foundation to renovate the operation theatre at a charitable eye care facility in Anand (Gujarat) and for equipping the eye care facilities in Shimoga (Karnataka) and Jaipur (Rajasthan).
- Inaugurated a 44-bedded community in-patient ward at the Bhaktivedanta Hospital in Mumbai (Maharashtra), established to provide affordable medical services to indigent patients from in and around Mumbai.
- Project SNEHA was introduced to raise awareness on the diagnostic and curative measures to prevent anaemia among women in the reproductive age. The project is an extension of an ongoing child nutrition and maternal health intervention in high anaemic areas of Gujarat and Madhya Pradesh.
- Along with promoting hygiene among children and adult population, providing easy access to clean water and sanitation continued to remain the focus during the year.



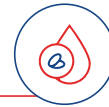
3,110  
INDIVIDUALS DIAGNOSED  
FOR CATARACT



24,860  
DIALYSIS SESSIONS SUBSIDISED



10,900  
WOMEN SCREENED FOR ANAEMIA



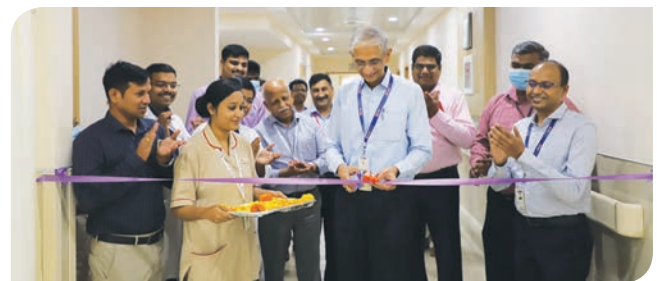
24  
SANITATION BLOCKS DEVELOPED  
IN SCHOOLS AND COMMUNITIES



23  
HAND PUMPS AND WATER TANKS  
REFURBISHED / DEVELOPED



## SDGs Impacted





## Restoring Ecological Balance

Climate change is a growing concern and its impact is garnering global attention. The Company recognises the importance of sustainability and mitigating the negative effects of climate change. It actively supports environmentally sustainable programmes that seek to bring about positive change. Some of the initiatives that the Company conducted to move one step ahead towards a more sustainable future are as follows:

- Built 133 water harvesting structures, alongside integrated watershed management activities, to encourage soil and moisture conservation practices in the area.
- Established 73 farm ponds for small and marginal farmers to secure water for both irrigation and domestic use, while about 200 hectares of land were treated through eco-friendly methods.
- Scientifically restored a total of 19 small to medium sized water bodies under the initiative, to maintain ecological balance, safeguard local flora and fauna and recharge natural aquifers within the command area.
- Ensured responsible management of e-waste, through disposal of electronic waste such as computer, printers and routers generated across offices.
- Planted over 75,000 trees as part of the Mission Million Trees initiative, in a responsible manner during the year. This was done with the aim of creating mini carbon sinks in both urban and peri-urban areas of Tier I and II cities.


19  
LAKES RESTORED



133  
WATER HARVESTING  
STRUCTURES ESTABLISHED



73  
FARM PONDS DEVELOPED



75,115  
TREES PLANTED




## Sustainable Development Goals (SDGs) Impacted



Clean Water  
& Sanitation



Responsible  
Consumption  
and Production



Climate Action



## Empowering Communities with Literacy and Livelihood Interventions

The Company provides a new lease of life to school and college dropouts, unemployed youth and adults through its literacy and livelihoods initiative. The Youth Training & Development Program encourages disoriented individuals to pursue studies, provides access to employment opportunities or market linkages to sell their produce.

Through various initiatives focused on youth training and development, as well as the establishment of nano and micro enterprises, the Company aims to positively impact society.

### HDB CAFÉ

- Introduced HDB CAFÉ (Community Awareness on Financial Education); a financial literacy initiative conceptualised to enable and encourage individuals across age-groups to make informed financial decisions.
- Program was implemented in a phygital model using carefully designed Information, Education & Communication (IEC) tools, for effective engagement with the targeted beneficiaries.
- Over 10,000 individuals were sensitised on the concept of credit score and more than 1,00,000 individuals were sensitised on basic concepts of savings, investments and financial discipline.

### Enabling Livelihoods

HDBFS' Youth Training and Development program provided entry-level job training to 3,500 youth in various sectors including Beauty & Wellness, BFSI, FMCG, ITes, Logistics and Retail.

Besides this, a small cohort of 100 artisans (potters and bamboo weavers) were up-skilled by introducing modern-day designs, efficiency enhancing tools, e-business platforms and local market linkages. With adequate support, the potters and weavers reported a substantial increase in their annual income.

**3,500**  
ENTRY-LEVEL JOBS PROVIDED THROUGH THE COMPANY'S YOUTH TRAINING AND DEVELOPMENT PROGRAMME



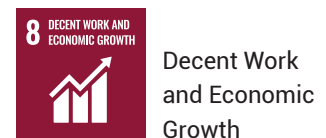
**64%**  
TRAINEES EMPLOYED IN FORMAL SECTOR



**3,100**  
INDIVIDUALS TRAINED TO BECOME PARAMEDICS, SOLOPRENUERS



### SDGs Impacted



## Saluting the Nation's Heroes

During the financial year 2022-23, HDBFS continued its tradition of celebrating Republic Day with the Soldiers of Indian Army and their families.

Pioneered and organised by the Sri Shanmukhananda Fine Arts & Sangeetha Sabha, the Wounded Warriors were graced in the presence of senior dignitaries of the Indian army and the civil society.

With immense gratitude, HDBFS contributed towards the program, honouring the martyr's families and wounded soldiers for their heroic contributions in protecting our borders in difficult terrains and harsh weather conditions.



## Acts of Simple Kindness

Acts of Simple Kindness (ASK) is an employee volunteering program planned and implemented by HDBians, organisation-wide. Through this initiative, employees welcome the new year with gratitude in their hearts by voluntarily performing simple acts of kindness. It helped the employees' express gratitude towards various community segments such as frontline workers, elderly citizens, children, adults, animals and the natural environment.

HDBians generously contributed voluntarily to conduct various ASK activities, such as distributing essential items, including blankets, cooked meals and rations, masks and sanitisers, clothing, books, stationery kits, water purifiers and other necessary items of utilities to the needy.

**24 STATES + 3**  
UNION TERRITORIES  
COVERED THROUGH ASK



## SDGs Impacted



**675**  
BRANCHES PARTICIPATED



**16,000+**  
HDBIANS MADE VOLUNTARY  
CONTRIBUTIONS



**309**  
NGOs BENEFITED FROM ASK'23



**15,000+**  
LIVES TOUCHED



# MESSAGE FROM THE CHAIRMAN



## **Dear Stakeholders,**

I am very excited to address all our valued stakeholders and share my thoughts on our Company's progress with you. This is my first correspondence with you through an Annual Report letter and I wish to delve into the ways we have continued to enhance our services and create exceptional value for our clients. Together, we have forged a strong partnership and I take immense pleasure in sharing insightful perspectives on our diverse offerings.

## **Inflation Caused Distortions in the Global Economy**

The global economy encountered numerous challenges during the year, ranging from geopolitical tensions to surging inflation levels. To fight inflation, interest rates were hiked, which caused disruptions in economic activity throughout the year. Policymakers responded to the challenges by implementing multiple measures.

The Indian economy witnessed six interest rate hikes, amounting to 250 basis points since May 2022. The inflationary pressures caused the Reserve Bank of India to increase interest rates, a trend no different from other major economies such as the United States and Europe, in which the central banks also resorted to a series of rate hikes.

## **Indian Economy Poised for a Robust Growth**

The Indian economy navigated the challenging conditions with resilience largely backed by domestic consumption. According to the World Bank India Development Update, April 2023, India is expected to continue its robust growth trajectory. The growth projections are primarily driven by the strong investment activity bolstered by the government capex, growth in private consumption and easing commodity prices.



Recovery in private consumption levels and a consequent boost to production activity, supported by higher levels of capacity utilisation, have all contributed to the accelerated growth trajectory in India. The nation presents opportunities across a variety of sectors and is expected to remain an attractive investment destination.

### **The NBFC Industry is Well Positioned to Contribute to Nation's Growth**

The promising prospects for the Indian economy have unlocked a tremendous opportunity for financial services. NBFCs are projected to play a critical role in fulfilling the financial aspirations of various sections of the society. The NBFC industry's scope involves complementing and sometimes even substituting banks by widening the ambit and access to financial services. The increased credit availability has been a major factor driving enterprise growth in the country. We are also witnessing a steady transition of a larger population segment towards financial prosperity.

I believe that the recent RBI scale-based regulations based on the size, activity and perceived risk of NBFCs is a welcome step to improved governance. Under the revised norms, the industry is expected to attain greater operational flexibility to meet the increasing credit demand and aid India's economic growth.

### **Digitally Empowering Aspirations**

Technology has been a key enabler of efficiencies across various industries, largely enhancing our capabilities as a nation. The increasing integration of technology into our lives has given rise to newer opportunities, adding value in unimagined ways.

This year, we have emphasised implementing a digital framework throughout the value chain across origination, management and collection activities. Our digitally enabled physical

acquisition model has enabled wider reach and efficient customer engagement through the lifecycle.

We have also empowered our customers by introducing intuitive and seamless digital self-service channels across platforms, thus providing a frictionless experience to our valued customers. At HDBFS, we consistently strive to evolve with the dynamic business landscape and align our efforts with our vision of empowering aspirations.

### **Achievements**

In the financial year 2022-23, your company performed well on both qualitative and quantitative parameters, details of which have been shared elsewhere in this report. You will be happy to note the improvement in management of stressed assets and in business growth reflected in better NPA ratios and higher profits. Your company remains committed to striving for continuous improvement and delivering value to all stakeholders.

### **Note of Gratitude**

I would like to thank the regulator for their guidance and support throughout the year. My fellow board members played a crucial role in steering the governance of the company and I thank them for their efforts. The dedication, hard work and commitment demonstrated by our team have been instrumental in driving the evolution of our organisation and helped us continuously thrive. I would like to take this opportunity to express my heartfelt gratitude to each and every member of our team. To conclude, I would like to thank all our shareholders for their keen interest in the affairs of the company and for their unstinted support.

Warm Regards,

**Arijit Basu**  
Chairman

# MESSAGE FROM THE MD & CEO



## Dear Stakeholders,

In the last few years, we have witnessed unprecedented events that have completely transformed the present global economic environment. Political, technological and economic volatility and unpredictability is on the rise. However, as always, new challenges lead to new opportunities.

To respond to these challenges, countries and multinational corporations worldwide are placing greater stress on ensuring their supply chains' resilience, diversification and security. India is filled with potential and presents huge opportunities as an export hub and investment destination in the manufacturing and services space.

Consequently, there has been a healthy rise in Foreign Direct Investment (FDI) equity flows from Japan, Singapore, the United Kingdom and the United Arab Emirates during the financial year 2022-23. Moreover, gross fixed capital investment and private consumption remained robust and grew by 10% YoY.

As an institution offering a comprehensive product suite, our Company is well positioned to be a key beneficiary of the promising growth outlook of the NBFC industry. By identifying newer avenues for catering to the growing needs of an aspirational India, HDBFS has made progress on several fronts to further our objective of 'Empowering Aspirations'.

This year, our efforts were aligned towards strengthening our digital infrastructure to grow along the trends shaping the NBFC industry. We made investments in the digitalisation of lending services to offer a unique proposition to our customers. Digital offerings aimed at simplifying the borrowing journey for our customers have been launched. We are also collaborating with various technology and fintech companies to provide innovative lending solutions.

Enhancing customer experience has consistently been among our key priorities. We have leveraged data and analytics to gather meaningful insights and develop a range of offerings that closely meet the requirements of our customers.

We aspire to enable a frictionless customer experience by continuously upgrading our digital orientation. To this end, we have adopted an omni-channel servicing model to deliver a well-integrated customer experience. Efforts to regularly engage with our customers throughout the lifecycle of their association with our Company deepens our understanding of their preferences and also enables us to provide effective credit solutions.

Rising interest rates typically present a challenge to borrowers in servicing their installments, thus posing potential default risks. However, our Company has adopted a very prudent approach, prioritising higher asset quality and stability. Moreover, we have diversified our borrowings mix to minimise impact on our interest margins.

Beyond the initiatives towards enhancing the standard of services, we also remain deeply committed to contributing to society through our CSR initiatives. This encompasses addressing key social and environmental concerns.

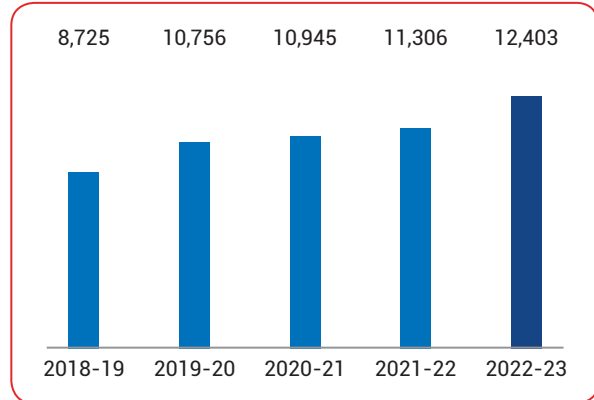
Our Company's collective efforts through the diverse range of offerings and an extensive network of branches that are digitally enabled across the country helps differentiate us. The untapped potential of the Indian economy has generated enthusiasm around unexplored possibilities. As India continues to progress towards a thriving financial future, HDBFS is privileged to contribute to empowering a growing nation's aspirations.

Warm Regards,

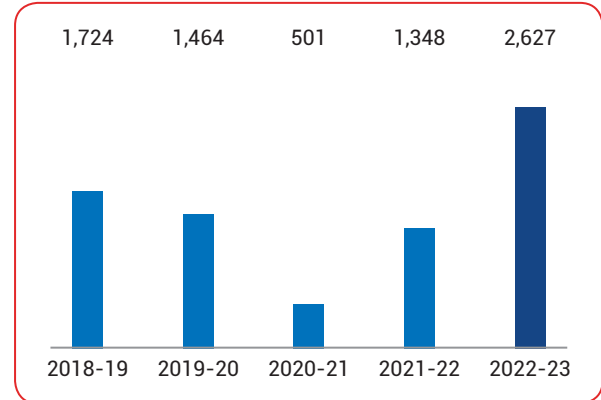
**Ramesh G.**  
MD & CEO

# KEY METRICS AND INDICATORS THAT EMPOWER US

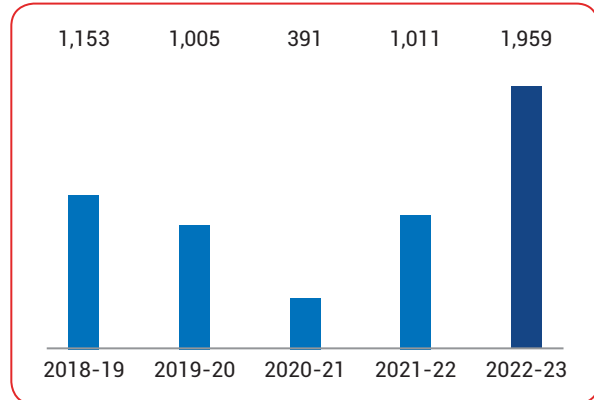
**Total Revenue** (₹ in Crore)



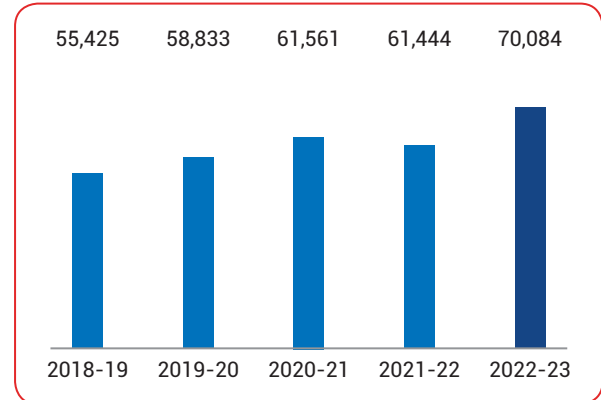
**Profit Before Tax** (₹ in Crore)



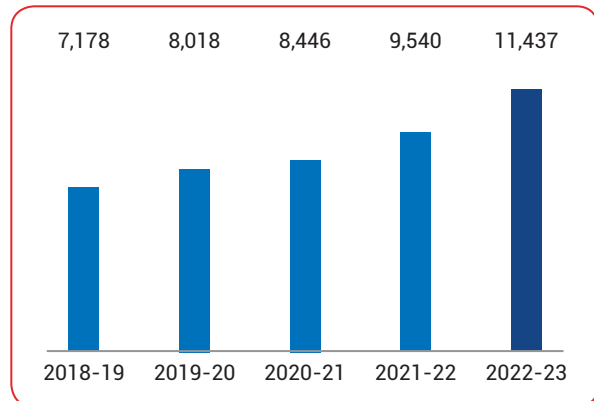
**Profit After Tax** (₹ in Crore)



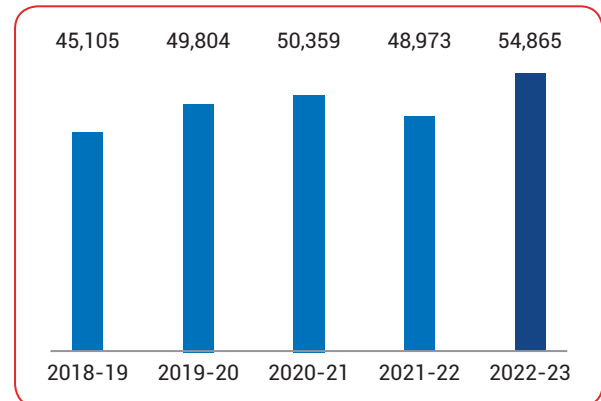
**Assets Under Management** (₹ in Crore)



**Shareholders' Funds** (₹ in Crore)



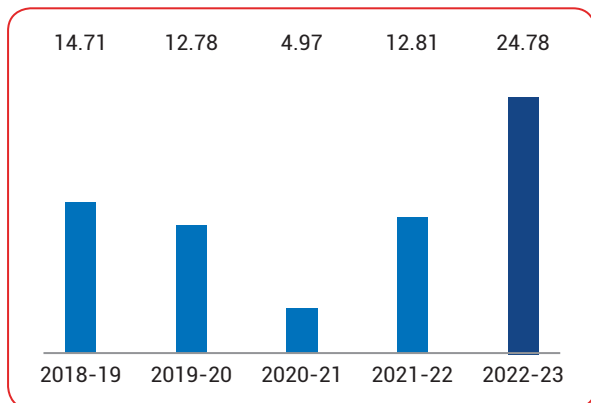
**Borrowings** (₹ in Crore)





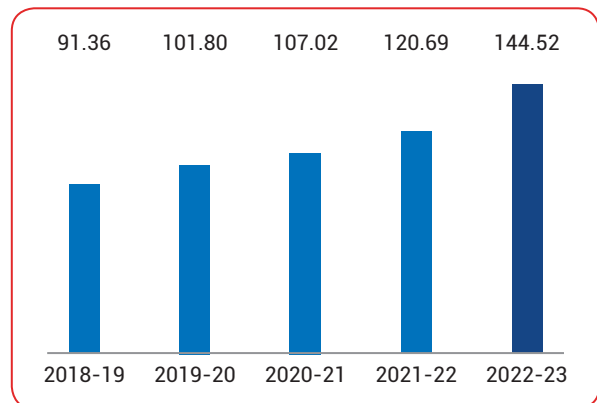
## Earnings Per Share

(₹)



## Book Value Per Share

(₹)





# EMPOWERED THROUGH OUR COMPETITIVE EDGE

As the NBFC industry emerges as an increasingly integral component of the credit landscape, a deep understanding of customer needs and a digitally enabled branch network across the country enables HDBFS to capitalise on emerging opportunities.

## Strengthened Presence in Rural Regions

HDBFS takes great pride in serving the needs of aspirational India and has made significant efforts to deepen its presence in rural areas. The Company's strong foothold in semi-urban and rural India has made it possible to understand and meet the diverse requirements of its customers. The comprehensive range of solutions it provides are designed to enable individuals and businesses to leverage finance from HDBFS to fulfil their potential. These financial solutions serve as a key factor for the underserved segment to unlock the vast opportunities that our nation has to offer.

↑ 80%  
DISTRIBUTION BEYOND TOP 20 CITIES



## Simplified Solutions

HDBFS excels in providing simple and efficient financial solutions tailored to meet the specific needs of their customers and other stakeholders. The Company's wide array of offerings are capable of meeting the diverse requirements of both households and enterprises in India.



## Technical Prowess

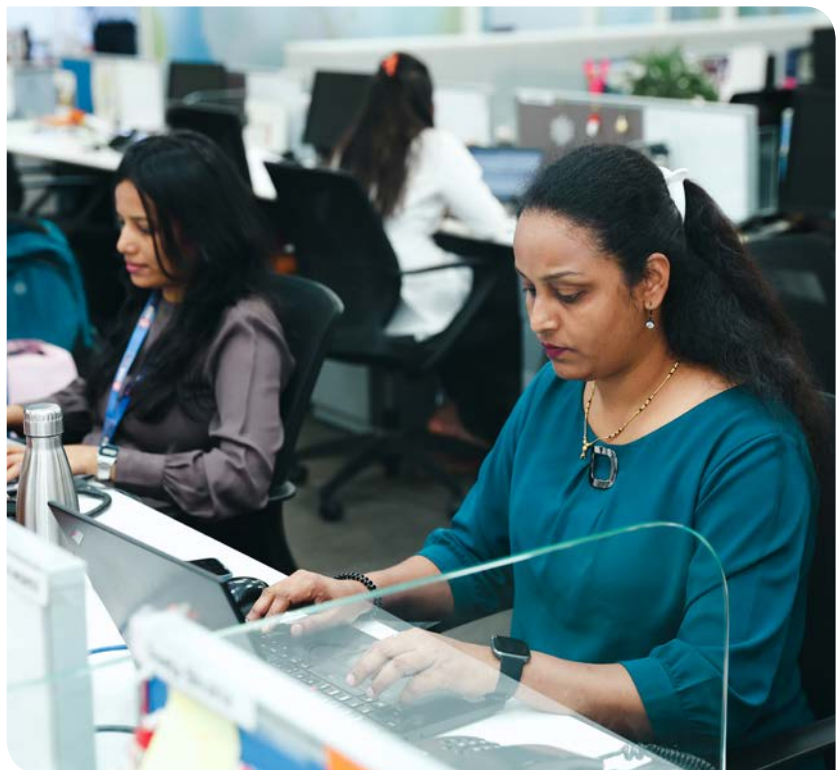
The Company has automated loan application processes to make informed credit decisions at the initial stage itself. This is achieved through various tools like CRM, Rule Engine, Bureau Integration and Deviations Management. This has resulted in higher productivity, lower overhead costs and swift processes, thus enabling a seamless journey for the customer.

## Legacy of the Parent Company: HDFC Bank

HDBFS enjoys the brand image largely cultivated by its parent company, HDFC Bank. The HDFC Bank brand has helped HDBFS reach an expansive customer base, which it values immensely.

## Skilled and Dedicated Workforce

HDBFS' passionate workforce has been the driving force behind the business. The skills, dedication and hard work demonstrated by its employees have made it possible for the Company to achieve its goals and deliver exceptional services to its customers. The Company deeply values their contributions and is committed to providing them with a supportive and rewarding work environment.



# BOARD OF DIRECTORS

HDBFS places great importance on adhering to strong governance practices and is committed to upholding its standards of excellence in its internal procedures. Given the highly regulated and competitive nature of the financial services industry, it is crucial to have effective governance in place to build trust and confidence among stakeholders.

The Company is ably led by a distinguished Board of Directors who provide rich guidance to help navigate a wide array of challenges and emerge stronger with every opportunity.



**MR. ARIJIT BASU**

Chairman



**MR. RAMESH G.**

Managing Director & Chief Executive Officer



**MR. VENKATRAMAN SRINIVASAN**

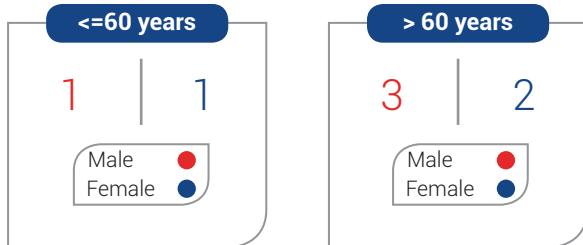
Independent Director



**MS. SMITA AFFINWALLA**

Independent Director

### Board Diversity by Age and Gender



**3**  
WOMEN  
DIRECTORS  
ON THE  
BOARD



**DR. AMLA SAMANTA**  
Independent Director



**MR. ADAYAPALAM VISWANATHAN**  
Independent Director



**MS. ARUNDHATI MECH**  
Independent Director

# SENIOR MANAGEMENT TEAM



**MR. RAMESH G.**  
Managing Director &  
Chief Executive Officer



**MR. KARTHIK SRINIVASAN**  
Chief Business Officer



**MR. SARABJEET SINGH**  
Chief Business Officer



**MR. MANISH TIWARI**  
Business Head –  
Commercial Equipment



**MR. VENKATA SWAMY**  
Chief Digital and  
Marketing Officer



**MR. JAYKUMAR P. SHAH**  
Chief Financial Officer



**MR. ROHIT PATWARDHAN**  
Chief Credit Officer



**MR. ASHISH GHATNEKAR**  
Head - Human Resources  
& Operations



**MR. MATHEW PANAT**  
Chief Technology  
Officer





**MR. HARISH VENUGOPAL**  
Chief Risk Officer



**MR. ARJUN DUTTA**  
Chief Compliance Officer



**MR. PREMAL BRAHMBHATT**  
Head - Internal Audit



**MS. DIPTI KHANDELWAL**  
Company Secretary &  
Head - Legal

## Notice

### HDB FINANCIAL SERVICES LIMITED

**Corporate Identity Number:** U65993GJ2007PLC051028

**Registered Office:** Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 009

**Corporate Office:** Ground Floor, Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034

**Tel:** +91 22 49116300; **Fax:** +91 22 49116666, **Website:** www.hdbfs.com, **Email:** compliance@hdbfs.com

#### NOTICE OF 16<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE is hereby given that the Sixteenth Annual General Meeting of HDB Financial Services Limited will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on Friday, 30<sup>th</sup> day of June, 2023 at 12 noon to transact the following business:**

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and the Reports of the Auditors thereon.
3. To declare final dividend @11% i.e. Re. 1.10 (Rupee One and Paise Ten Only) on each Equity Share for the financial year ended March 31, 2023.

#### SPECIAL BUSINESS:

**4. TO APPROVE APPOINTMENT OF MR. ARIJIT BASU AS A PART-TIME NON-EXECUTIVE CHAIRMAN AND INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 197 read with Schedule IV, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 any other applicable rules made thereunder and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Article of Association

of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company, Mr. Arijit Basu (DIN: 06907779), who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and SEBI Listing Regulations, the consent of the Members of the Company be and is hereby accorded to approve appointment of Mr. Arijit Basu (DIN: 06907779) as a Part-Time Non-Executive Chairman and Independent Director of the Company for a period of three (3) years commencing from May 31, 2023 up to May 30, 2026 (both days inclusive), at a remuneration of ₹ 30,00,000 (Rupees Thirty Lakhs Only) per annum drawn on monthly basis and he shall not be liable to retire by rotation and the Board is authorised to fix the remuneration payable to Mr. Arijit Basu and subsequently vary at annual or periodic intervals as per the recommendations of the Nomination and Remuneration Committee, approval of the Board from time to time during his tenure and that he will be entitled to sitting fees for attending Board and Committee meetings of the Company;

**RESOLVED FURTHER THAT** in case of absence or inadequacy of profit in any financial year, the aforesaid remuneration and perquisites as approved by the Nomination and Remuneration Committee / Board of Directors shall be paid as minimum remuneration to Mr. Arijit Basu subject to restrictions, if any, set out in Schedule V to the Companies Act, 2013, from time to time;

**RESOLVED FURTHER THAT** the Board (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts

## Notice (Contd.)

that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/ or Officer(s) of the Company to give effect to this resolution.”

**5. TO APPROVE SELLING, ASSIGNMENT, SECURITISATION OF RECEIVABLES / BOOK DEBTS OF THE COMPANY UPTO ₹ 7,500 CRORE**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a), all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any Committee constituted/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to sell / assign / securitise substantial assets including present and /or future receivables / book debts of the Company in favour of banks / financial institutions, other investing agencies, Asset Reconstruction Companies and trustees for the holders of Debentures /Bonds /Pass Through Certificates / Security Receipts and other instruments and also to issue covenants for negative pledges / negative liens in respect of the said assets and properties in such form and manner as the Board may deem fit and for the said purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and also to execute the required documents including power of attorney in favour of all or any of the persons, firms, bodies corporate, banks, financial institutions, trustees etc., from time to time, provided that the aggregate amount of such transactions shall not exceed ₹ 7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only);

**RESOLVED FURTHER THAT** the Board of the Company be and are hereby severally authorised to negotiate,

finalise and execute with the Lender(s)/ Debenture Trustees/ Financial Institutions / Asset Reconstruction Companies such documents/ agreements/ undertakings/ indemnities/ guarantees as may be required and to propose/ accept any modifications to the terms and conditions thereto and to do all such acts, deeds and things as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole and absolute discretion deem fit and to delegate all or any of their powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this resolution.”

**6. AUTHORITY TO ISSUE REDEEMABLE NON-CONVERTIBLE DEBENTURES AND/OR OTHER INSTRUMENTS ON PRIVATE PLACEMENT BASIS**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, and Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 (“RBI Master Directions”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India’s Operational Circular for Issue and Listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, any other law, rules, guidelines, regulations for the time being in force and any other circulars, notifications and/or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force) and subject to such terms, conditions and modifications as may be considered necessary and proper by the



## Notice (Contd.)

Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee of the Board constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), the consent of the Members be and is hereby accorded to the Board to offer and /or invite for issue of Non-Convertible Securities whether secured or unsecured, listed / unlisted, fixed rate or market /benchmark linked and /or any other hybrid Instruments (not in the nature of Equity Shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital under the provisions of the RBI Master Directions, on a private placement basis (collectively “Debentures / Instruments”), in one or more tranches /series, with the consent being valid for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium /discount, tenor etc., as may be determined by the Board (or any other person so authorised by the Board), based on the prevailing market condition;

**RESOLVED FURTHER THAT** the aggregate amount to be raised through the issuance of Debentures /Instruments pursuant to the authority under this Resolution aggregating up to ₹ 31,547.22 Crore (Rupees Thirty One Thousand Five Hundred Forty Seven Crore and Twenty Two Lakhs Only) under one or more shelf placement memorandums and /or in one or more letter(s) of offer as may be issued by the Company and in one or more tranches /series as the Board may decide;

**RESOLVED FURTHER THAT** the Board of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to negotiate, finalise, amend, execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of their powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this Resolution.”

## 7. TO APPROVE ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 14 and all other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, any other law, rules, guidelines, regulations for the time being in force and any other circulars, notifications and /or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force) and subject to such terms, conditions and modifications as may be considered necessary and proper by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee of the Board constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), the consent of the members be and is hereby accorded to alter the existing Articles of Association of the Company, by replacing the existing Article 184 as follows:

### Article 184:

“In the event of the Company borrowing any money from any financial corporation or institution or Government or any Government body or a collaborator, bank, persons, partnership firms, trust, mutual funds, alternative investment funds, any other funds, or from any other source, the lender/security trustee/debenture holder/debenture trustee concerned may, upon the occurrence of such events as provided in terms of Applicable Law or under a contract, exercise the right and power to appoint granted to it in terms of Applicable Law or under contract, from time to time, any person or persons as a Director or Directors or Nominee Directors of the Company and the Board of Directors of the Company will appoint such person or persons nominated by the lender/security trustee/debenture holder/debenture trustee within the timelines prescribed under Applicable Law, if any”;

## Notice (Contd.)

**RESOLVED FURTHER THAT** any of the Director and / or Key Managerial Personnel of the Company be and are hereby jointly and severally authorised to do and perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with the statutory authorities and to execute all such deeds, documents, agreements and writings as may be necessary for and on behalf of the Company

and to settle and finalise all issues that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to delegate all or any of the powers conferred herein as they may deem fit in the best interest of the Company and its Members."

**Registered Office:**

Radhika, 2<sup>nd</sup> Floor,  
Law Garden Road, Navrangpura,  
Ahmedabad -380009

Place: Mumbai

Date: May 31, 2023

By order of the Board  
For **HDB Financial Services Limited**

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No.: F11340

## Notice (Contd.)

### Notes:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("Act"), as amended, read with the relevant rules made thereunder, the Secretarial Standard No. 2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India, setting out the material facts and reasons, in respect of Item No. 4 to 7 of this Notice is annexed herewith. An Additional Information, pursuant to SS-2 issued, in respect of appointment of Director(s) at the 16<sup>th</sup> Annual General Meeting ("AGM") is also annexed herewith.
2. In accordance with the Ministry of Corporate Affairs, Government of India vide General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 ("MCA Circulars"), electronic copies of the Annual Report for Financial Year ("FY") 2022-23 and AGM Notice inter-alia indicating the process and manner of e-Voting along with instructions to attend the AGM through video-conferencing / other audio-visual means (VC/OAVM) are being sent by e-mail to those Members, trustees for the debenture-holder of any debentures issued by the Company, holders of Non-Convertible Securities and to all other persons so entitled whose e-mail IDs have been made available to the Company / Registrar and Transfer Agent ("RTA") i.e. Link Intime India Private Limited or with Depository Participants ("DP") unless the Member has specifically requested for a hard copy of the Annual Report. Members may note that the Annual Report for the FY 2022-23 and the AGM Notice will also be available on the Company's website at <https://www.hdbfs.com/investors> and on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The Notice is also available on the website of the service provider engaged by the Company viz. National Securities Depository Limited ("NSDL") at <https://www.evoting.nsdl.com>.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate Members are required to send a duly certified copy of their Board Resolution authorising their representatives to attend the AGM by email to [mitesh@mishra.com](mailto:mitesh@mishra.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. In case of joint holders, only such joint holder who is first in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM provided the votes are not already cast by remote e-Voting by the first holder.
6. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to submit their questions in advance from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number via email at [compliance@hdbfs.com](mailto:compliance@hdbfs.com), on or before Wednesday, June 28, 2023. The same will be replied by the Company suitably.
7. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum for the AGM under Section 103 of the Act.
8. The venue of the AGM shall be deemed to be the Corporate Office of the Company at Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400034.
9. The Members desiring to inspect the documents referred to in this Notice and other statutory registers are requested to send an email to [dipti.khandelwal@hdbfs.com](mailto:dipti.khandelwal@hdbfs.com) with a copy marked to [compliance@hdbfs.com](mailto:compliance@hdbfs.com) mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card. An extract of such documents would be sent to the Members on their registered email address.
10. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
11. **Dividend Related Information**  
The record date for determining the names of Members eligible for dividend on Equity Shares, if declared at the AGM, is **Friday, June 23, 2023**.  
The final dividend, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after

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Tuesday, July 04, 2023 to the Members, after deduction of Tax Deduction at Source (TDS), as applicable. In respect of the shares held in dematerialised mode, the dividend will be paid on the basis of beneficial ownership details to be received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for this purpose.

Members holding shares in dematerialised form are requested to intimate any change in their address or bank account details (including 9 digit MICR no., 11 digit IFSC code and core banking account number) to their respective Depository Participants with whom they are maintaining demat accounts on or before June 23, 2023.

In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by post.

Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 01, 2020, shall be taxable in the hands of the Members and the Company shall be required to deduct TDS at the prescribed rates from the dividend to be paid to Members, subject to approval of dividend by the Members in the ensuing AGM. The TDS rate would vary depending on the residential status of the Member and the documents submitted by them and accepted by the Company. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

- a. **For Resident Shareholders**, TDS is required to be deducted at the rate of 10% under Section 194 of the IT Act on the amount of dividend declared and paid by the Company in the FY 2023-24 provided valid PAN is registered by the Members. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the IT Act.

However, no tax shall be deducted on the dividend paid to resident individuals if aggregate dividend distributed or likely to be distributed during the FY 2023-24 does not exceed ₹ 5,000. Even in the cases where the members

provide valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted.

NIL / lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration as listed below:

- i. **Insurance companies:** Declaration by shareholder qualifying as Insurer as per section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN card;
  - ii. **Mutual Funds:** Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the IT Act along with self-attested copies of registration documents and PAN card;
  - iii. **Alternative Investment Fund (AIF) established in India:** Declaration that the shareholder is eligible for exemption under section 10(23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of self-attested registration documents and PAN card should be provided.
  - iv. **New Pension System Trust:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
  - v. **Other shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
  - vi. Shareholders who have provided a valid certificate issued u/s. 197 of the IT Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.
- b. **For Non-Resident Shareholders**, (including Foreign Portfolio Investors) Tax is required to be withheld in accordance with the provisions of Section 195 and section 196D of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double

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Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

- a) Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
- b) Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident;
- c) Self-declaration in Form 10F, needs to be submitted online on the income tax portal as required in terms of Notification No 03/2022. Form 10F submitted online along with the acknowledgment generated from the income tax portal shall be submitted. Forms submitted in any other format will be considered as invalid;
- d) Self-declaration by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having Permanent Establishment ("PE") in India would need to comply with provisions of section 206AB of the IT Act).
- e) In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
- f) In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.

Accordingly, in order to enable the Company to determine the appropriate TDS / withholding tax rate applicable, we request the members to provide these details and documents as mentioned above on or before June 26, 2023.

The Company shall arrange to email the soft copy of TDS certificate at the registered email ID of Members post payment of the dividend.

### **Section 206AB of the IT Act:**

Rate of TDS @10% u/s 194 of the IT Act is subject to provisions of section 206AB of IT Act (effective from July 01, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

- A person who has not filed the income tax return for previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the IT Act has expired; and
- The aggregate of TDS and TCS in his case is ₹ 50,000 or more in previous year.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

Members are requested to inform us well in advance and before cut-off date if you are covered under the definition of 'specified person' as provided in section 206AB of the IT Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

Members are requested to upload the relevant documents on the link: <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before Monday, June 26, 2023 in order to enable the Company to determine and deduct TDS at applicable

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rates. Failure to do so, will attract higher TDS rates as mentioned in the above paragraphs. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction received after Monday, June 26, 2023 shall be considered for payment of dividend for FY 2022-23, if approved, at the ensuing AGM.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the members, there would still be an option available with members to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and SS-2 issued by the Institute of Company Secretaries of India, the Company is providing remote e-Voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronics means and business may be transacted through the e-Voting services. For this purpose, the Company has engaged services of NSDL for providing e-Voting services.

- Remote e-Voting facility will be available from 10.00 a.m. on Tuesday, June 27, 2023 and ends at 05:00 p.m. on Thursday, June 29, 2023, after which the facility will be disabled by NSDL and remote e-Voting shall not be allowed beyond the said date and time. During this period Members of the Company, holding shares in dematerialised form, as on the cut-off date i.e. Friday, June 23, 2023 may cast their vote electronically.
- Instructions for e-Voting are given at point no.15.

- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, June 23, 2023.

The facility for voting, through electronic voting system shall also be made available at the AGM for Members who have not already cast their vote prior to the AGM by remote e-Voting.

13. The Members, who have cast their vote prior to the AGM by remote e-Voting may also attend the AGM but shall not be entitled to vote again at the meeting. Once a vote is cast by a Member, he shall not be allowed to alter it subsequently.
14. **Procedure for registration of email address:** The Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
  - i. Members who have not registered their e-mail IDs, are requested to kindly register the same on the website of the Company's R&T agent at the link [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) as physical copies of AGM Notice as well as the other documents will not be sent to them in physical mode and will be sent only by e-mail, in accordance with the MCA Circulars. Post successful registration of the email, the Member would get soft copy of the AGM Notice and the procedure for e-Voting along with the User ID and Password to enable e-Voting for this AGM. In case of any queries, Member may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
  - ii. It is clarified that for permanent registration of email address, the members are requested to register their e-mail address, by contacting Depository Participants and registering e-mail ID and mobile number in demat account, as per the process advised by the Depository Participants.



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### 15. Instructions for Voting through electronic means ('e-Voting'):





The details of the process and manner for remote e-Voting are explained herein below:

**Step 1: Access to NSDL e-Voting system**

**Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.**

Details on Step 1 are mentioned below:

#### A. Login method for remote e-Voting and joining virtual meeting for Individual Members holding securities in demat mode.

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL	<p><b>A. NSDL IDEAS facility</b></p> <p><b>If you are already registered, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDEAS" section.</li> <li>3. That will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services.</li> <li>4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.</li> <li>5. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>If you are not registered, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>2. Select "Register Online for IDEAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Please follow steps given in points 1-5 above.</li> </ol> <p><b>B. E-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>1. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile phone.</li> <li>2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;">   </div>

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Type of Members	Login Method
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and New System Myeasi Tab and then use your existing my easi username and password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Members (holding securities in demat mode) logging through their depository participants	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL /CDSL for e-Voting facility.</li> <li>Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>Click on options available against Company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> </ol>

**Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID / Forgot Password option available at respective websites.**

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL**

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

**B. Login method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode**

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholders / Member" section.



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- 3) A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.
- 4) Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
- 5) Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL)</b>	<b>Your User ID is:</b>
A) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
B) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****

- 6) Your password details are given below:
  - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c. How to retrieve your 'initial password'?
    - i. If your email address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email address. Trace the email sent to you from NSDL in your mailbox from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned above in this notice.
- 7) If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) If you are still unable to get the password by aforesaid option, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number, your PAN, your name and your registered address.
  - c) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
- 8) After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
- 9) Now, you will have to click on "Login" button.
- 10) After you click on the "Login" button, Home page of e-Voting will open.

### Details on Step 2 are mentioned below:

#### How to cast your vote electronically on NSDL e-Voting system and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.

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2. Select the EVEN for the Company which is 124084. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those Members whose email address are not registered with the depositories for procuring User ID and password and registration of email address for e-Voting for the resolutions set out in this notice:**

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [compliance@hdbfs.com](mailto:compliance@hdbfs.com). If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 i.e. Login method for e-Voting for Individual Members holding securities in demat mode.
2. Alternatively, Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and password for e-Voting by providing above mentioned documents.

**General Guidelines for shareholders**

1. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are required to upload their Board Resolution / Power of Attorney / Authority Letter by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab or send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/

Authority letter etc., with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by email to [mitesh@mishra.com](mailto:mitesh@mishra.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password" option available on <https://www.evoting.nsdl.com> to reset the password.
  3. In case of any queries relating to e-Voting you may refer to the Frequently Asked Questions ("FAQs") for Shareholders and e-Voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  4. In case of any grievances connected with facility for e-Voting, please contact Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) 022 - 4886 7000 and 022 - 2499 7000.
  5. In case of any other queries shareholder can contact: M/s. Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083, Tel No: +91 22 49186000, Fax No: +91 22 49186060, Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- 16. Instructions for members for attending the AGM through VC / OAVM are as under:**
1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" tab. You are requested to click on VC/OAVM link placed under Join Meeting tab.
  2. The link for VC/ OAVM will be available in "shareholders/ members" login where the EVEN of Company will be displayed.

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3. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
4. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. Further, a facility will be provided to the Members attending the meeting through VC/OAVM whereby they can pose questions concurrently, during the preceding of the meeting.
5. Please note that Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Members are also encouraged to join the meeting through Laptops for better experience.
6. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 022 - 4886 7000 and 022 - 2499 7000 or contact Mr. Amit Vishal, Assistant Vice President or Mr. Abhijeet Gunjal, Assistant Manager - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 022 - 4886 7000 and 022 - 2499 7000.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by sending their request from their registered email address mentioning their name, DP ID and Client ID, PAN, mobile number at [compliance@hdbfs.com](mailto:compliance@hdbfs.com) from June 21, 2023 (9:00 a.m. IST) to June 27, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
17. **Instruction for e-Voting during the AGM**

The members present, who have not cast their vote on resolutions through remote e-Voting can cast their vote through e-Voting during the AGM by following the instruction as mentioned in point 15 above. The e-Voting facility will be enabled during the AGM on June 30, 2023 at 12 noon till the conclusion of the AGM.
18. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. June 23, 2023, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
19. The Board of Directors of the Company has appointed Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, Mumbai, to act as the Scrutiniser to scrutinise the e-Voting process in a fair and transparent manner.
20. The Scrutinisers shall submit a consolidated report of the total votes cast in favour or against, if any, on each of the resolutions set out in this Notice, not later than three days from the conclusion of the AGM to the Chairman. The result of the voting will be announced within three days after the conclusion of the AGM at the Company's website at [www.hdbfs.com](http://www.hdbfs.com).

## Notice (Contd.)

**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4**

Company has received declaration from Mr. Arijit Basu to the effect that he fulfills all criteria for independence under section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and in the opinion of the Board of Directors of the Company, Mr. Arijit Basu is independent of the management of the Company and fulfills the conditions specified in the Companies Act, 2013, the rules made thereunder and SEBI Listing Regulations for appointment as an Independent Director. Further the Board of Directors of the Company is of the opinion that Mr. Arijit Basu is a person of integrity and has relevant experience and expertise to be appointed as an Independent Director of the Company. Based on the skills, experience and knowledge of Mr. Arijit Basu the Board of Directors recommend appointment of Mr. Arijit Basu as the Part-Time Non-Executive Chairman and an Independent Director. Mr. Arijit Basu satisfies the fit and proper criteria as prescribed under the RBI Master Direction RBI/DNBR/2016-17/45 DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

It is proposed to appoint Mr. Arijit Basu as a Part-Time Non-Executive Chairman and Independent Director of the Company, not liable to retire by rotation, for a period of three (3) years with effect from May 31, 2023 to May 30, 2026 (both days inclusive) at a remuneration of Rs. 30,00,000 (Rupees Thirty Lakhs Only) per annum drawn on monthly basis accordingly Mr. Arijit Basu has resigned from the Board as a Chairman & Non-Executive Director on May 31, 2023.

He has been appointed as a Part-Time Non-Executive Chairman and Independent Director with effect from May 31, 2023 till the conclusion of the ensuing AGM pursuant

to the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

**Brief profile of Mr. Arijit Basu:**

Mr. Arijit Basu has over 39 years of experience in the field of banking and financial services. He started his career with State Bank of India in 1983 as a probationary officer and was the Managing Director (Whole Time Director) in the Bank at the time of his retirement in October 2020 having been appointed MD in June 2018. He has worked in diverse roles in the bank in India and overseas in Retail Banking, Corporate Banking, International Banking, HR and Business Process Reengineering in his long career. Mr. Basu was specifically in charge of commercial and corporate banking, information technology and risk management in his role as MD of the bank.

Prior to becoming MD of SBI, he was the Managing Director and Chief Executive Officer of SBI Life Insurance Company Limited from August 2014 till March 2018 and under his leadership the company listed in October 2017.

After his retirement from SBI, Mr. Basu serves on the boards of Prudential PLC and Peerless Hospitex and Hospital Research Centre, both as an Independent Director. He is a member of the Academic Council of the College of Supervisors set up by RBI and also serves as a Senior Advisor to some firms. He was a Project Management Consultant for LIC for their IPO for a year till April 2022.

Mr. Basu holds a post graduate degree in History and is an honours graduate in Economics, both from the University of Delhi. He is also a Certified Associate of the Indian Institute of Bankers (CAIIB).

Pursuant to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should ensure that the approval of the Members is obtained at the next general meeting or within a time period of three months from the date of appointment of Director, whichever is earlier.

## Notice (Contd.)

Other details of Director as required under Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) are given hereunder:

Name of Director	<b>Mr. Arijit Basu</b>
DIN	<b>06907779</b>
Age	<b>62 years</b>
A brief resume, Qualification(s), Experience and Nature of his expertise in specific functional areas, Recognition or awards	<b>As mentioned in explanatory statement above</b>
Terms and conditions of appointment or reappointment	<b>Part-Time Non-Executive Chairman and Independent Director, not liable to retire by rotation for a period of three (3) years with effect from May 31, 2023 to May 30, 2026 (both days inclusive)</b>
Details of remuneration sought to be paid	<b>₹ 30,00,000 (Rupees Thirty Lakhs Only) per annum drawn on monthly basis</b>
Details of the remuneration last drawn by such person (FY 2022-23)	<b>Remuneration: ₹ 30,00,000 Sitting Fees: ₹ 8,25,000</b>
Date of first appointment on the Board	<b>June 01, 2021</b>
Shareholding in the Company	<b>Nil</b>
Relationship with other Directors, Manager and other Key Managerial Personnel	<b>None</b>
The number of Meetings of the Board attended during FY 2022-23	<b>8</b>
Other Directorships (excluding HDB Financial Services Limited)	<ol style="list-style-type: none"> <li><b>Peerless Hospitex Hospital and Research Center Limited - Independent Director</b></li> <li><b>Prudential PLC – Non-Executive Director</b></li> </ol>
Membership / Chairmanship of Committees of other Board	<ol style="list-style-type: none"> <li><b>Peerless Hospitex Hospital and Research Center Limited</b> Project Finance Committee - Chairman Audit Committee - Member Risk Management Committee - Member</li> <li><b>Prudential PLC</b> Audit Committee - Member Responsibility &amp; Sustainability Working Group - Member</li> </ol>

The Nomination and Remuneration Committee of the Company has recommended the appointment of Mr. Arijit Basu and the Board has accepted the same.

Accordingly, the approval of the Members is being sought for the appointment of Mr. Arijit Basu as a Part-Time Non-Executive Chairman and Independent Director of the Company, not liable to retire by rotation for a period of three (3) years with effect from May 31, 2023 to May 30, 2026 (both days inclusive) pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and shall be paid a remuneration of ₹ 30,00,000 (Rupees Thirty Lakhs Only) per annum drawn on monthly basis.

Copy of the letter of appointment of Mr. Arijit Basu containing the terms and conditions of appointment, is available for inspection.

The Board recommends the passing of the Special Resolution as set out at Item No. 4 of this Notice for the approval of the Members.

Except Mr. Arijit Basu, being an appointee and his relatives, to the extent of their shareholding interest, if any, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

### Item No. 5

The Members of the Company at the 15<sup>th</sup> Annual General Meeting held on June 23, 2022 had granted their approval by way of Special Resolution to the Board of Directors of the Company to sell /assign /securitise substantial assets including present and /or future receivables /book debts of the Company to the holders of Debentures/Bonds/Pass



## Notice (Contd.)

Through Certificates and other instruments for an aggregate amount not exceeding ₹ 7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only).

Members of the Company are requested to note that Company may raise funds by way of sell/ direct assignment/ securitisation of the present and /or future receivables/ book debts of the Company to any Bank or Financial Institution or Asset Reconstruction Companies as per the terms approved by the Board of Directors.

The sell/ assignment/ securitisation of the present and /or future receivables /book debts of the Company may result into disposal of undertaking as defined in the explanation to Section 180(1)(a) of the Companies Act, 2013. As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall not sell, assign or securitise the receivables/ book debts of the Company without the consent of the Members of the Company, accorded at the General Meeting by means of a Special Resolution.

In view of the aforesaid, the Board of Directors at its meeting held on May 31, 2023, has subject to the approval of the Members, approved to sell /assign /securitise present and / or future receivables/ book debts of the Company as approved by the Members of the Company pursuant to Section 180(1)(a) of the Act.

Accordingly, the approval of the Members is being sought by way of Special Resolution, authorising the Board of Directors to sell /assign /securitise substantial assets including present and /or future receivables /book debts of the Company, to the holders of Debentures /Bonds /Pass Through Certificates / Security Receipts and other instruments for an aggregate amount not exceeding ₹ 7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only).

The Board recommends the resolution as set out at Item No. 5 of the accompanying Notice for the approval of the Members.

Save and except for the shareholding interest, if any, held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

### Item No. 6

The Company has been raising funds by offer and/or invite for issuing non-convertible debentures, secured or unsecured, listed/unlisted, fixed rate or market /bench mark linked and /or any other hybrid instruments (not in the nature of Equity Shares) including but not limited to Subordinated

Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital (hereinafter referred to as "Debt Securities") on private placement basis, from time to time.

In terms of Section 71 which deals with the issue of Debentures read with Section 42 of the Companies Act, 2013, which deals with the offer or invitation for subscription of Debt Securities of the Company on private placement basis read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company can make private placement of its Debt Securities only after receipt of prior approval of its Members 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 the Debt Securities to be issued during a year and such a Special Resolution is required to be passed every year.

The Members at the 15<sup>th</sup> Annual General Meeting held on June 23, 2022 and vide postal ballot dated March 26, 2023 had accorded their approval to the Company for issuance of Debt Securities as mentioned below:

- A. Non-Convertible Debentures (NCDs) up to a limit of ₹ 20,328.90 Crore which included existing limit of ₹ 10,328.90 Crore and new limit of ₹ 10,000 Crore (₹ 5,000 Crore was approved vide postal ballot on March 26, 2023). As on March 31, 2023 the Company had raised NCDs of ₹ 9,599.18 Crore and the charge has been released for Debenture Trust Deed of ₹ 7,500 Crore of which unissued amount is ₹ 32.50 Crore. The unutilised limit of ₹ 10,697.22 Crore is available for issuance of NCDs.
- B. Subordinated Bonds (Sub Debts) up to a limit of ₹ 500 Crore. No issue of Sub Debts was done during the FY 2022-23, hence the unutilised limit of ₹ 500 Crore continues to subsist for issuance of Sub Debts.
- C. Perpetual Debt Instruments (PDIs) up to a limit of ₹ 500 Crore. As on March 31, 2023 the Company had raised PDIs of up to ₹ 150 Crore. The unutilised limit of ₹ 350 Crore is available for issuance of PDIs.

Further, the Board, at its meeting held on May 31, 2023, has approved issuance of NCDs, Sub Debts and PDIs from the above unutilised limit of Debt Securities and in addition to the above limit has also approved new limit for issuance of NCDs of ₹ 20,000 Crore, subject to the approval of the Members. Thus, the approved limit of NCDs, Sub Debts and PDIs for Issuance is ₹ 30,697.22 Crore, ₹ 500 Crore and ₹ 350 Crore respectively.

## Notice (Contd.)

In terms of the requirements of Resource Planning Policy of the Company and Business planning for the FY 2023-24, it is expected that the Company will issue Debt Securities which shall not exceed the aforesaid limit. The Debt Securities proposed to be issued by the Company will be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

Pursuant to the notification dated August 07, 2018, by which Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 has been amended, it is now mandated that certain disclosures are required to be made in the explanatory statement annexed to the notice for Members approval under Section 42 of the Companies Act, 2013.

The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out herein below:

- a) Particulars of the offer including date of passing of board resolution: This Special Resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1(one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any committee duly authorised by the Board thereof), from time to time;
- b) Kinds of securities offered and price at which security is being offered: This Special Resolution is restricted to the Private Placement issuance of Debt Securities, with the terms of each issuance being determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance;
- c) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable at this stage. This will be determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance;
- d) Name and address of valuer who performed valuation: Not applicable at this stage. This will be determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance;
- e) Amount which the Company intends to raise by way of such securities: As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013

of up to ₹ 31,547.22 Crore (Rupees Thirty One Thousand Five Hundred Forty Seven Crore and Twenty Two Lakhs Only);

- f) Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities: This Special Resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any committee duly authorised by the Board thereof), from time to time.

In view of the aforesaid, the Board of Directors at its meeting held on May 31, 2023, has approved issuance of Debt securities in one or more tranches, on private placement basis and within the overall borrowing limit of ₹ 80,000 Crore (Rupees Eighty Thousand Crore Only).

Accordingly, the approval of the Members is being sought by way of Special Resolution as set out at Item No. 6 of this Notice authorising the Board to issue Debt Securities and /or any other hybrid instruments (not in the nature of Equity Shares) which may or may not be classified as being Tier I or Tier II capital under the provisions of the RBI Master Directions, for an aggregate amount not exceeding ₹ 31,547.22 Crore (Rupees Thirty One Thousand Five Hundred Forty Seven Crore and Twenty Two Lakhs Only) on Private Placement basis during a period of one year from the date of this AGM.

The Board, accordingly, recommends the passing of the Special Resolution as set out at Item No. 6 of this Notice, for the approval of the Members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the said resolution, except to the extent of Debt Securities that may be subscribed by companies/firms in which they are interested.

### Item No. 7

The existing Articles of Association ("AOA") of the Company were framed in terms of the provisions of the Companies Act, 2013. The Securities and Exchange Board of India vide notification dated February 02, 2023 had notified the

## Notice (Contd.)

Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 ("Amendment Regulation"). Pursuant to the Amendment Regulation the Company was required to amend its Articles of Association to ensure that its Articles of Association require its Board of Directors to appoint the person nominated by the Debenture Trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a Director on its Board of Directors, on or before September 30, 2023.

Thus, in order to comply with the above mentioned requirements, it is proposed to alter the Article No. 184 of the Articles of Association of the Company w.r.t. the appointment of Nominee Director. The consent of the Members of the Company by way of a Special Resolution is required for alteration of Articles of Association of the Company. Accordingly, this matter has been placed before the Members for their approval.

In this regard, it is proposed to alter existing Article 184 of AOA by replacing with the below:

**Article 184:**

"In the event of the Company borrowing any money from any financial corporation or institution or Government or any Government body or a collaborator, bank, persons, partnership

firms, trust, mutual funds, alternative investment funds, any other funds, or from any other source, the lender/security trustee/debenture holder/debenture trustee concerned may, upon the occurrence of such events as provided in terms of Applicable Law or under a contract, exercise the right and power to appoint granted to it in terms of Applicable Law or under contract, from time to time, any person or persons as a Director or Directors or Nominee Directors of the Company and the Board of Directors of the Company will appoint such person or persons nominated by the lender/security trustee/debenture holder/debenture trustee within the timelines prescribed under Applicable Law, if any."

Accordingly, the approval of the Members is being sought by way of Special Resolution as set out at Item No. 7 of this Notice to alter the existing AOA of the Company, by replacing, existing Article 184. A copy of the altered AOA is available for inspection.

The Board recommends the resolution as set out at Item No. 7 of the accompanying Notice for the approval of the Members.

Save and except for the shareholding interest, if any, held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

By order of the Board  
For **HDB Financial Services Limited**

**Registered Office:**

Radhika, 2nd Floor,  
Law Garden Road, Navrangpura,  
Ahmedabad -380009

Place: Mumbai

Date: May 31, 2023

Sd/-  
**Dipti Khandelwal**  
Company Secretary  
FCS No.: F11340



# Directors' Report

Dear Members,

Your Directors take pleasure in presenting the Sixteenth Annual Report on the business and financial operations of your Company together with the audited accounts for the Financial Year ended March 31, 2023.

## SUMMARY OF FINANCIAL PERFORMANCE

(₹ in Crore)		
Particulars	FY 2022-23	FY 2021-22
Total Income	12,402.88	11,306.29
Total Expenditure (excluding depreciation)	9,663.64	9,859.79
Profit/(Loss) before Depreciation & Tax	2,739.24	1,446.50
Less: Depreciation	111.84	98.94
Profit before Tax	2,627.40	1,347.56
Tax Expense	668.05	336.16
Profit after Tax	1,959.35	1,011.40
Other Comprehensive Income (net of tax)	10.56	13.79
Total Comprehensive Income after tax	1,969.91	1,025.19
<b>Appropriations from Profit after Tax:</b>		
Transfer to Reserve Fund under Section 45-IC of the RBI Act, 1934	391.87	202.28
Dividend Paid	150.24	0.00
Dividend Tax thereon	0.00	0.00
Balance carried forward to Balance Sheet	1,417.24	822.91

Your Company posted total income and net profit of ₹ 12,402.88 Crore and ₹ 1,959.35 Crore, respectively, for the financial year ended March 31, 2023, as against ₹ 11,306.29 Crore and ₹ 1,011.40 Crore respectively, in the previous financial year. Your Company has transferred an amount of ₹ 391.87 Crore to Reserve Fund under Section 45-IC of the RBI Act, 1934.

## DIVIDEND

The Board of Directors of the Company, at its meeting held on April 15, 2023, has recommended a dividend of ₹ 1.10 (Rupee One and Paise Ten only) per equity share i.e. 11% (Eleven percent) on each equity share of face value of ₹ 10 (Rupees Ten only) entailing a total payout of ₹ 87.05 Crore. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) to be held on June 30, 2023. During the year, the Company has paid Interim Dividend of Re. 0.90 (Paise Ninety Only) per equity share i.e. 9% on each equity share, aggregating to ₹ 71.20 Crore.

## Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

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 to which the financial statements relate and the date of this Report.

## CAPITAL STRUCTURE

As at March 31, 2023, the issued, subscribed and paid-up share capital of your Company is ₹ 7,91,39,90,830 (Rupees Seven Hundred Ninety One Crore Thirty Nine Lakhs Ninety Thousand Eight Hundred Thirty Only) comprising of 79,13,99,083 (Seventy Nine Crore Thirteen Lakhs Ninety Nine Thousand Eighty Three) equity shares of ₹ 10 each as on March 31, 2023.

## Directors' Report (Contd.)

During the year, your Company has issued 9,59,052 equity shares. The details of which are provided below:

No. of fully paid up equity shares	Date of allotment	Purpose
76,660	August 02, 2022	Shares were issued to employees under the Employees Stock Option Scheme
29,600	September 19, 2022	Shares were issued to employees under the Employees Stock Option Scheme
6,20,228	December 7, 2022	Shares were issued to employees under the Employees Stock Option Scheme
3,000	December 28, 2022	Shares were issued to employees under the Employees Stock Option Scheme
2,29,564	March 13, 2023	Shares were issued to employees under the Employees Stock Option Scheme

**CAPITAL ADEQUACY**

Capital adequacy as at March 31, 2023 under Ind-AS stood at 20.05% which is well above the minimum regulatory norms for non-deposit accepting NBFCs.

**RATINGS**

The CARE Ratings Limited (CARE) and CRISIL Ratings Limited (CRISIL) have reaffirmed highest ratings for the various facilities availed by the Company, details of which are given below:

Facility	CARE	Amount (₹ in Crore)	CRISIL	Amount (₹ in Crore)
Bank Facilities	CARE AAA; Stable	30,000.00	CRISIL AAA/Stable	30,000.00
Short Term Debt Program	CARE A1+	12,500.00	CRISIL A1+	12,500.00
Non-Convertible Debentures	CARE AAA; Stable	45,308.00	CRISIL AAA/Stable	38,663.82
Market Linked Debentures*	CARE PP-MLD AAA; Stable	3,000.00	CRISIL PP-MLD AAA/Stable	2,236.10
Subordinated Bonds	CARE AAA; Stable	4,000.00	CRISIL AAA/Stable	4,000.00
Perpetual Bonds	CARE AAA; Stable	1,000.00	CRISIL AAA/Stable	1,000.00

\* During the year, CRISIL has removed the suffix "r" from Market Linked Debentures ratings. Earlier rating was CRISIL PP-MLD AAAr/Stable.

All of the above ratings indicate a high degree of safety with regard to timely payment of interest and principal amount.

**BORROWINGS**

Your Company has diversified funding sources from Public Sector, Private Sector, Foreign Banks, Mutual Funds, Insurance Companies, Pension Funds, Financial Institutions etc. Funds were raised in line with Company's Resource Planning Policy through Term Loans, Non-Convertible Debentures ("NCDs") and Commercial Papers Instruments. The details of funds raised during the year are as below:

#	Borrowings / Security type	Credit rating		Amount raised (₹ in Crore)
		CARE	CRISIL	
1	Term Loans from Banks and Financial Institutions*	CARE AAA; Stable	CRISIL AAA/Stable	14,320
2	Secured Redeemable Non-Convertible Debentures	CARE AAA; Stable	CRISIL AAA/Stable	9,899
3	Commercial Paper	CARE A1+	CRISIL A1+	200
4	Market Linked Debentures	CARE PP-MLD AAA; Stable	CRISIL PP-MLD AAA/Stable	Nil
5	Subordinated Bonds	CARE AAA; Stable	CRISIL AAA/Stable	Nil
6	Perpetual Bonds	CARE AAA; Stable	CRISIL AAA/Stable	Nil
	<b>Grand Total</b>			<b>24,419</b>

\*excludes WCDL

## Directors' Report (Contd.)

No interest payment or principal repayment of the Term Loans was due and unpaid as on March 31, 2023. The assets of the Company which are available by way of security are sufficient to discharge the claims of the banks and financial institutions as and when they become due.

Secured Redeemable Non-Convertible Debentures, Secured Redeemable Market Linked Debentures, Unsecured Redeemable Subordinated Bonds, Unsecured Perpetual Debt Instruments are issued by your Company on private placement basis and the rating for various facilities indicates the highest degree of safety with regard to timely servicing of financial obligations.

Perpetual Debt Securities are 5.91% of Tier I capital of the Company. An amount of ₹ 650 Crore are outstanding as on March 31, 2023.

NCDs were issued with maturity period ranging from 23 to 60 months. The interest payable on all the debt securities is either annually or quarterly or on maturity. No interest was due and unpaid as on March 31, 2023. The Company has not received any grievances from the debt security holders. The assets of the Company which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

The above mentioned Debt securities are listed on Wholesale Debt Market (WDM) segment of the BSE Limited and Commercial Papers were listed on National Stock Exchanges of India Limited.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes that CSR is a way of creating shared value and contributing to social and environmental good. Our endeavor is to mainstream economically, physically and socially challenged groups and to draw them into the cycle of growth, development and empowerment. To achieve this, your Company collaborates with development-focused NGOs, involves local communities in the development process and works with systems & frontline staff to achieve desirable social outcomes in a sustainable manner.

The Company's CSR interventions are designed to strengthen the healthcare services and infrastructure, impart skill training and basic literacy for better livelihoods and to promote environmentally sustainable initiatives. All CSR initiatives are implemented in accordance with the Schedule VII of the Companies Act, 2013 ("Act").

The Company's CSR activities are guided and monitored by its CSR Committee. The CSR Policy of the Company provides a broad set of guidelines including intervention areas.

As per Section 135 of the Act, the Company was required to spend an amount of ₹ 22.15 Crore equivalent to 2% of the 'average net profits' of the last three (3) financial years. After adjusting the excess spend of ₹1.13 Crore for FY 2021-22, the total CSR obligation of the Company was ₹ 21.02 Crore. During the FY 2022-23, the Company has spent an amount of ₹ 21.78 Crore on CSR activities as against total CSR obligation of ₹ 21.02 Crore. The Annual Report on CSR activities is annexed herewith as "Annexure a".

### NUMBER OF BOARD MEETINGS HELD DURING THE FY 2022-23

The Board of Directors met 8 times during the year under review and the details of such meetings are disclosed in the Corporate Governance Report forming part of this Report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

#### Resignation

Mr. Arijit Basu (DIN: 06907779) was appointed as the Chairman and Non-Executive Director (Non- Independent Director) of the Company with effect from June 1, 2021. He has tendered his resignation from the position of Chairman and Non-Executive Director (Non-Independent Director) of the Company with effect from May 31, 2023 and also conveyed his willingness to serve the Board of the Company as an Independent Director.

#### Inductions to the Board

#### Appointment of Mr. Arijit Basu (DIN: 06907779) as a Part-Time Non-Executive Chairman and Independent Director of the Company

On the recommendation of the Nomination and Remuneration Committee, Board of Directors of the Company at its meeting held on May 31, 2023, has appointed Mr. Arijit Basu (DIN: 06907779) as a Part-Time Non-Executive Chairman and Additional Independent Director of the Company with effect from May 31, 2023 till the conclusion of the ensuing Annual General Meeting in terms of Sections 152 and 161 of the Act. Further, the Board of Directors has recommended appointment of Mr. Arijit Basu as an Independent Director to the shareholders of the Company for a period of three years with effect from May 31, 2023 up to May 30, 2026 (both days inclusive).

Mr. Arijit Basu has confirmed that he fulfills the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and has also confirmed that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his

## Directors' Report (Contd.)

ability to discharge his duties with an objective independent judgment and without any external influence. In the opinion of the Board, Mr. Arijit Basu is a person of integrity and possess relevant experience and expertise to be appointed as an Independent Director of the Company.

Further, Mr. Arijit Basu has confirmed that he satisfies the fit and proper criteria as prescribed under the applicable RBI regulations and that he is not disqualified from being appointed as a director in terms of Section 164(2) of the Act.

The Company has received written notice as per Section 160 of the Act, from a member proposing his candidature for the office of Non-Executive Director as per the provisions of Section 152 of the Act.

Brief profile of Mr. Arijit Basu along with his experience and specific areas of expertise are part of the explanatory statement to the Notice convening Annual General Meeting forming part of the Annual Report.

Necessary resolution seeking approval of the Members for appointment of Mr. Arijit Basu as a Part-Time Non-Executive Chairman and Independent Director of the Company has been included in the Notice of ensuing Annual General Meeting.

### KEY MANAGERIAL PERSONNEL

The Members at the Annual General Meeting held on June 23, 2022 has approved re-appointment of Mr. Ramesh G. as the Managing Director and Chief Executive Officer of the Company, not liable to retire by rotation, for the period of 5 (Five) years w.e.f. July 1, 2022 up to June 30, 2027 (both days inclusive).

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations/disclosures from each Independent Director of the Company under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have also confirmed compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

### BOARD COMMITTEES

Your Company has six Board level Committees - Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Information Technology Strategy Committee.

The details of the role and composition of these Committees, including the number of Meetings held during the financial year and attendance at these Meetings are provided in the Corporate Governance Section of the Annual Report.

### PERFORMANCE EVALUATION

Pursuant to the provision of the Companies Act, 2013 and SEBI Listing Regulations, the Annual Performance Evaluation of the Board, its Committees and each Director has been carried out for the year under review. The details of evaluation process of the Board, its Committees and individual Directors have been disclosed in the Corporate Governance Report forming part of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

- i. that in preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2023 and of the profits of the Company for the said year;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis;
- v. that the Company had laid down internal financial controls to be followed and that such internal financial controls are adequate and were operating effectively; and

## Directors' Report (Contd.)

- vi. that systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

As per the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company is required to establish an effective Vigil Mechanism for Directors and employees to report genuine concerns. The Company as part of the 'vigil mechanism' has in place a Board approved 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website of the Company and can be accessed at <https://www.hdbfs.com/investors>.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimisation of employees and directors and also provides direct access to the Chairman of the Audit Committee in exceptional circumstances. The whistle blower complaints were reviewed by the Audit Committee on a quarterly basis.

During the year under review, three complaints were received by the Company. All the complaints have been investigated and addressed as per the policy of the Company. There is one complaint outstanding as on March 31, 2023. None of the personnel of the Company were denied access to the Audit Committee.

### DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and Rules framed thereunder. The said policy is uploaded on the website of the Company which can be accessed at <https://www.hdbfs.com/policies>. Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has received Thirty Four complaints of which Twenty-Nine complaints were investigated and addressed as per the policy and Five complaints were under investigation as on March 31, 2023. All Six open complaints during the previous year ending

March 31, 2022 were closed in the reporting year. Complaints are reviewed by the Board of Directors on quarterly basis.

### STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Sections 139 and 141 of the Act and Rules made thereunder, the Shareholders in the 15<sup>th</sup> Annual General Meeting had ratified the appointment of M/s. KKC & Associates LLP (formerly Khimji Kunverji & Co. LLP) and M/s. B. K. Khare & Co, Chartered Accountants as the Joint Statutory Auditors of the Company, to hold office for a continuous period of three years until the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company to be held in year 2024.

M/s. KKC & Associates LLP (formerly Khimji Kunverji & Co. LLP) and M/s. B. K. Khare & Co., Chartered Accountants have given their confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors of the Company.

Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for FY 2022-23, is disclosed in the Financial Statements forming part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the year under review.

No frauds in terms of the provisions of section 143(12) of the Act have been reported by the Statutory Auditors in their report for the year under review.

### SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Act and Rules thereunder and Regulation 24A of the SEBI Listing Regulations, M/s. Mehta & Mehta, Company Secretaries, were appointed as the Secretarial Auditor of the Company, to conduct Secretarial Audit for the year under review.

The Report of the Secretarial Auditor in Form MR-3 is annexed as 'Annexure b'. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in its Report for the year under review.

### MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by the Central Government under section 148(1) of the Act, is not applicable to the Company.



## Directors' Report (Contd.)

### NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Board has formulated Nomination and Remuneration Policy of the Company which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors, identification of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management. The Nomination and Remuneration Policy also covers the Remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Nomination and Remuneration Policy is available on the website of the Company at <https://www.hdbfs.com/investors>.

### SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.

### EMPLOYEES STOCK OPTION SCHEME (ESOS)

The information pertaining to ESOS in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given in 'Annexure c'.

### STATUTORY DISCLOSURES

- i. Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Act and Regulation 62(1)(k) of the SEBI Listing Regulations, the Annual Return of the Company as on March 31, 2023 in the prescribed Form MGT-7 is available on the website of the Company at <https://www.hdbfs.com/investors>.
- ii. Disclosures in terms of Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in 'Annexure d'. Further, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Act, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

- iii. There has been no change in the nature of business of the Company during the year under review.

### RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed as 'Annexure e'.

### CORPORATE GOVERNANCE REPORT

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance of the Company forms part of the Annual Report.

All Board members and senior management personnel have affirmed compliance with the Company's code of conduct for FY 2022-23. A declaration to this effect signed by the Managing Director is included in Corporate Governance Report forming part of this Annual Report.

A certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed as 'Annexure f' to this Report.

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to section 186(11) of the Act, the provisions related to loans made, guarantees given and securities provided do not apply to the Company.

As regards investments made by the Company, the details of the same are provided in note no. 9 to the financial statements of the Company for the year ended March 31, 2023.

### DIVIDEND DISTRIBUTION POLICY

Your Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution

## Directors' Report (Contd.)

framework to the Stakeholders of the Company. The policy sets out various internal and external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company and can be accessed at <https://www.hdbfs.com/investors>.

### SUBSIDIARIES, JOINT VENTURES, ASSOCIATE COMPANIES

During the year under review, your Company had no subsidiary, joint venture or associate company. Also, the Company did not become a part of any Joint Venture during the year.

Accordingly, as at the end of the year under review and also as on the date of this Report, the Company does not have any subsidiary or associate Company and your Company is not a part of any Joint Venture.

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

The provisions of Section 134(3)(m) of the Act, the rules made there under relating to conservation of energy, technology absorption do not apply to your Company as it is not a manufacturing Company. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. The

details of foreign exchange earnings and foreign exchange expenditures are as below:

(₹ in Crore)			
#	Particulars	FY 2022-23	FY 2021-22
1	Foreign exchange earnings	Nil	Nil
2	Foreign exchange expenditures	4.21	0.34

### FIXED DEPOSITS

Your Company is a non-deposit taking Company. The Company has not accepted any fixed deposit during the year under review. The Company has passed a Board resolution for non-acceptance of deposits from public.

### RBI GUIDELINES

Reserve Bank of India ("RBI") granted the Certificate of Registration to the Company in December 2007 vide Registration No. N.01.00477, to commence the business of a non-banking financial institution without accepting deposits. Your Company is a Non Deposit Taking Systemically Important Non-Banking Financial Company ("NBFC- ND-SI"). Your Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

## Management Discussion and Analysis

### GLOBAL ECONOMY

In Calendar Year (CY) 2022, the world faced a new set of challenges, including geopolitical tensions in Europe, rising fuel and input costs and rising interest rates as central banks responded to inflationary pressures. The rising fuel and input costs led to higher production costs, which, in turn, led to higher prices for goods and services. This resulted in global inflation, which peaked at 8.80% in CY 2022, as the IMF World Economic Outlook reported. The high inflationary environment led to concerns among central banks worldwide, leading to tightening monetary policy, higher interest rates and increased volatility in financial markets.

In the US, persistently high inflation led to the Federal Reserve increasing interest rates to control it. The Bank of England and the European Central Bank had also embarked on raising interest rates, resulting in tighter financial conditions and

reduced demand in some sectors. This tightening of financial conditions further increased the challenges faced by the global economy, leading to a decrease in demand and slower economic growth.

However, it is expected that cooling fuel and commodity prices will contribute to a decrease in global inflation to 6.50% in CY 2023 and 4.10% in CY 2024, which will help mitigate some of the challenges the global economy currently faces.

Despite the macroeconomic challenges, the global economy grew by 3.40% in CY 2022, with the European Union growing at 3.60%, the United States at 2.10% and India at 7%. In CY 2023, the growth is projected to experience a slight decline, with a forecasted growth rate of 2.90%, owing to advanced economies that raised interest rates to combat inflation, particularly in the US.

## Directors' Report (Contd.)

The ongoing geopolitical strife is expected to continue to impact global growth in CY 2023. Growth in advanced economies stood at 2.70% in CY 2022 and is anticipated to decline 1.20% in CY 2023, while improving at 1.40% in CY 2024. Additionally, emerging and developing markets are expected to grow at a similar rate as CY 2022, with an anticipated growth rate of 4.0% in CY 2023 and further grow by 4.20% during CY 2024.

### IMF'S WORLD ECONOMIC OUTLOOK

Year	Global Economy Growth	Advanced Economies Growth	Emerging Markets and Developing Economies Growth
CY 2022	3.40%	2.70%	3.90%
CY 2023E	2.90%	1.20%	4.0%
CY 2024E	3.10%	1.40%	4.20%

(Source: World Economic Outlook JAN 2023 - IMF)

### INDIAN ECONOMY

According to the International Monetary Fund (IMF), India is expected to maintain its position as a more favourable contributor to the global economy, contributing around 15% to global economic expansion in CY 2023. Despite recovering from the COVID-19 pandemic, the Indian economy was adversely affected by global challenges, resulting in high inflation due to rising prices of commodities, food and fuel.

The Reserve Bank of India (RBI) responded by raising interest rates to control inflation four times in CY 2022. The first hike of 40 basis points to 4.40% occurred on May 04, 2022, with subsequent hikes of 50 basis points on June 08, 2022 and August 05, 2022, bringing the repo rate to 5.40%. A subsequent hike of 50 basis points in September 2022 and the fifth hike of 35 basis points in December 2022 led to a rise in the repo rate to 6.25%. Another rate hike of 25 basis points in February 2023 saw the rate climb to 6.50%, much in line with the broader market expectations.

After six consecutive hikes, the RBI paused in April 2023, setting the benchmark policy rate at 6.50%, but with a hawkish stance given the global backdrop.

Despite the global headwinds, the economy is expected to grow close to 7% in CY 2023, making it one of the fastest-growing economy. Private consumption has been a key driver of growth, with pent-up consumer demand, along with advances in the manufacturing and financial sectors.

The Government increased spending on infrastructure projects, which helped boost economic activity. This

expansion is anticipated to be accelerated further by the Government's focus on infrastructure development and initiatives like PM Awas Yojana (PMAY), National Monetisation Pipeline (NMP) and PM Gati Shakti.

### OUTLOOK

The IMF's World Economic Outlook (published in January 2023) predicts that the Indian economy will experience a growth rate of approximately 6% in FY 2023-24, which is slightly lower than the previous year's growth rate. GDP per capita is projected to rise to US\$ 2,690 in CY 2023 and US\$ 3,150 in CY 2025, indicating a substantial improvement in the business climate, among other factors expected to impact the Indian economy positively. Furthermore, an expected reduction in inflation to 5.30% in FY 2023-24 and approximately to 4% in the following financial year is expected to boost demand and consequently industrial activity, lower interest rates are likely to enable companies to expand their capacity and meet growing demand in both domestic and international markets.

The Union Budget outlined measures to increase capital spending, emphasise infrastructure development, promote sustainable and environmentally friendly activities and strengthen financial markets. These policies are expected to stimulate job creation and economic growth in India. With a strong emphasis on macroeconomic stability in recent years, the Indian economy is likely to benefit from these actions in the coming years.

### INDUSTRY OVERVIEW

Non-Banking Financial Companies (NBFCs) have started to compete with traditional banks by offering an array of financial services such as loans, credit facilities and investment products. NBFCs have a crucial role in providing credit to segments of the economy that are usually underserved by mainstream banks, such as low-income households, small and medium-sized businesses and rural communities. Their lending criteria is more amenable to the segments they operate in, while being nimbler in taking credit decisions than banks.

Customers in recent years have shown an inclination towards NBFCs due to their nimbler and more adaptable services to add to their increasing geographical reach. NBFCs are increasingly making use of technology to streamline lending



## Directors' Report (Contd.)

processes and provide personalised customer experiences, such as online applications, digital loan disbursements and repayments.

Over the past 15-20 years, there has been a move towards greater formalisation of credit and in a competitive environment with rising interest rates, NBFCs will need to focus on pricing power and higher-yield segments to maintain profitability. Stronger NBFCs with robust business models, capital adequacy, underwriting capabilities and a digital strategy are expected to outperform and grow in the coming years.

The Reserve Bank of India's (RBI) new regulatory framework comprises updated guidelines for the classification of Non-Performing Assets (NPAs) and provisioning requirements for standard assets, effective October 01, 2022. These guidelines aim to standardise recognition and reporting in NBFCs, given their expanding role in the financial system.

The RBI has recommended regulatory modifications under four key aspects of capital regulation and set a single credit concentration limit. The new framework is expected to strengthen the NBFC sector and reduce potential risks. While most NBFCs in the upper layer are not expected to face difficulties complying with the new norms, they will increase compliance requirements for large NBFCs.

The growth in AUM is expected to be driven by various factors, including strong pent-up demand, new product launches and increased car and utility vehicle sales. The expansion will likely be widespread across multiple retail sectors, with housing loans accounting for a major chunk of NBFC AUM, amounting to 40-45%. This is due to the improving economic activity, higher balance-sheet reserves and reduced concerns about asset quality.

*(Source: Reports by RBI, credit rating agencies and economic research forecasts)*

### OPPORTUNITIES AND THREATS

Non-banking financial companies (NBFCs) have the potential to seize growth opportunities by catering to underserved segments of the population, such as small businesses and low-income households. Embracing technology to streamline their operations and expand their customer base, collaborating with fintech companies and government initiatives promoting financial inclusion and digital payments further create room for NBFCs to explore.

Additionally, the expansion of the economy and growing middle class increase the need for financial services, creating a favourable environment for NBFCs to grow. Regulatory support and government efforts towards financial inclusion, especially in rural and semi-urban areas, also offer an opportunity for NBFCs to expand their reach where traditional banking channels may not have reached.

However, NBFCs must also contend with several threats, such as borrower defaults, competitive pressure from traditional banks and fintech startups and regulatory changes that can impact their operations and profitability. Moreover, rising interest rates and inflation leading to an increase in the cost of funds for NBFCs poses pressure on margins.

To mitigate risks, NBFCs may consider prioritising strong underwriting practices, diversifying their portfolios and enhancing their risk management systems to minimise borrower default risks. Investment in technology can also help improve customer experiences, increase operational efficiency and enhance competitiveness. Additionally, NBFCs should keep a watchful eye on regulatory changes and adapt their operations to comply with regulations, which can help maintain their profitability and stability in the long run.

### COMPANY OVERVIEW

HDB Financial Services ('HDBFS' or 'The Company') is a Non-Banking Financial Company (NBFC) in India offering various financial products and services across enterprise lending, asset financing and consumer loans.

The Company was founded in 2007 and has a strong financial foundation, with CRISIL and CARE reaffirming their highest ratings for the various facilities availed by the Company. HDBFS is dedicated to conducting itself ethically and its Code of Ethics and compliance policies promote transparency to ensure that the highest professional standards are maintained throughout the organisation.

### PRODUCTS AND SERVICES

HDBFS offers a comprehensive bouquet of products and service offerings that are tailor-made to suit its customers' requirements, including first-time borrowers and the underserved segments. HDBFS is engaged in the business of Loans, Fee based products and BPO services.

#### Loans

HDBFS's loan offerings span Consumer Loans, Enterprise Loans, Asset Finance and Micro-Lending.

## Directors' Report (Contd.)

### Consumer Loans

HDBFS offers customised loan options to individuals to help meet their personal or household short to medium-term financial requirements.

The Consumer Loans portfolio consists of:

- **Consumer Durable Loans** – HDBFS provides loans to facilitate the purchase of consumer durables and household appliances like air conditioners, washing machines, televisions, refrigerators and more.
- **Digital Product Loans** – Customers can purchase basic to high-end digital products with HDBFS's Digital Product Loan offerings.
- **Lifestyle Product Loans** – Customers can upgrade and enhance their lifestyle with Lifestyle Product Loans from HDBFS with purchases of various products like high-end furniture, cooking ranges and more.
- **Personal Loans** – From weddings to an unplanned vacations to home renovations, HDBFS offers personal loans to salaried and self-employed individuals to help them meet their urgent needs.
- **Auto Loans** – With tailor made auto loans from HDBFS, customers can easily make informed decisions on buying a new or used car.
- **Two-Wheeler Loans** – HDBFS provides two-wheelers loans to help individuals looking to purchase a two-wheeler.
- **Gold Loans** – HDBFS enables customers to fulfil their loan requirements by providing quick loans against the security of gold jewellery.

### Enterprise Loans

HDB provides Loans to businesses for their growth and working capital requirements. Various Loans offered to Enterprises include:

- **Unsecured Business Loan** – HDBFS provides collateral-free loans to small businesses to help them meet their financial requirements that could vary from the purchase of new machinery and inventory to procuring working capital or revamping the business.
- **Enterprise Business Loan** – Self-employed individuals and professionals, private companies and partnership firms use our Enterprise Business Loans to boost their business.

- **Loan Against Property** – Businesses can get an HDBFS multi-purpose loan against property to expand or as working capital.
- **Loan Against Lease Rental** – HDBFS customers can benefit from loans against rental income received on leased property.
- **Loan Against Securities** – Loan against securities ensures that customers can meet their immediate cash requirements by pledging their investments or securities like insurance policy, debt instruments and Bonds with the Company without having to liquidate them.

### Asset Finance

HDBFS offers loans to help customers purchase new and used vehicles and equipment to boost their income generation. We provide the following offerings:

- **Commercial Vehicle Loans** – HDBFS provides loans for purchase of new and used commercial vehicles and provides refinance against existing vehicles for business working capital. HDBFS extends these offerings to fleet owners, first-time users, first-time buyers and captive-use buyers.
- **Construction Equipment Loans** – HDBFS provides loans for the procurement of new and used construction equipment. The Company also facilitates refinancing on existing equipment.
- **Tractor Loans** – HDBFS offers customised tractor loans for the purchase of tractors or tractor-related implements to meet any agricultural or commercial needs.

### Micro-Lending

HDBFS offers micro-loans to borrowers through the Joint Liability Groups (JLG) framework to empower and promote financial inclusion for the sustainable development. HDBFS commenced its micro-loans in the year 2019 and is now currently operating in 7 states - Maharashtra, Bihar, Rajasthan, Gujarat, Madhya Pradesh, Uttar Pradesh & Odisha covering 67 districts.

### Fee-based Products/Insurance Services

HDBFS has a license from the Insurance Regulatory & Development Authority of India (IRDAI) and is a registered Corporate Insurance Agent certified to sell both Life and General (Non-Life) insurance products. We have tie-ups with HDFC Life Insurance Co. Limited and Aditya Birla

## Directors' Report (Contd.)

Sun Life Insurance for life insurance products. HDB has partnered with HDFC Ergo General Insurance Co. Limited and Tata AIG General Insurance Co. Limited for general insurance products.

### BPO Services

HDBFS's BPO services offerings include running collection call centres, sales support services, back office operations and processing support services.

- **Collection Services** – HDBFS has a contract to run collection call centres for HDFC Bank. These centres provide collection services for the entire range of HDFC Bank's retail lending products. We offer comprehensive end-to-end collection services across 700 locations via on-call and field support teams. We have established 18 call centres with 5,500 seat capacity across the country.
- **Back Office and Sales Support** – HDBFS offers sales support and back-office services like forms processing, document verification, finance and accounting operations and processing support for HDFC Bank.

### DIGITAL LENDING JOURNEY

To meet the new and constantly evolving financial credit needs of tech-savvy customers, HDBFS's has sought to transcend the conventional credit lending approaches. HDBFS's active investment in the digitisation of lending services and solutions has allowed it to connect and cater to the New India and tech-savvy customers in a personalised manner.

Several digital offerings have been launched for commercial and retail segments to provide integrated solutions and simplify the borrowing process. These digital offerings include:

- **Digital Loans:** To offer convenience to the customers, HDBFS has introduced a digital loan process in partnership with select channels where customers can apply online without physically visiting the store or a branch. HDBFS's customer care team efficiently guides customers with their loan processing journey via on-call and digital support.
- **Partnership with new-age Fintech Players:** HDBFS has initiated strategic partnerships with new-age Fintech players in the country to provide best in class, innovative digital solutions and services. These collaborations have been successful in demonstrating an improved customer experience in conjunction with a convenient

digital KYC process, quick application approval and disbursement of funds.

- **e-NACH & e-Sign:** The introduction and implementation of these digital tools ensure a seamless customer experience with paperless processes, fewer errors and quicker disbursements. The digital process ensures the collection of the applicant's basic information and documents upload, followed by an e-verification process. Upon completion of e-verification of details and documents submitted, the customer may digitally sign the agreement through Aadhaar-based authentication.
- **Credit Report:** Customers can check their customised credit report, for free by just providing their mobile number on HDBFS's website.

### CUSTOMER SERVICE DIGITAL CHANNELS

- **HDB On-the-Go App** – HDBFS has launched an updated version of mobile app HDB On-The-Go with new and improved features and better UI & UX for android and iOS users. There is also a web version of the app hosted on the website.
- **WhatsApp Account Management** – Customers can send a 'Hi' to our WhatsApp number, 73049 26929, to get real-time information about their loan account.
- **Customer Service Bot** – Our virtual assistant and chatbot, #AskPriya, helps customers with all loan-related information and the latest offers.
- **Missed Call Service** – Customers can receive all their loan-related information via an SMS after giving us a missed call from their registered mobile number on 044 4560 2401.
- **Customer Portal** – The portal allows the customers to manage their loan account and get all loan related information quickly and efficiently.

### KEY INITIATIVES

- **Digital Pre-Approved Offers** – Pre-Approved loans are offered to customers who have a demonstrated credit history and repayment ability. Customers with pre-approved loan offers can apply for a loan digitally and the loan amount is disbursed in the bank account.
- **Fintech Partner Integration** – Our collaboration with various fintech partners allows real-time lead sharing by partners, enabling us to generate customised offers for customers and quickly fulfil their requirements.

## Directors' Report (Contd.)

- **Relationship Management (RM) and Virtual Relationship Management (VRM)** – HDBFS reaches out to select customers to address their financial requirements and assist them with additional HDBFS products through a relationship manager. The other customers are catered through VRM.
- **Aabhaar Card (Loyalty Card)** – Customers enjoy easy documentation, pre-approved loan eligibility and a host of other benefits with HDBFS loyalty cards – the Blue Aabhaar Card and the Platinum Aabhaar Card.
- **Jiffy loan** – Jiffy Loan is an Instant personal loan for salaried customers using an end to end digital process. The loan gets disbursed in the customers' bank account within two hours, once approved.
- **WhatsApp Loan Application:** Customers can send an "Apply" on 8010921485 to apply for an instant loan on WhatsApp.

### SEGMENT WISE PERFORMANCE

Revenue from lending business of the Company grew to ₹ 9,768.95 Crore for FY 2022-23 from ₹ 8,942.88 Crore in FY 2021-22.

Revenue from the BPO services division grew to ₹ 2,633.93 Crore in FY 2022-23 from ₹ 2,363.41 Crore in FY 2021-22. The Company's net profit surged to ₹ 1959.35 Crore in FY 2022-23, from ₹ 1,011.04 Crore for FY 2021-22.

### INFRASTRUCTURE

With a presence in 1,054 cities throughout India, the Company operates a total of 1,492 branches as of March 31, 2023. Our data centres are in Bengaluru and Mumbai. We have three centres for centralised operations in Hyderabad, Chennai and Noida. In an effort to enhance its internal processes,

the Company has introduced a quality management system specifically for its centralised operations.

### OUTLOOK

As the market and customer expectations mature, differentiated customer acquisition and deeper customer engagement through the lifecycle assumes importance. With the economy projected to continue growing, the Company with its diversified product portfolio, broad reach through its network of 1,492 branches across the country and its digital infrastructure, the Company is cautiously optimistic in its outlook for the fiscal 2024.

### RISK MANAGEMENT

The Company as a participant in the financial service industry is faced with various risks including credit, operational, liquidity, digital lending and information security risks. A robust risk management framework has been put in place to ensure effective assessment, measurement and monitoring of these risks. The Board of Directors oversees all risks and has established specific committees to provide focused oversight of identified risks.

Enhancing risk awareness at all levels of the organisation is important and the Company is constantly upgrading its security measures including cyber security measures, to avoid and mitigate various risks. The ultimate goal is to achieve an optimal balance of return for the risk assumed while remaining within acceptable risk levels.

Regular stress tests are conducted to ensure resilience and identify vulnerabilities. These tests provide valuable insights to the management team, allowing quantification of the impact of potential risks and the development of plausible business-as-usual mitigating actions.

## Directors' Report (Contd.)

The Company's commitment to sound risk management practices has enabled it to weather the turbulence experienced in the markets over the past two years. As risk management continues to be prioritised, the Company remains confident in its ability to protect its financial strength, operations and reputation.

Risk	Mitigation
Credit Risk including Credit Concentration Risk	The Company has established policies, procedures and systems for managing credit risk. Credit quality is monitored and losses from defaults are minimised by setting credit parameters and monitoring exposures against approved limits. Credit concentration of exposures is also monitored to avoid unacceptable risk concentrations.
Digital Lending Risk	The Company has automated its loan application process by leveraging tools like CRM, rule engine and bureau integration to enhance productivity and deliver a seamless customer journey. Controls have been implemented and analytics and reporting systems are in place for collection and recovery to maintain a healthy asset quality.
Business/Strategic Risk	The Company pursues diversification through various products, customer segments and geographies to mitigate business and strategic risks. A balanced growth approach is maintained while adhering to a healthy asset-liability mix and prudent provisioning policies.
Reputation Risk	The Company mitigates reputation risk by implementing a code of conduct for employees, strong governance policies and a customer grievance mechanism. Stakeholders are engaged with regularly to address concerns and expectations.
Technology Risk	The Company leverages technology to enhance customer experience, improve productivity and manage risks. The Company continuously improves its processes and controls to mitigate cyber threats and has established a Cyber Resilience Framework and a next-generation Security Operations Centre with AI-ML capability. A layered technology & cyber-security architecture, Disaster Recovery and Business Continuity Plans and access control mechanisms have been implemented. This is consistently monitored through a third party assurance mechanism, on an ongoing basis. Further all employees undergo annual cybersecurity & compliance training and periodic simulation exercises to keep them abreast with the latest trends in the cybersecurity happenings, which helps our company to continuously improve on our cybersecurity posture.
Compliance Risk	Compliance risks are managed and monitored in the Company by implementing a Compliance Policy overseen by the Chief Compliance Officer and a dedicated team. The team regularly reviews products and processes for regulatory compliance and updates internal policies to minimise legal or regulatory risk.
Liquidity Risk	The Company's Asset Liability Committee (ALCO) is responsible for managing liquidity risk and ensuring adequate levels of liquidity and interest rate risk management. To manage liquidity risk, the ALCO monitors various metrics, including the Net Interest Margins (NIM), maturity profile, stock ratios and asset-liability mix. Additionally, the committee ensures sufficient unencumbered High-Quality Liquid Assets (HQLA) for short-term obligations by monitoring the Liquidity Coverage Ratio (LCR) daily. The Company has also implemented a liquidity risk framework which is monitored by the ALCO and Risk Management Committee.
Interest Rate Risk	The Company's Asset Liability Committee (ALCO) is responsible for managing balance sheet planning for risk-return and strategic management of interest rate and liquidity risks. The Company assesses its sensitivity to interest rate movements using traditional gap analysis to identify and mitigate potential risks. The Advances Book and Funding strategy are tailored to offset the repricing of borrowings by repricing loans.



## Directors' Report (Contd.)

Risk	Mitigation
Operational Risk	<p>Operational Risk is the chance of financial loss due to insufficient internal processes, personnel, technology systems, or external factors. It covers legal risk but not strategic or reputational risks.</p> <p>The Company has a robust operational risk framework with monitoring by the Board of Directors, Risk Management Committee and Operational Risk Management Committee (ORMC).</p> <p>The Company has a three layered defence mechanism which includes the business units, operational risk team and internal audit, combined with established policies, procedures and robust internal controls. The ORMC also reviews the outsourcing policy and monitors outsourced activities.</p>

**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements represent the financial statements of the Company and its controlled entities, which comprise the Group. The Group consolidates an entity when it has control over it, determined by its ability to affect the variable returns from its involvement with the investee. Consistent accounting policies are used for similar transactions and events when preparing consolidated financial statements. If any member of the Group uses different accounting policies for similar transactions and events, adjustments are made to their financial statements to ensure compliance with the Group's accounting policies.

**INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT**

The Company has designed a robust and comprehensive internal control system across all major processes to ensure efficient operations, compliance with laws and regulations and reliability of financial reporting. Internal Audits are conducted by an in-house Internal Audit team. The Head of Internal Audit reports to the Audit Committee of the Board. The Risk Based Internal Audit framework supports the system, which evaluates the effectiveness of internal controls, risk management and governance processes to provide independent assurance to the Board of Directors and Audit Committee of the Board. The Risk Based Internal Audit framework is appropriate for the business's size, scale and complexity and the risk based internal audit plan is developed based on the risk profile of its activities. The Audit Committee of the Board approves the risk based internal audit plan annually and regularly reviews the Internal Audit Department's observations, performance status, providing guidance as needed.

**COMPLIANCE**

The Company has an independent compliance function headed by a Chief Compliance Officer with direct reporting to the MD & CEO, the Company also has an approved compliance policy by its Board, ensuring effective monitoring and supervision of the compliance function in accordance with statutory requirements. The performance of the compliance function is reviewed by the Audit Committee, which assesses the effectiveness of controls to ensure compliance with regulatory guidelines. The Committee offers guidance and direction to the Management as necessary and appropriate.

**HUMAN RESOURCE**

At HDBFS our talent pool is one of our key success drivers. We continue to stay committed to investing in our people and driving a culture that emphasizes on our Core Values i.e. integrity, collaboration, agility, respect, excellence and simplicity. Our senior leadership team regularly communicates the Organization's strategy and vision, creating an interactive and engaging work culture. As a Company we provide an environment that facilitates superior performance and gives our employees ample opportunities for development and growth through our various Learning & Development, Skill-Building and Talent Management initiatives. We also drive various Engagement and Reward & Recognition Programs with the objective of keeping our talent engaged. Given our unwavering focus on superior employee experience and resource effectiveness, we have chalked our multiple transformational projects for FY 24 that would drive these objectives. As on March 31, 2023 the number of employees at HDBFS stands at 1,17,162.

## Directors' Report (Contd.)

### CSR TALES: IMPACTING LIVES

#### Transport Aarogyam Kendra:

Gopal, 45, lives in Ranchi. He was in the transportation industry. He had an accident one day. As a result, he was severely injured on his back and he was unable to work and was bedridden. He visited numerous medical facilities but received no pain alleviation. Due to financial difficulties, his family was unable to transport him to a higher level of care. He learned about the Transport Aarogyam Kendra and its free physiotherapy services. He underwent treatment and began walking without assistance after one month of treatment. With his self-motivation, cheerful personality and physiotherapy treatment, he is now able to walk and has begun working.

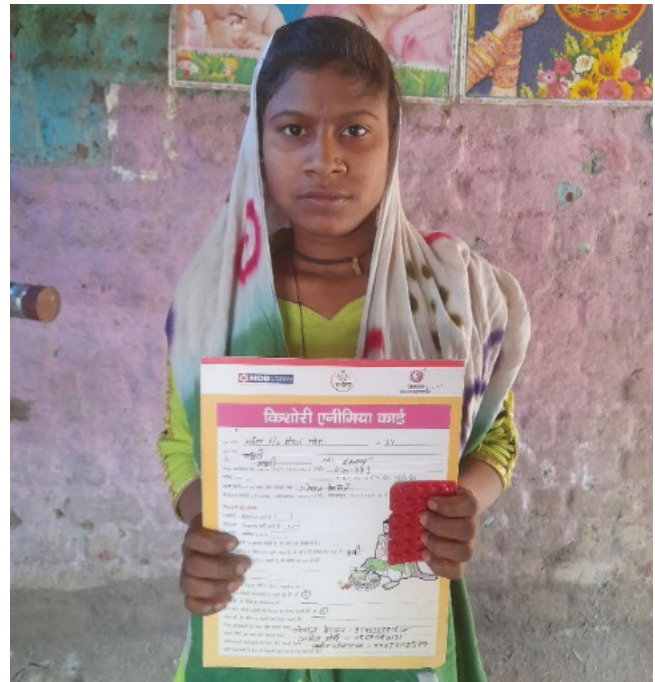


He is now a regular visitor who shares information about the facilities with other transporters and drivers.

*Transport Aarogyam Kendra is a CSR initiative of HDB Financial Services Limited; a pioneering programme conceptualised to provide physiotherapy treatment to India's truck drivers. Like Gopal, several other truck drivers across Delhi, Mumbai, Namakkal and Ranchi have benefitted from physiocare services offered at HDB's Transport Aarogyam Kendras.*

#### Project SNEHA:

Narmada is 16-year-old and lives with her family of five members in Mathuri village, Ratlam district. To supplement her household income, she dropped-out of school and started working as farm worker.



In August 2021, Narmada and her sister attended first Hb camp which was organised in the village as a part of Project SNEHA and was diagnosed as 'Severely Anaemic'. After the camp, the project team visited her home and collected information about her health issues.

Narmada and her parents were counselled for immediate treatment at a district hospital.

Narmada and her mother were also counselled about home-cooked nutritious diet that comprised of green leafy vegetables, iron rich foods and intake of medically-prescribed Iron Folic Acid (IFA) tablets.

Narmada now feels more energetic and also encourages other women to improve their consumption of locally produced, iron-rich food for a healthy living.

*Project SNEHA is a collaborative effort of HDB Financial Services and CHETNA NGO to prevent anaemia among adolescent girls and women in the reproductive age and to break the intergenerational cycle of malnourishment. Several women in the urban and rural slums of Madhya Pradesh and Gujarat (high anaemic states) have benefitted from Project SNEHA.*

## Directors' Report (Contd.)

### Lake Restoration:

Nyasargikere, a Community Lake situated in Mundagod Taluk, Uttara Kannada, Karnataka, was rejuvenated in 2019 with the CSR support of HDB Financial Services.



During a field visit in February, 2023, Gnyaneshwar Yallappa, Member of the Gram Panchayat, shared that the Lake has emerged as a true catalyst of prosperity in farming, not just for few, but for all the farmers in the village! Despite being relatively older lake in the vicinity, the Lake never underwent either partial de-siltation or a complete rejuvenation in last few decades.

Gnyaneshwar further explains, prior to rejuvenation, the lake was beneficial only for around 10-15 families and 35-40 acres of agriculture land that are adjacent to it as the water

holding capacity was limited. Post rejuvenation, around 60-70 families are benefitted and over 200 acres of land in the command area is now brought under cultivation.

Further, the Lake helps recharge aquifers naturally and aid in maintaining the ecological balance at large.

*In an attempt to mitigate climate change, HDB Financial Services collaborates with grassroots organisation to restore dying waterbodies in a scientific manner. Like Nyasargikere, 135 community lakes have been restored.*

### CAUTIONARY STATEMENT

As per applicable laws and regulations, this Report contains some forward-looking statements. However, it should be noted that the actual results may differ from those expressed or implied due to various factors such as economic conditions, Government policies and other related factors.

### ACKNOWLEDGEMENT

The Directors would like to express their gratitude towards the Reserve Bank of India, other regulatory and Government Bodies, the Company's Auditors, Customers, Bankers, Promoters, and Shareholders for their valuable support. Additionally, the Directors would like to acknowledge the efforts and dedication of the Company's employees, whose hard work and loyalty have contributed significantly to the Company's growth and success.

**On behalf of the Board of Directors**

**Sd/-**  
**Arijit Basu**  
Chairman

Place: Mumbai  
Date: May 31, 2023



## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The CSR Policy of the Company is the guiding document to optimally allocate, manage and supervise prescribed CSR funds of the Company. The document spells out the Company's CSR mission of contributing towards social and economic development of the community and the strategy to work towards its mission statement.

The Company has adopted seven development areas that are in line with Schedule VII, and further defines the nature of CSR initiatives to be undertaken. The policy document highlights the role of the CSR committee members too. The CSR Policy of the Company is in line with Section 135 of the Act, CSR Rules and Schedule VII of the Act.

### 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	Dr. Amla Samanta	Chairperson of the Committee, Independent Director	2	2
2	Ms. Smita Affinwalla	Member, Independent Director	2	2
3	Mr. Ramesh G.	Member, Managing Director & CEO	2	2

### 3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

CSR Policy includes Composition of CSR Committee and the CSR Policy is uploaded on the Company's website and can be accessed at: <https://www.hdbfs.com/sites/default/files/policies/Corporate-Social-Responsibility-Policy-23.pdf>

List of active CSR projects approved by the Company are uploaded on the Company's website and can be accessed at: <https://www.hdbfs.com/sites/default/files/hdbfs-pdf/CSR-Partners-Projects-For-Website.pdf>

### 4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH THE WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE.

The Company identified projects that were due for impact assessment in FY 2022-23. An independent agency was assigned to conduct impact assessment for projects with an outlay of ₹ 1 Crore and above. The assessment exercise has been conducted for 13 (Thirteen) projects and detailed assessment reports have been presented to the Board of Directors of the Company. The executive summary along with detailed assessment reports are uploaded on the Company website at <https://www.hdbfs.com/corporate-social-responsibility>

### 5.

- Average net profit of the Company as per sub-section (5) of section 135 = ₹ 1,107.64 Crore
- Two percent of average net profit of the Company as per sub-section (5) of section 135 = ₹ 22.15 Crore
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years = NIL
- Amount required to be set off for the financial year, if any = 1.13 Crore
- Total CSR obligation for the Financial Year (5b+5c-5d) = ₹ 21.02 Crore

### 6.

- Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project) = 20.29 Crore
- Amount spent in Administrative Overheads = 0.99 Crore
- Amount spent on Impact Assessment, if applicable = 0.50 Crore
- Total amount spent for Financial Year (6a+6b+6c) = 21.78 Crore

## Directors' Report (Contd.)

- e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Crore)	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 provision to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
21.78	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

- 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	22.15
(ii)	Total amount spent for the Financial Year	21.78
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.76*
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.76

**Note:** \*The Company had ₹ 1.13 Crore as amount available for set-off against prescribed CSR expenditure of ₹ 22.15 Crore for Financial Year 2022-23. During the year, the Company spent ₹ 21.78 Crore against requirement of ₹ 21.02 Crore (₹ 22.15 Crore - ₹ 1.13 Crore) leading to a excess of ₹ 0.76 Crore.

## 7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

(₹ in Crore)								
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	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount spent in the Reporting Financial Year	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	Deficiency, if any
					Amount	Date of transfer		
1.	FY 2022-23	NIL	2.28	2.28	Not Applicable	Not Applicable	0.00	0.00
2.	FY 2021-22	NIL	7.31	5.03	Not Applicable	Not Applicable	2.28	2.28
3.	FY 2020-21	7.31	7.31	NIL	Not Applicable	Not Applicable	7.31	7.31

## 8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No

## 9. 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: Not Applicable

Sd/-  
Amla Samanta  
Chairperson, CSR Committee

Sd/-  
Ramesh G.  
Managing Director & CEO

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE YEAR ENDED MARCH 31, 2023**

*{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,  
**HDB Financial Services Limited**  
Radhika, 2nd Floor, Law Garden Road,  
Navrangpura, Ahmedabad GJ 380009.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDB Financial Services Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under **(during the period under review not applicable to the Company);**
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(during the period under review FEMA Regulations for Foreign Direct Investment and Overseas Direct Investment were not applicable to the Company);**
- (v) 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 **(during the period under review not applicable to the Company);**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(during the period under review not applicable to the Company);**
  - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(during the period under review not applicable to the Company);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company);**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

## Directors' Report (Contd.)

- (i) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 2021;
- (vi) Non-Banking Financial Company – Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016;
- (vii) Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
- (viii) Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
- (ix) Master Direction - Information Technology Framework for the NBFC Sector;
- (x) Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.

We have examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc.

### We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the Directors. Meetings held at shorter notice are in compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company had the following special / ordinary resolutions which are having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The members of the Company passed a resolution at its 15<sup>th</sup> Annual General Meeting to declare final dividend @ 10% i.e. ₹ 1/- on each equity share for the financial year ended March 31, 2022.
- b. To approve re-appointment of Mr. G. Ramesh as a Managing Director and Chief Executive Officer of the Company.
- c. Authority to issue secured redeemable non-convertible debentures (NCDs) on private placement basis upto ₹ 18,078.90 Crore.
- d. To approve selling, assignment, Securitisation of receivables/book debts of the Company upto ₹ 7,500 Crore.
- e. Authority to issue secured redeemable non-convertible debentures (NCDs) on private placement basis upto ₹ 5,000 Crore.
- f. To approve Material Related Party Transactions with HDFC Bank Limited for FY 2023-24.
- g. To approve Material Related Party Transactions with HDFC Life Insurance Company Limited for FY 2023-24.
- h. To approve Employee Stock Option Scheme 2022 for eligible employees of HDB Financial Services Limited.
- i. To revise Profit Related Commission payable to Independent Directors.

**We further report that** during the audit period the Company has transacted the following activities through the approval of the Board / Committee resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The Company has under various Employee stock option scheme issued and allotted 9,59,052 (Nine Lakhs Fifty-Nine Thousand Fifty-Two) Equity Shares of ₹ 10/- each to employees of the Company.
- b. The Company has issued and allotted 3,61,778 (Three Lakhs Sixty-One Thousand Seven Hundred and Seventy-Eight) Secured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each (Rupees Ten Lakhs Only) & ₹ 1,00,000 (Rupees One Lakhs Only)

## Directors' Report (Contd.)

in various tranches on private placement basis, which were duly listed on BSE Limited. Also during the reporting year, the Company has received 4<sup>th</sup> Call money of ₹ 300 Crore (i.e. 20% of the amount raised) towards partly paid up Non-Convertible Debentures issued and allotted in the FY 2019-20;

- c. The Company has issued / allotted 4,000 Commercial Papers with face value of ₹ 5,00,000 (Rupees Five Lakhs Only) each in the reporting year;
- d. The Company has redeemed 49,409 Secured Redeemable Non-Convertible Debentures in various tranches during the year.
- e. The Company has redeemed 4,000 Commercial Papers during the year.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Sd/-**

**Dipti Mehta**

Partner

FCS No: 3667

CP No: 23905

Place: Mumbai

Date: April 15, 2023

UDIN: F003667E000103580

**Note:** This report is to be read with our letter of even date which is annexed as '**ANNEXURE A**' and forms an integral part of this report.

## Directors' Report (Contd.)

## Annexure A

To,  
The Members,  
**HDB Financial Services Limited**  
Radhika, 2nd Floor, Law Garden Road,  
Navrangpura, Ahmedabad GJ 380009.

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points (vi) to (x) of our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The 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 **Mehta & Mehta,**  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Sd/-**  
**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905  
Place: Mumbai  
Date: April 15, 2023  
UDIN: F003667E000103580

**DETAILS OF EMPLOYEES' STOCK OPTION SCHEME PURSUANT TO THE PROVISIONS OF RULE 12(9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2023**

Details	ESOS - 10	ESOS - 11	ESOS - 12	ESOS - 13	ESOS - 13A	ESOS - 14	ESOS - 15A	ESOS - 15B
Options granted during the year	-	-	-	-	-	-	11,83,140	35,81,490
Options vested	-	-	5,54,500	3,39,835	15,000	6,46,848	-	-
Options exercised	-	32,410	3,94,140	2,13,570	13,000	3,05,932	-	-
Total number of shares arising as a result of exercise of option	-	32,410	3,94,140	2,13,570	13,000	3,05,932	-	-
Options lapsed / forfeited	-	-	30,680	52,190	-	1,29,165	-	83,320
Exercise price (in ₹)	213	274	300	348	409	433	457	509
Money realised by exercise of options (in ₹)	-	88,80,340	11,82,42,000	7,43,22,360	53,17,000	13,24,68,556	-	-
Total number of options in force as at March 31, 2023	42,000	74,020	2,78,090	6,67,395	37,000	17,99,723	11,83,140	34,98,170
Options exercisable, end of year	42,000	74,020	2,78,090	2,64,275	2,000	3,40,916	-	-

**Note:** During the FY 2022-23, there was no variation in terms of Employees' Stock Option Scheme.

**Employee wise details of options granted to Key Managerial Personnel is given below:**

Sr. No.	Name	Designation	Grant during FY 2022-23
1	Ramesh G.	Managing Director & Chief Executive Officer	2,43,300
2	Jaykumar P. Shah	Chief Financial Officer	1,27,600
3	Dipti Khandelwal	Company Secretary and Head - Legal	-

**DISCLOSURES IN TERMS OF SECTION 197(12) READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1. The ratio of the remuneration of each Director to the median remuneration of employees of the Company for the financial year as below:

Name and Designation	Ratio
Mr. Arijit Basu, Chairman	21:1
Mr. Venkatraman Srinivasan, Independent Director	12:1
Ms. Smita Affinwalla, Independent Director	11:1
Dr. Amla Samanta, Independent Director	8:1
Mr. Adayapalam Viswanathan, Independent Director	12:1
Ms. Arundhati Mech, Independent Director	7:1
Mr. Ramesh G., Managing Director & Chief Executive Officer	225:1

2. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

Designation	Percentage Increase
Managing Director & Chief Executive Officer	12%
Chief Financial Officer	15%
Company Secretary	25%

**Non-Executive/ Independent Directors**

The Shareholders by resolution passed through postal ballot on March 26, 2023 had approved to revise the profit related commission payable to the Independent Directors of the Company with effect from April 01, 2022 at the rate of ₹ 1,00,000 per meeting of the Board and/or Committee attended, up to maximum of ₹ 15,00,000 per Independent Director in a Financial Year, from ₹ 60,000 per meeting of the Board and/or Committee attended, up to maximum of ₹ 7,50,000 per Independent Director in a Financial Year.

3. During the year under review there was 4.66% increase in the median remuneration of the employees of your Company.
4. As on March 31, 2023 there were 1,17,162 employees on the rolls of your Company.
5. It is hereby affirmed that the remuneration paid during the year was as per the Remuneration policy of the Company.
6. Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 2.77% whereas the increase in the managerial remuneration was 17.33%.



**RELATED PARTY TRANSACTION DISCLOSURE AS PER SECTION 188 OF THE COMPANIES ACT, 2013**
**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 transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis: **Nil**
2. Details of material contracts or arrangement or transactions at arm's length basis:

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/ arrangements/ transactions</b>	<b>Duration of the contracts/ arrangements/ transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Justification for entering into such contracts or arrangements or transactions</b>	<b>Date(s) of approval by the Board, if any</b>	<b>Amount paid as advances, if any</b>
HDFC Bank Limited (Holding Company)	Providing sales support services	April 2022- March 2023	The Company has a contract with the HDFC Bank for providing sales support services. Income from sales support services is ₹ 1,821.96 Crore	It is specialised service provided by the Company to HDFC Bank at cost plus mark up as per the terms agreed between parties	NA	Nil
HDFC Bank Limited (Holding Company)	Term Loans availed/repaid	April 2022- March 2023	The terms and rates are determined as per prevailing market rates. Term Loan availed is ₹ 4,034.90 Crore Repaid is ₹ 3,015.43 Crore	This is in furtherance of the fund raising activities of the Company		Nil

The details of the other related party transactions including amount has been mentioned in the notes forming part of financial statement at Note no. 37.

The above mentioned material related party transactions was entered into by the Company in the ordinary course of business and at arm's length basis duly approved by the Audit Committee of the Company. The materiality threshold is as prescribed in Rule 15 (3) the Companies (Meetings of Board and its Powers) Rules, 2014.

**Sd/-**  
**Arijit Basu**  
Chairman

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
**HDB Financial Services Limited**

We have examined the compliance of conditions of Corporate Governance by **HDB Financial Services Limited** (hereinafter referred as "Company") for the Financial year ended March 31, 2023 as prescribed under Regulations 17 to 27 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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 our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance 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.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Sd/-**  
**Dipti Mehta**  
Partner

FCS No: 3667  
CP No: 23905

Place: Mumbai  
Date: April 15, 2023

UDIN: F003667E000103681

# Corporate Governance Report

## Report on Corporate Governance pursuant to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming a part of the report of the Board of Directors

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. The governance practices and processes ensure that the interest of all stakeholders are taken into account in a transparent manner and are firmly embedded into the culture of the organisation.

The Company has fair, transparent and ethical governance practices, essential for augmenting long-term shareholder value and retaining investor trust. This has been possible through continued efforts and commitment to the highest standards of corporate conduct.

The Company has a dynamic, experienced and well-informed Board. The Board along with its Committees, with the Corporate Governance mechanism in place, undertakes its fiduciary duties towards all its stakeholders. The Company has adopted a Board approved Corporate Governance Code which will help the Company in attaining its objectives/goals, since it encompasses every sphere of operations, management, action plans, internal controls, performance measurement and regulatory disclosure. The said Corporate Governance Code has been uploaded on the Company's website and can be accessed at <https://www.hdbfs.com/investors>.

### BOARD OF DIRECTORS

The Board of Directors ("**Board**") is at the core of the corporate governance system of the Company. The Board is committed

towards compliance of sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long term interests of the members and other stakeholders. This belief is reflected in the governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

The Company strives to maintain an appropriate balance of skills and experience within the organisation and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity.

Committees of the Board handling specific responsibilities mentioned under the applicable laws viz. Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee etc. empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient resolution of diverse matters.

In compliance with the provisions of the Companies Act, 2013 ("**Act**") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Board of your Company has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board is in compliance with the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time. As on March 31, 2023, the Board comprised of seven members, out of which one is Executive Director, one is Non-Executive Chairman and five are Non-Executive Independent Directors of which, three of the Non-Executive Independent Directors are Women.

The composition of the Board of Directors as at March 31, 2023:

Sr. no.	Category	Name of the Director	Director since
1	Executive Director	Mr. Ramesh G. (Managing Director & Chief Executive Officer)	July 01, 2012
2	Non-Executive Director	Mr. Arijit Basu (Chairman and Non-Executive Director)	June 01, 2021
3	Independent Directors	Mr. Venkatraman Srinivasan	March 12, 2015
		Ms. Smita Affinwalla	March 12, 2015
		Dr. Amla Samanta	May 01, 2019
		Mr. Adayapalam Viswanathan	July 24, 2019
		Ms. Arundhati Mech	February 11, 2022

#### Note:

1. Mr. Ramesh G. was re-appointed as a Managing Director & Chief Executive Officer of the Company for the period of 5 (Five) years with effect from July 1, 2022 up to June 30, 2027 not liable to retire by rotation and the same was approved by the Members of the Company at the 15th Annual General Meeting held on June 23, 2022.

## Corporate Governance Report (Contd.)

2. The Board of Directors based on the recommendation of Nomination and Remuneration Committee and declaration of independence received from Mr. Arijit Basu, has appointed Mr. Arijit Basu as a Part-Time Non-Executive Chairman and Additional Independent Director of the Company with effect from May 31, 2023 till the conclusion of the ensuing Annual General Meeting of the Company. Accordingly, Mr. Arijit Basu has tendered his resignation from the position of Chairman & Non-Executive Director (Non-Independent) of the Company with effect from May 31, 2023.

All the Directors have made necessary disclosures regarding their directorship and committee positions occupied by them in other companies. None of the directors are related to each other.

Details of directorships, memberships and chairpersonships of the committees of other companies for the Directors of the as on March 31, 2023 Company are as follows:

Name of the Director & DIN	Category	Directorships			Number of Committee positions held**	
		In equity listed companies	In unlisted public companies*	In private limited companies	Chairperson	Member
Mr. Ramesh G. (DIN: 05291597)	Managing Director & Chief Executive Officer	0	1	0	0	1
Mr. Arijit Basu (DIN: 06907779)	Chairman and Non-Executive Director	0	2	0	0	1
Mr. Venkatraman Srinivasan (DIN: 00246012)	Independent Director	3	1	1	3	6
Ms. Smita Affinwalla (DIN: 07106628)	Independent Director	1	2	2	1	4
Dr. Amla Samanta (DIN: 00758883)	Independent Director	0	2	2	1	2
Mr. Adayapalam Viswanathan (DIN: 08518003)	Independent Director	0	1	0	0	1
Ms. Arundhati Mech (DIN: 09177619)	Independent Director	0	2	0	0	2

\* Including Directorship in HDB Financial Services Limited.

\*\* Disclosure includes Chairmanship/ Membership of Committees as required for computation of maximum number of Committees of which Director can be Chairman or Member in terms of Regulation 26(1) of SEBI Listing Regulations (i.e. Chairmanship/ Membership of Audit Committee and Stakeholders Relationship Committee in all Indian public companies including HDB Financial Services Limited).

The number of Memberships of the Directors in the Committee includes the number of posts of Chairman of the said Committee held in public companies including HDB Financial Services Limited as on March 31, 2023.

## DETAILS OF THE DIRECTORSHIPS IN OTHER LISTED ENTITIES:

Name of the Director	Name of listed entity	Category
Mr. Arijit Basu	Nil	Not applicable
Mr. Venkatraman Srinivasan	Fairchem Organics Limited	Independent Director
	Tata Coffee Limited	Independent Director
	Mahanagar Gas Limited	Independent Director
Ms. Smita Affinwalla	Prime Securities Limited	Independent Director
Dr. Amla Samanta	Nil	Not applicable
Mr. Adayapalam Viswanathan	Nil	Not applicable
Ms. Arundhati Mech	Nil	Not applicable
Mr. Ramesh G.	Nil	Not applicable

## Corporate Governance Report (Contd.)

In terms of Regulation 26 of SEBI Listing Regulations, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all listed companies in India, in which they are a Director. Basis the disclosures received from the Directors, it is confirmed that none of the Directors is on the Board of more than:

- i. 20 (twenty) companies
- ii. 10 (ten) public limited companies
- iii. 7 (seven) equity listed entities

### BOARD MEETINGS AND DELIBERATIONS

The Board / Committee Meetings are convened by giving appropriate notice well in advance of all the meetings. The Directors / Members are provided with appropriate information in the form of agenda items in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional meetings are held to address specific needs and business requirements of your Company. In case of business exigencies, the Board's approvals are taken through circular resolutions and the same are noted at the subsequent meeting of the Board and/or Committees.

Video-conferencing facility is also provided at the Board / Committee meetings in case any director is unable to attend the meeting physically but wishes to participate through electronic mode in the meetings. The same is conducted in compliance with the applicable laws. The Business Heads and other executives attend the Board and Committee meetings upon invitation on need basis.

During the year under review, recommendations given by the various committees of the Board were considered and accepted as appropriate by the Board of Directors.

At the Board / Committee Meetings, presentations covering important areas of the Company such as annual action plans and business strategies, financial statements and performance updates, information technology and information security risks, customer grievances and customer services framework, compliance and risk assessment, Scale Based Regulation (SBR) regulatory framework, etc. were made.

During the FY 2022-23, your Board of Directors met 8 (Eight) times, the meetings were held on April 16, 2022, May 18, 2022, July 16, 2022, October 15, 2022, December 16, 2022, January 14, 2023, March 06, 2023, March 07, 2023 (adjourned meeting) and March 27, 2023. The requisite quorum was present for all the meetings. The Board met at least once in a calendar quarter and the maximum time gap between any two meetings was not more than one hundred and twenty days.

The below gives the number of Board meetings held and attended by each Director, attendance record of the last virtual Annual General Meeting held on June 23, 2022 and number of shares held by each Directors:

Name of the Director	Number of Board Meetings		Whether attended last AGM	No. of shares held in the Company
	Held during their tenure (in FY 2022-23)	Meetings attended		
Mr. Arijit Basu	8	8	Yes	Nil
Mr. Venkatraman Srinivasan	8	8	Yes	Nil
Ms. Smita Affinwalla	8	8	Yes	Nil
Dr. Amla Samanta	8	6	Yes	Nil
Mr. Adayapalam Viswanathan	8	7	Yes	Nil
Ms. Arundhati Mech	8	8	Yes	Nil
Mr. Ramesh G.	8	8	Yes	7,70,500

### CHANGES IN BOARD COMPOSITION

During the FY 2022-23 there was no change in the Board Composition of the Company. However, Mr. Ramesh G. was re-appointed as a Managing Director and Chief Executive Officer of the Company for the period of 5 (Five) years with effect from July 01, 2022 up to June 30, 2027 and the same was approved by the Members of the Company at the 15<sup>th</sup> Annual General Meeting held on June 23, 2022.

## Corporate Governance Report (Contd.)

Details of change in the Board composition during FY 2021-22 is as under:

#	Name of Director	Nature of change	Effective Date
1	Mr. Arijit Basu	Appointed as Chairman and Non-Executive Director	June 01, 2021
2	Ms. Arundhati Mech	Appointed as Independent Director	February 11, 2022

Appointment of Mr. Arijit Basu was approved by the shareholders in the 14<sup>th</sup> AGM held on June 25, 2021 and the appointment of Ms. Arundhati Mech was approved by the shareholders through Postal Ballot passed on March 27, 2022.

#### DECLARATION OF INDEPENDENCE

The Company has received necessary declaration and confirmation from each of the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and SEBI Listing Regulations. Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank. In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an independent director as stipulated in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act and are independent of the management of the Company.

#### MEETINGS OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, one meeting of Independent Directors was held during the year. The meeting was conducted to enable Independent Directors, discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management.

In this meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

A separate meeting of Independent Directors was held on April 15, 2022, during the year under review.

The details of the separate meeting of Independent Directors held during FY 2022-23 and attendance of the members at the meeting is given below:

Name of the member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Ms. Smita Affinwalla	1	1	100
Mr. Venkatraman Srinivasan	1	1	100
Dr. Amla Samanta	1	1	100
Mr. Adayapalam Viswanathan	1	1	100
Ms. Arundhati Mech	1	1	100

#### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company conducts orientation programmes / presentations / training sessions, periodically at regular intervals, to familiarise the Independent Directors with the strategies, operations and functions of the Company.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategies, risk management framework, industry and regulatory updates and other relevant matters. These presentations enable one-on-one interaction between the Independent Directors and the senior management of the Company/ internal auditor of the Company. Additionally, visits to branches of the Company are also arranged to apprise them of the actual operations of the Company.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters along with details of number of programmes and number of hours spent by each of the Independent Directors during FY 2022-23, in terms of the requirements of SEBI Listing Regulations are available on the website of the Company and can be accessed at [https://www.hdbfs.com/sites/default/files/grp\\_pdf/Familiarization-Program-for-Independent-Directors2023.pdf](https://www.hdbfs.com/sites/default/files/grp_pdf/Familiarization-Program-for-Independent-Directors2023.pdf).



## Corporate Governance Report (Contd.)

### A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the existing composition of the Board.

Name of the Director	Skill Areas
Mr. Arijit Basu	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Information Technology, Risk management
Mr. Venkatraman Srinivasan	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Information Technology, Risk management
Ms. Smita Affinwalla	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Risk management
Mr. Adayapalam Viswanathan	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Information Technology, Risk management
Dr. Amla Samanta	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Risk management
Ms. Arundhati Mech	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Information Technology, Risk management
Mr. Ramesh G.	Leadership qualities, Business and Strategic planning, Industry knowledge and experience, Engagement, Governance, Compliance and Audit purview, Information Technology, Risk management

### COMMITTEES OF THE BOARD

Your Company has 6 (Six) Board level Committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Information Technology Strategy Committee. All decisions pertaining to the constitution of Committees, appointment of members and terms of reference for Committee members are taken by the Board of Directors. Details pertaining to the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

#### a) Audit Committee

Your Company has an independent Audit Committee, which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act, Regulation 18 of the SEBI Listing Regulations and Reserve Bank of India Master Direction No. RBI/DNBR/2016-17/45 DNBR. PD.008/03.10.119/2016-17 dated September 01, 2016 on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Directions"). All the members of the Audit Committee are financially literate and possess high expertise in the fields of Finance, Taxation, Economics, Risk and International Finance.

#### Composition:

All the members of the Audit Committee are Independent Directors. The Composition of the Audit Committee as on March 31, 2023 is as under:

Name of the Member	Designation in the Committee & Category	Member of Committee since
Mr. Venkatraman Srinivasan	Chairman, Independent Director	March 12, 2015
Mr. Adayapalam Viswanathan	Member, Independent Director	July 24, 2019
Ms. Smita Affinwalla	Member, Independent Director	March 12, 2015

#### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Rules made thereunder, SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Audit Committee inter-alia includes:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending the appointment, remuneration and terms of appointment of the auditors of the Company;

## Corporate Governance Report (Contd.)

- (iii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (iv) Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- (v) 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 Director's 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;
  - (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 judgment 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; and
  - (g) Modified opinion(s) in the draft audit report.
- (vi) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (vii) 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, monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- (viii) Approval or any subsequent modifications of transactions of the Company with related parties;
- (ix) Scrutinising of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (xi) Evaluating internal financial controls and risk management systems;
- (xii) Reviewing, with the management, the performance of statutory and internal auditors, and 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) Discussing with internal auditors on any significant findings and follow up there on;
- (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) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- (xvii) Discussing 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;
- (xviii) Looking 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;
- (xix) Reviewing the functioning of the whistle blower mechanism;
- (xx) Approving the appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xxi) Reviewing the utilisation of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- (xxii) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.



## Corporate Governance Report (Contd.)

- (xxiii) Ensuring that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;
- (xxiv) Authority to deal with or investigate into any matter in relation to the items herein or referred to it by the Board of Directors of the Company, Reserve Bank of India, Securities Exchange Board of India and recognised Stock Exchange, and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company; and
- (xxv) Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, RBI Master Directions, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

### Meetings and Attendance during the year:

The Audit Committee met 4 (Four) times during the year under review on April 15, 2022, April 16, 2022 (adjourned meeting), July 15, 2022, July 16, 2022 (adjourned meeting), October 14, 2022, October 15, 2022 (adjourned meeting) and January 13, 2023, January 14, 2023 (adjourned meeting). The gap between two meetings did not exceed one hundred and twenty days.

The details of attendance of the Members of the Committee at meeting are provided herein below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Venkatraman Srinivasan	4	4	100
Mr. Adayapalam Viswanathan	4	4*	100
Ms. Smita Affinwalla	4	4	100

\*Mr. Adayapalam Viswanathan was present at the 65<sup>th</sup> Audit Committee meeting held on October 14, 2022.

However, he was absent in the 65<sup>th</sup> adjourned Audit Committee meeting held on October 15, 2022.

In addition to the members of the Audit Committee, these meetings were attended by Chief Financial Officer, Internal Auditor, representative of Statutory Auditors and other senior executives who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as the Secretary to the Audit Committee.

During the FY 2022-23, the Board had accepted all recommendations of the Audit Committee.

### b) Nomination and Remuneration Committee

Your Company has a Nomination and Remuneration Committee ("NRC") in compliance with the provisions of the Section 178 of the Act, Regulation 19 of SEBI Listing Regulations and RBI Master Directions.

#### Composition:

Two-third members of the Nomination and Remuneration Committee are Independent Directors. The Composition of the Nomination and Remuneration Committee as on March 31, 2023 is as under:

Name of the Member	Designation in the Committee & Category	Member of Committee since
Mr. Venkatraman Srinivasan	Chairman, Independent Director	March 12, 2015
Mr. Arijit Basu	Member, Non-Executive Director	August 16, 2021
Dr. Amla Samanta	Member, Independent Director	July 24, 2019

#### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Rules made thereunder, SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Nomination and Remuneration Committee inter-alia includes:

- (i) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a Policy, relating to the remuneration for the directors, key managerial personnel and other

## Corporate Governance Report (Contd.)

employees. While formulating the policy, following to be ensured:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- (ii) For every appointment of an independent director, the Nomination and Remuneration Committee shall 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.
- (iii) Formulating criteria for evaluation of the performance of the independent directors and the Board;
- (iv) Devising a policy on Board diversity;
- (v) Ensuring 'fit and proper' status of the proposed and existing directors and scrutinising the declarations received by the directors in this regard;
- (vi) Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down,

recommending to the Board their appointment and removal;

- (vii) Determining 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;
- (viii) Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- (ix) To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- (x) To consider giving stock options to the employees in the form of equity shares of the Company and also consider any other compensation related issues or matters relating to the Company's employees; and
- (xi) Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, the RBI Master Directions, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

#### Meetings and Attendance during the year:

The Nomination and Remuneration Committee met 3 (Three) times during the year under review, on May 18, 2022, October 31, 2022 and January 04, 2023. The details of attendance of the Members of the Committee at meeting, are provided herein below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Venkatraman Srinivasan	3	3	100
Dr. Amla Samanta	3	3	100
Mr. Arijit Basu	3	3	100

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

## Corporate Governance Report (Contd.)

During the FY 2022-23, the Board had accepted all recommendations of the Nomination and Remuneration Committee.

Mr. Venkatraman Srinivasan, Chairman of the Committee, was present at the 15<sup>th</sup> AGM which was held through video conferencing (VC) on June 23, 2022 to answer members' queries.

### Performance Evaluation of Board, its Committees and Directors

The Nomination and Remuneration Committee had approved a framework for performance evaluation of the Board of Directors, its Committees and the individual Board members.

Pursuant to the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, the Board has carried out an annual performance evaluation of its own performance, evaluation of the working of its Committees as well as performance of all the Directors individually (including Independent Directors). Feedback was sought by well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc.

### Performance evaluation framework of the Company is as follows:

- NRC would approve framework of performance evaluation of the Company;
- Board would evaluate the performance of the Independent Directors, Board as a whole and Committees of the Board;
- Independent Directors would evaluate the performance of the Chairman of the Company after taking views of other directors, Board as a whole and Non-Independent Directors; and
- Self-evaluation of individual Directors.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Independent Directors. A member of the Board will not participate in the discussion of his/her evaluation.

The performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was carried out by the Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding

the Director being evaluated. Performance evaluation of the Board and of its Committees was carried out by the Board. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee.

### c) Stakeholders Relationship Committee

Your Company has a Stakeholders Relationship Committee in compliance with Section 178(5) of the Act and Regulation 20 of SEBI Listing Regulations.

#### Composition:

The composition of Stakeholders Relationship Committee of the Company as on March 31, 2023 is as under:

Name of the Member	Designation in the Committee & Category	Member of Committee since
Dr. Amla Samanta	Chairperson, Independent Director	July 17, 2019
Ms. Arundhati Mech	Member, Independent Director	April 16, 2022
Mr. Ramesh G.	Member, Managing Director & Chief Executive Officer	April 18, 2017

#### Note:

- Ms. Arundhati Mech was appointed as a Member of the Stakeholder Relationship Committee consequent to reconstitution of the Committee with effect from April 16, 2022.
- Mr. Adayapalam Viswanathan ceased to be a Member of the Stakeholder Relationship Committee consequent to reconstitution of the Committee with effect from April 16, 2022.

#### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with Act and SEBI Listing Regulations. The role and responsibilities of the Stakeholders Relationship Committee inter-alia includes:

- 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, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;

## Corporate Governance Report (Contd.)

- (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; and
- (v) Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, RBI Master Directions, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

Details of the investor complaints received during the FY 2022-23 are given as below:

No. of complaints received	No. of complaints not solved to the satisfaction of the shareholders	No. of pending complaints at the end of the year
Nil	Nil	Nil

**Meetings and Attendance during the year:**

The Stakeholders Relationship Committee met twice during the year under review on April 15, 2022 and October 15, 2022.

The details of attendance of the Members of the Committee at meeting, are provided herein below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Dr. Amla Samanta	2	2	100
Mr. Adayapalam Viswanathan	1	1	100
Mr. Ramesh G.	2	2	100
Ms. Arundhati Mech	1	1	100

The Company Secretary acts as the Secretary to the Stakeholder Relationship Committee. Dr. Amla Samanta, Chairperson of the Committee, was present at the 15<sup>th</sup> AGM which was held through video conferencing (VC) on June 23, 2022 to answer stakeholders' queries.

**d) Risk Management Committee**

Your Company has Risk Management Committee in compliance with Regulation 21 of SEBI Listing Regulations and RBI Master Directions, which monitors the risk management strategy of the Company. In order to ensure best governance practices, the Company has established risk management process for each line of its business and operations. These processes have been implemented through the specific policies adopted by the Board of Directors of the Company from time to time. Nevertheless, entire processes are subjected to robust independent internal audit review to arrest any potential risks and take corrective actions.

The Risk Management Committee of the Board has been in place since the commencement of business of the Company, meets on a quarterly basis and reports to the Board of Directors. The minutes of such meetings are tabled before the Board of Directors.

**Composition:**

The composition of the Risk Management Committee as on March 31, 2023 is as follows:

Name of the Member	Designation in the Committee & Category	Member of Committee since
Mr. Adayapalam Viswanathan	Chairman, Independent Director	July 24, 2019
Mr. Venkatraman Srinivasan	Member, Independent Director	July 24, 2019
Ms. Arundhati Mech	Member, Independent Director	April 16, 2012
Mr. Ramesh G.	Member, Managing Director & Chief Executive Officer	July 17, 2012

**Note:** Ms. Arundhati Mech was appointed as a Member of the Risk Management Committee consequent to reconstitution of the Committee with effect from April 16, 2022.

**Brief Description of Terms of Reference:**

The terms of reference of this Committee are in line with SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Risk Management Committee inter-alia includes:

- (i) Approving and monitoring the Company's risk management policies and procedures;
- (ii) Framing, implementing, reviewing and monitoring the risk management plan including cyber security for the Company;

## Corporate Governance Report (Contd.)

- (iii) Evaluating the overall risks faced by the Company including liquidity risk;
- (iv) Formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, 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.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (v) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (vi) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (vii) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (viii) Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (ix) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (x) Approving and reviewing the Assets Classification & Expected Credit Loss policy, Review IT Risk assessment of IT systems;
- (xi) Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements;
- (xii) Laying down appropriate approval authorities for outsourcing depending on risks and materiality;
- (xiii) Setting up suitable administrative framework of senior management for the purpose of the Master Directions;

- (xiv) Undertaking regular review of outsourcing strategies and arrangements for their continued relevance, and safety and soundness;
- (xv) Deciding on business activities of a material nature to be outsourced, and approving such arrangements;
- (xvi) Reporting to the Board of Directors of the Company on periodical basis on the above matters; and
- (xvii) Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, the RBI Master Directions, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

### Meetings and Attendance during the year:

The Risk Management Committee met 4 (Four) times during the year under review on June 15, 2022, September 19, 2022, December 15, 2022 and March 10, 2023. The details of attendance of the Members of the Committee at meeting, are provided herein below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Adayapalam Viswanathan	4	4	100
Mr. Venkatraman Srinivasan	4	4	100
Ms. Arundhati Mech	4	4	100
Mr. Ramesh G.	4	4	100

The Company Secretary acts as the Secretary to the Risk Management Committee.

During the FY 2022-23, the Board accepted all recommendations of the Risk Management Committee.

### e) Corporate Social Responsibility Committee

The Corporate Social Responsibility ("CSR") Committee was formed as per the provisions of Section 135 of the Act.



## Corporate Governance Report (Contd.)

**Composition:**

The composition of the CSR Committee as on March 31, 2023 is as under:

Name of the Member	Designation in the Committee & Category	Member of Committee since
Dr. Amla Samanta	Chairperson, Independent Director	July 17, 2019
Ms. Smita Affinwalla	Member, Independent Director	March 12, 2015
Mr. Ramesh G.	Member, Managing Director & Chief Executive Officer	March 12, 2015

**Brief Description of Terms of Reference:**

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the Corporate Social Responsibility Committee inter-alia includes:

- To formulate the Company's CSR strategy, policy and goals and to review and update them from time to time as the Company's activities evolve further;
- To monitor the Company's CSR policy and performance;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- To review the CSR project/initiatives from time to time;
- To ensure legal and regulatory compliance from a CSR view point;
- To ensure reporting and communication to stakeholders on the Company's CSR projects/initiatives;
- To formulate and recommend to the Board, an annual action plan; and
- Perform all such actions as may be required under the CSR Laws.

**Meetings and Attendance during the year:**

The Corporate Social Responsibility Committee met 2 (Two) times during the year under review on April 11, 2022 and September 15, 2022. The details of attendance

of the Members of the Committee at meeting are provided herein below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Dr. Amla Samanta	2	2	100
Ms. Smita Affinwalla	2	2	100
Mr. Ramesh G.	2	2	100

The Company Secretary acts as the Secretary to the CSR Committee.

During the FY 2022-23, the Board accepted all recommendations of the CSR Committee.

**f) Information Technology Strategy Committee**

Information Technology ("IT") Strategy Committee was formed as per the provisions of RBI Master Direction No. RBI/DNBS/2016-17/53 DNBS.PPD. No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to "Information Technology Framework for the NBFC Sector".

**Composition:**

The composition of Information Technology Strategy Committee as on March 31, 2023 is as under:

Name of the Member	Designation in the Committee & Category	Member of Committee since
Mr. Adayapalam Viswanathan	Chairman, Independent Director	July 24, 2019
Ms. Arundhati Mech	Member, Independent Director	April 16, 2022
Ms. Smita Affinwalla	Member, Independent Director	August 16, 2021
Mr. Ramesh G.	Member, Managing Director & Chief Executive Officer	January 18, 2018
*Mr. Mathew Panat	Member, Head - Information Technology	April 16, 2022

*\*Member of Executive Management and holds 3,000 equity shares in the Company as on March 31, 2023.*

**Note:**

- Ms. Arundhati Mech was appointed as a Member of the Information Technology Strategy Committee with effect from April 16, 2022 consequent to reconstitution of the Committee.

## Corporate Governance Report (Contd.)

2. Mr. Mathew Panat was appointed as a member of the Information Technology Strategy Committee with effect from April 16, 2022 consequent to reconstitution of the Committee.
3. Mr. Arijit Basu ceased to be member of the Information Technology Strategy Committee with effect from April 16, 2022 consequent to reconstitution of the Committee.
4. Mr. Sanjay Belsare ceased to be a member of the Information Technology Strategy Committee with effect from July 31, 2022 consequent to superannuation.

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the Information Technology Strategy Committee inter-alia includes:

#### A. GENERAL

- (i) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- (ii) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- (iii) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- (iv) 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; and
- (v) Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls.

#### B. FOR OUTSOURCED OPERATIONS

- (i) Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
- (ii) Defining approval authorities for outsourcing depending on nature of risks and materiality

of outsourcing;

- (iii) Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;
- (iv) Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;
- (v) Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
- (vi) Periodically reviewing the effectiveness of policies and procedures;
- (vii) Communicating significant risks in outsourcing to the Company's Board on a periodic basis;
- (viii) Ensuring an independent review and audit in accordance with approved policies and procedures;
- (ix) Ensuring that contingency plans have been developed and tested adequately; and
- (x) Company should ensure that their business continuity preparedness is not adversely compromised on account of outsourcing. To adopt sound business continuity management practices as issued by RBI and seek proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis.

### Meetings and Attendance during the year:

The Information Technology Strategy Committee met 3 (Three) times during the year under review i.e. July 22, 2022, December 15, 2022 and March 27, 2023. The details of attendance of the Members of the Committee, are provided herein below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Adayapalam Viswanathan	3	3	100
Ms. Arundhati Mech	3	3	100
Ms. Smita Affinwalla	3	3	100

## Corporate Governance Report (Contd.)

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Ramesh G.	3	3	100
Mr. Mathew Panat	3	3	100
Mr. Sanjay Belsare	1	1	100

The Company Secretary acts as the Secretary to the Information Technology Strategy Committee.

During the FY 2022-23, the Board accepted all recommendations of the Information Technology Strategy Committee.

**g) Other Committees**

The Board has also constituted Asset Liability Committee, Debenture Allotment Committee, Bond Allotment Committee and Share Allotment Committee. These Committees are not Board Level Committees. However, Mr. Ramesh G., Managing Director and Chief Executive Officer is a member of these Committees along with other senior executives of the Company.

**i. Asset - Liability Committee**

As per the RBI Master Directions, the Asset - Liability Committee was formed to oversee the risk management policy/ strategy of the Company relating to liquidity, interest rate and asset liability gap and to formulate and review Asset - Liability Management Policy of the Company.

**Composition:**

The Composition of Asset - Liability Committee as on March 31, 2023 is as under:

Name of the Member	Category
Mr. Ramesh G.	Chairman
*Mr. Jaykumar P. Shah	Member
*Mr. Mathew Panat	Member
*Mr. Harish Venugopal	Member

\*Member of Executive Management

**Note:**

- Mr. Mathew Panat was appointed as a member of the Asset - Liability Committee with effect from April 16, 2022 consequent to reconstitution of the Committee.
- Mr. Haren Parekh ceased to be a member of the Asset - Liability Committee with effect from April

16, 2022 consequent to reconstitution of the Committee.

- Mr. Sanjay Belsare ceased to be a member of the Asset - Liability Committee with effect from July 31, 2022 consequent to superannuation.

**Brief description of Terms of Reference:**

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the Asset - Liability Committee inter-alia includes:

- Review and management of liquidity gaps and structural liquidity of the Company;
- Review and management of interest rate sensitivity of the Company;
- To review Floating Reference Rate (FRR) statements;
- Develop a view on future direction on interest rate movements and decide on funding mixes; and
- Reporting to the Board of Directors of the Company on periodical basis on the above matters.

**Meetings and Attendance during the year:**

During the FY 2022-23, the Asset - Liability Committee met 12 (Twelve) times on April 12, 2022, May 16, 2022, June 14, 2022, July 13, 2022, August 11, 2022, September 13, 2022, October 11, 2022, November 10, 2022, December 12, 2022, January 11, 2023, February 10, 2023 and March 13, 2023.

The details of the attendance of the members of the Asset - Liability Committee is given below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Ramesh G.	12	12	100
Mr. Haren Parekh	1	0	0
Mr. Mathew Panat	11	11	100
Mr. Sanjay Belsare	4	4	100
Mr. Jaykumar P. Shah	12	12	100
Mr. Harish Venugopal	12	12	100

The Company Secretary acts as the Secretary to the Asset - Liability Committee.



## Corporate Governance Report (Contd.)

### ii. Debenture Allotment Committee

During the FY 2022-23, the Debenture Allotment Committee met 15 (Fifteen) times. The details of the meetings held during the FY 2022-23 and attendance of the members of the Debenture Allotment Committee is given below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Ramesh G.	15	14	93
*Mr. Rohit Patwardhan	15	13	87
*Mr. Jaykumar P. Shah	15	11	73
*Mr. Ashish Ghatnekar	15	13	87

\*Member of Executive Management

### iii. Share Allotment Committee

During the FY 2022-23, the Share Allotment Committee met 5 (Five) times. The details of the meetings held during the FY 2022-23 and attendance of the members of the Share Allotment Committee is given below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
Mr. Ramesh G.	5	5	100
*Mr. Rohit Patwardhan	5	4	80

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	% of attendance
*Mr. Jaykumar P. Shah	5	5	100
*Mr. Ashish Ghatnekar	5	4	80

\*Member of Executive Management

### iv. Bond Allotment Committee

No meeting of the Bond Allotment Committee was held during the FY 2022-23. As on March 31, 2023, Mr. Ramesh G., Mr. Jaykumar P. Shah, Mr. Rohit Patwardhan and Mr. Ashish Ghatnekar were members of the Bond Allotment Committee.

#### Note:

- Mr. Rohit Patwardhan was appointed as a member of the Debenture Allotment Committee, Bond Allotment Committee and Share Allotment Committee with effect from April 16, 2022 consequent to reconstitution of the Committee.
- Mr. Haren Parekh was ceased to be a member of the Debenture Allotment Committee, Bond Allotment Committee and Share Allotment Committee with effect from April 16, 2022 consequent to reconstitution of the Committee.

## GENERAL BODY MEETINGS

Following are the information on General Body meetings and details of special resolution(s) passed.

### a. Annual General Meeting:

Details of last three Annual General Meetings and Special Resolutions passed:

Details of AGM	Date and Time	Venue	Special resolutions passed
15 <sup>th</sup> AGM	June 23, 2022 at 12 noon	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Ramesh G. as a Managing Director and Chief Executive Officer of the Company.</li> <li>Approve Selling, Assignment, Securitisation of Receivables / Book Debts of the Company up to ₹ 7,500 Crore.</li> <li>Authority to issue Redeemable Non-Convertible Debentures and/or other Instruments on Private Placement basis.</li> </ul>
14 <sup>th</sup> AGM	June 25, 2021 at 12 noon	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>To approve Selling, Assignment of its receivables/book debts up to ₹ 7,500 Crore.</li> <li>Authority to issue redeemable non-convertible debentures and/or other hybrid instruments on private placement basis.</li> </ul>

## Corporate Governance Report (Contd.)

Details of AGM	Date and Time	Venue	Special resolutions passed
13 <sup>th</sup> AGM	June 30, 2020 at 12 noon	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>• Reappointment of Mr. Venkatraman Srinivasan as an Independent Director of the Company.</li> <li>• Reappointment of Ms. Smita Affinwalla as an Independent Director of the Company.</li> <li>• To approve increase in borrowing limits of the Company from ₹ 70,000 Crore to ₹ 80,000 Crore.</li> <li>• To approve increase in limits for creation of charge on the assets of the Company up to an amount of ₹ 80,000 Crore to secure its borrowings.</li> <li>• Authority to issue Redeemable Non-Convertible Debentures and/ or other Hybrid Instruments on private placement basis.</li> <li>• Authority to issue Foreign Currency/ Rupee Denominated Bonds.</li> </ul>

**EXTRA-ORDINARY GENERAL MEETING:**

During FY 2022-23, no Extra-Ordinary General meeting of the Company was held.

**Postal Ballot:**

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot. During the FY 2022-23, the Company had sought approval of the members through postal ballot, the details of the same are given below:

Date of Notice	Date of Scrutiniser's report	Date of passing the resolution	Special Resolution(s) passed
January 14, 2023	March 27, 2023	March 26, 2023	<ol style="list-style-type: none"> <li>1. Authority to issue redeemable non-convertible debentures on private placement basis</li> <li>2. To approve Employee Stock Option Scheme 2022 for eligible employees of HDB Financial Services Limited</li> <li>3. To revise profit related commission payable to Independent Directors</li> </ol>

**VOTING RESULTS OF SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT NOTICE DATED JANUARY 14, 2023:**

Special Resolution(s)	% of Votes in favour of the Resolution	% of Votes against the Resolution	% of Invalid Votes
Resolution No. 1	99.9981	0.0019	-
Resolution No. 2	99.9976	0.0024	-
Resolution No. 3	99.9958	0.0042	-

Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, was appointed as the Scrutiniser for scrutinising the Postal Ballot process, in a fair and transparent manner.

There is no immediate proposal for passing any special resolution through Postal Ballot.

**PROCEDURE FOR POSTAL BALLOT:**

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company also provides electronic voting (e-voting) facility to all its members.

The Company also publishes notice in the newspapers for the information of the members. Voting rights are reckoned on

the equity shares held by the members as on the cut-off date. Pursuant to the provisions of the Act, the Company appoints a scrutiniser for scrutinising the postal ballot process in a fair and transparent manner. The scrutiniser submits his consolidated report to the Chairman and the voting results are announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website,

## Corporate Governance Report (Contd.)

besides being communicated to the stock exchanges. The resolution, if passed by requisite majority, is deemed to have been passed on the last date specified by the Company for receipt of duly completed remote e-voting.

Pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolutions is restricted only to remote e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. In compliance with the MCA Circulars, postal ballot notice was sent through e-mail only, to all those members who had registered their e-mail ids with the Company/Depositories. Arrangements were also made for other members to register their e-mail id to receive the postal ballot notice and cast their vote online.

### DETAILS OF REMUNERATION TO DIRECTORS

#### a. Pecuniary relationship/ transaction with Non-Executive Directors

During the FY 2022-23, there were no pecuniary relationship/ transactions of any non-executive directors with the Company, apart from receiving remuneration as directors. During the FY 2022-23, the Company did not advance any loans to any of its directors and to firms / companies in which Directors are interested.

#### b. Remuneration paid to Executive Director

The details of the remuneration paid and stock options granted to Mr. Ramesh G., Managing Director and CEO during the FY 2022-23 is as under:

Particulars of Remuneration	Amount in ₹
Gross salary	4,06,53,320
a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	-
b) Value of perquisites under section 17(2) Income-tax Act, 1961	14,613
c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
Perquisite value of stock options exercised	36,60,000
Bonus	1,29,85,000
Sweat Equity	-
Commission	-
Company Car	-
<b>Total</b>	<b>5,73,12,933</b>
Number of Stock Options granted	2,43,300

The employee stock options have not been issued at discount and the same have been granted at the fair market value of the equity shares of the Company as certified by the practising chartered accountant or Category 1 Merchant Bank registered with SEBI. The vesting schedule for the stock options is:

- 30% of options after expiry of twelve months from date of grant;
- 30% options after expiry of twenty-four months from the date of grant; and
- 40% of options after expiry of thirty-six months from the date of grant.

The options so vested are to be exercised within 4 years from the respective dates of vesting.

The criteria for evaluation of performance of Managing Director include Business Performance, Stakeholder Relationship, Audit and Compliance, Digital Transformation and Organization Excellence.

The Company provides for gratuity in the form of lump-sum payment, without any upper limit, equivalent to 15 (fifteen) days basic salary payable for each completed year of service on resignation, retirement, death while in employment or on termination of employment.

The Company makes contributions to a recognised Gratuity Trust administered by trustees and whose funds are managed by insurance companies. The Company accounts for the liability for future gratuity benefits based on an independent external actuarial valuation carried out annually.

Perquisites (evaluated as per Income Tax Rules, 1962 wherever applicable and at actual cost to the Company otherwise) such as insurance policies, use of car and telephone at residence, medical reimbursement, leave and leave travel concession and other benefits like Provident Fund and Gratuity are provided in accordance with the rules of the Company in this regard.

Service Contracts and the notice period are as per the terms of agreement entered into by the Company with Managing Director & Chief Executive Director. No severance fee is payable by the Company on termination of these contracts.

No sitting fees is paid to Mr. Ramesh G. for attending meetings of the Board and / or its Committees.

## Corporate Governance Report (Contd.)

**c. Criteria for sitting fees / commission / remuneration paid to Non-Executive Directors**

All the non-executive directors including the independent directors and the Chairman receive sitting fees and reimbursement of out of pocket expenses for attending each meeting of the Board and its various Committees. No stock options are granted to any of the non-executive directors.

**SITTING FEES**

Sitting fees was paid to all the Independent Directors and Non-Executive Directors of the Company.

The sitting fees for attending meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee and Risk Management Committee is ₹ 75,000 per meeting. Sitting fees for attending meetings of the Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Separate meeting of Independent Directors meetings is ₹ 25,000/- per meeting.

**PROFIT RELATED COMMISSION**

The Shareholders in its 12<sup>th</sup> Annual General Meeting held on June 21, 2019 had approved payment of profit related commission to Independent Directors at the rate of ₹ 60,000 per meeting of the Board and/ or Committee attended subject to maximum of ₹ 7,50,000 per Independent Director. Further, the Shareholders via Postal Ballot notice dated January 14, 2023 had approved revision in payment of profit related commission to Independent Directors with effect from April 01, 2022 at the rate of ₹ 1,00,000 per meeting of the Board and/ or Committee attended subject to maximum of ₹ 15,00,000 per Independent Director in a Financial Year, not exceeding in aggregate 1% of the net profit of the Company of the relevant financial year.

The details of sitting fees, commission and remuneration paid to non-executive directors during FY 2022-23 is as under:

(Amount in ₹)

Name of Director	Sitting Fees	Commission	Remuneration
Mr. Arijit Basu	8,25,000	NIL	30,00,000
Mr. Venkatraman Srinivasan	14,50,000	7,50,000	NIL
Ms. Smita Affinwalla	12,00,000	7,50,000	NIL
Mr. Adayapalam Viswanathan	14,00,000	7,50,000	NIL

(Amount in ₹)

Name of Director	Sitting Fees	Commission	Remuneration
Dr. Amla Samanta	8,00,000	7,50,000	NIL
Ms. Arundhati Mech	11,75,000	60,000	NIL

**Note:** The Shareholders in its Annual General Meeting held on June 25, 2021 had approved remuneration of ₹ 30,00,000 per annum drawn on monthly basis payable to Mr. Arijit Basu, Chairman and Non-Executive Director.

**DISCLOSURES****SUCCESSION PLANNING**

Succession planning is a process of ascertaining the need for filling position at the Board and Senior Management positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in an organisation. The process of development primarily concentrates on coaching, mentoring and training the identified employees to assume higher responsibilities when the need arises. The Company has always endeavoured to nurture, train and increase the skill sets of employees at all levels, with the key objective of ensuring smooth succession without impacting the performance in current role.

The Company has in place Succession Planning Policy for appointments to the Board and to the Senior Management.

**RELATED PARTY TRANSACTIONS**

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interest of the Company. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a policy for dealing with related party transactions and the said policy is available on the website of the Company at <https://www.hdbfs.com/investors>.

All related party transactions are placed before the Audit Committee and the Board for their approvals on quarterly basis. Transactions with related parties, as per the requirements of Ind-AS and Regulation 53(1)(f) of SEBI Listing Regulations, are disclosed in, Note no. 37 and 93 forming part of the notes to accounts annexed to the financial statements. All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business.

## Corporate Governance Report (Contd.)

The Shareholders of the Company have approved the material related party transactions to be entered into by the Company in the FY 2023-24 with HDFC Bank Limited and HDFC Life Insurance Company Limited, being a related party of the Company through Postal Ballot on March 26, 2023 as per SEBI Listing Regulations.

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed to the Directors' Report.

In addition, as per the SEBI Listing Regulations, your Company has also submitted along with its standalone and consolidated financial results for the half year, disclosures of related party transactions with stock exchange and also published it on the website of the Company.

### STRICTURES AND PENALTIES

During the last three financial years, no penalties or strictures were imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets.

Further, during FY 2022-23, no penalties or strictures were imposed on the Company by the Reserve Bank of India or any other statutory authority.

### VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The details of establishment of whistle blower policy / vigil mechanism are furnished in the Directors' Report forming part of the Annual Report. None of the Company's personnel have been denied access to the Audit Committee.

### SUBSIDIARY COMPANY

The Company does not have any Subsidiary Company, hence formulation of Policy for determining Material Subsidiaries as per Regulation 16 of the SEBI Listing Regulations is not applicable for the Company.

### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. In the past, the Company has entered into derivative transactions with various counter parties to hedge its foreign exchange risks and interest rate risks associated with External Commercial Borrowings (ECBs). The ECBs are fully hedged and possess no foreign exchange risk.

### CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING NON-DEBARMENT AND NON DISQUALIFICATION OF DIRECTORS

The Company has received a certificate from M/s. Mehta & Mehta, Company Secretaries, to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/ Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed as **Annexure - I**.

### DETAILS OF RECOMMENDATION OF ANY COMMITTEE OF THE BOARD NOT ACCEPTED BY THE BOARD AND REASONS THEREOF

During the year under review, the Board of your Company has accepted all the recommendations made by its Committee(s), from time to time.

### FEES PAID TO STATUTORY AUDITORS

Total fees paid by the Company during the FY 2022-23 to the Statutory Auditors including all entities in their network firm/ entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in Crore)
	M/s. KKC & Associates LLP (formerly Khimji Kunverji & Co. LLP) & their network firm/entity of which they are a part	
1	Fees as Statutory Auditors	0.71
2	Fees for other services	-
	M/s. B. K. Khare & Co. & their network firm/entity of which they are a part	
1	Fees as Statutory Auditors	0.71
2	Fees for other services	-

### COMPLAINTS PERTAINING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The details of complaints filed, disposed of and pending during every quarter pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are reported to the Board and are included in the Directors' Report forming part of this Annual Report.

### CEO/CFO CERTIFICATION

The Managing Director & Chief Executive Officer and Chief Financial Officer have certified to the Board with regard to the financial statements and internal controls relating



## Corporate Governance Report (Contd.)

to financial reporting for the year ended March 31, 2023 as required under the SEBI Listing Regulations. The said Certificate is attached as **Annexure - II** and forms part of this Report.

### REPORT ON CORPORATE GOVERNANCE

The Company is a High Value Debt Listed Entity ("HVDLE") pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 07, 2021. Accordingly, the Company has been submitting the quarterly corporate governance compliance report to the stock exchange as required under regulation 27(2) of the SEBI Listing Regulations.

The Company has obtained a certificate from Mehta & Mehta, Company Secretaries regarding compliance with the provisions relating to corporate governance laid down under the SEBI Listing Regulations. This certificate is annexed to the Directors' Report.

### CODE OF CONDUCT

The SEBI Listing Regulations requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors prescribed in the Act. Accordingly, the Company has a Board approved code of conduct for Board members and senior management of the Company. This code has been placed on the Company's website and can be accessed at <https://www.hdbfs.com/investors>.

All the Board members and senior management personnel have affirmed compliance with the code for the year ended March 31, 2023. A declaration to this effect signed by the Managing Director and CEO forms part of Annual Report as **Annexure – III**.

### DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE

None of the Independent Director of the Company has resigned before the expiry of his/her respective tenure(s) during the FY 2022-23.

### COMPLIANCE OF MANDATORY AND DISCRETIONARY REQUIREMENTS

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations applicable to the Company being a High Value Debt Listed Company.

The Company has also complied with the discretionary requirements as under:

#### a) The Board

A Chairman's office has been made available for the non-executive Chairman. He is allowed reimbursement of expenses incurred in performance of his duties.

#### b) Modified opinion(s) in audit report

The Company confirms that its financial statements have unmodified audit opinion.

#### c) Separate posts of Chairperson and Managing Director or the Chief Executive Officer

Mr. Arijit Basu is the Non-Executive Chairman and Mr. Ramesh G. is the Managing Director & Chief Executive Officer of the Company.

#### d) Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

### ADHERENCE TO ACCOUNTING STANDARDS

The Company has complied with the applicable Indian Accounting Standards (Ind-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.

### RISK MANAGEMENT AND INTERNAL CONTROL POLICIES ADOPTED BY THE COMPANY

The Company has a well-defined Risk Management Framework in place. The Company has procedures to periodically place before the Audit Committee, Risk Management Committee and the Board, the risk assessment and mitigation plans being followed by the Company.

### SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of secretarial standards issued by The Institute of Company Secretaries of India.

### MEANS OF COMMUNICATION

A separate dedicated section 'Investors' is maintained on the website of the Company for ease of the shareholders. The information/documents required to be disseminated by the Company pursuant to the Act and SEBI Listing Regulations are uploaded on the website of the Company.

## Corporate Governance Report (Contd.)

The quarterly, half-yearly and annual financial results are submitted to the BSE Limited and National Stock Exchanges of India Limited and published in Free Press Journal (Mumbai edition).

The Annual Report of the Company, the quarterly, half-yearly and annual financial results are displayed on the Company's website at <https://www.hdbfs.com/investors>, BSE Limited's website at [www.bseindia.com](http://www.bseindia.com) and on National Stock Exchanges of India Limited's website at [www.nseindia.com](http://www.nseindia.com).

### GENERAL SHAREHOLDER INFORMATION

#### 16<sup>th</sup> Annual General Meeting

<b>Day and Date</b>	: Friday, June 30, 2023
<b>Time</b>	: 12 noon
<b>Venue/Mode of AGM</b>	: Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
<b>Financial Year</b>	: April 01, 2022 to March 31, 2023
<b>Dividend Payment date</b>	: on or after July 04, 2023

### LISTING ON STOCK EXCHANGES

The non-convertible securities of the Company are listed on the debt market segment of BSE Limited. Commercial Papers of the Company are listed on the debt market segment of National Stock Exchanges of India Limited, however as on March 31, 2023 there are no outstanding Commercial Papers of the Company.

Name of Stock Exchange	Address
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
National Stock Exchanges of India Limited (NSE)	Exchange Plaza, Plot No. C/1, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Annual listing fees, as prescribed, have been paid to the said stock exchange up to March 31, 2023.

### STOCK CODE

The equity shares of the Company are not listed on any Stock Exchange, hence the stock code is not applicable.

### MARKET PRICE DATA AND PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX ETC.

Not Applicable, as the Equity shares of the Company are not listed.

### SUSPENSION OF SECURITIES FROM TRADING

During the FY 2022-23, none of the securities of the Company were suspended from trading.

### REGISTRAR AND SHARE TRANSFER AGENT AND SHARE TRANSFER SYSTEM

In terms of Regulation 7 of the SEBI Listing Regulations, Link Intime India Private Limited continues to be the Registrar and Share Transfer Agent and handles all relevant share registry services. All the securities of the Company are in dematerialised form, hence there are no physical transfer of securities.

### DISTRIBUTION OF SHAREHOLDING

Shareholding pattern of the Company as at March 31, 2023:

Name of Shareholder	No. of equity shares held	Percentage
HDFC Bank Limited	75,05,96,670	94.84
Others	4,08,02,413	5.16
<b>Total (Issued &amp; Paid-up Shares)</b>	<b>79,13,99,083</b>	<b>100.00</b>

### DEMATERIALISATION OF SHARES AND LIQUIDITY

As on March 31, 2023, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange.

### OUTSTANDING GLOBAL DEPOSITORY RECEIPTS ("GDRS")/AMERICAN DEPOSITORY RECEIPTS ("ADRS")/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on March 31, 2023, the Company did not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments.

### ADDRESS FOR CORRESPONDENCE

Investors and shareholders can correspond with the share transfer agent of the Company or the Company at the following addresses:

### REGISTRAR AND SHARE TRANSFER AGENT

**Link Intime India Private Limited**

**Address:** C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400083

**Website:** <https://linkintime.co.in/>

## Corporate Governance Report (Contd.)

**Contact person for Equity Shares:**

Ms. Sayali Borchate

Tel.: 91 8108116767

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)**Contact person for Commercial Papers & Non-Convertible Securities:**

Mr. Rohan Jadhav

Tel.: 91 022 4918 6000 / 2463

Email: [rohan.jadhav@linkintime.co.in](mailto:rohan.jadhav@linkintime.co.in),  
[team.bonds@linkintime.co.in](mailto:team.bonds@linkintime.co.in)**COMPANY'S CORRESPONDENCE DETAILS:**

HDB Financial Services Limited

Ms. Dipti Khandelwal,

Company Secretary &amp; Head - Legal

Address: Ground Floor, Zenith House, Keshavrao Khadye  
Marg, Mahalaxmi, Mumbai - 400034.Email : [compliance@hdbfs.com](mailto:compliance@hdbfs.com)

Tel : +91 22 49116368

Fax : +91 22 49116666

**PLANT LOCATIONS/BRANCHES:**

As of March 31, 2023, the Company has 1,492 branches in 1,054 cities in India.

**CREDIT RATINGS**

The credit rating details are disclosed in the Directors' Report forming part of this Annual Report.

**UNCLAIMED DIVIDEND**Pursuant to Sections 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), including amendment thereto, dividend, if not claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The list of the unclaimed dividend along with the name of the shareholders, dividend amount and proposed date of transfer to IEPF account has been uploaded on the website of the Company at <https://www.hdbfs.com/investors>.**COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Company has complied with all the applicable mandatory requirements of the Corporate Governance as prescribed under the SEBI Listing Regulations

Regulation	Particulars	Status of compliance
17	Requirements pertaining to the Board of Directors	Compliant
17A	Maximum number of Directorships	Compliant
18	Requirements pertaining to the Audit Committee	Compliant
19	Requirements pertaining to Nomination and Remuneration Committee	Compliant
20	Requirements pertaining to Stakeholders Relationship Committee	Compliant
21	Requirements pertaining to Risk Management Committee	Compliant
22	Requirements pertaining to Vigil Mechanism	Compliant
23	Requirements pertaining to Related Party Transactions	Compliant
24	Corporate governance requirements with respect to subsidiary of listed entity	Not Applicable
24A	Requirements pertaining to Secretarial Audit and Secretarial Compliance Report	Compliant
25	Obligations with respect to Independent Directors	Compliant
26	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	Compliant
27	Other corporate governance requirements	Compliant
46	Requirements pertaining to the dissemination of certain information under a separate section on the website	Not Applicable



### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*[Pursuant to BSE Limited's Notice dated January 07, 2022 read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

**HDB Financial Services Limited**

Radhika, 2nd Floor, Law Garden Road,

Navrangpura, Ahmedabad GJ 380009.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HDB Financial Services Limited having CIN U65993GJ2007PLC051028** and having registered office at Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad GJ 380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub 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 Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in the Company
1	Mr. Arijit Basu	06907779	June 01, 2021
2	Mr. Venkatraman Srinivasan	00246012	March 12, 2015
3	Ms. Smita Cawas Affinwalla	07106628	March 12, 2015
4	Dr. Amla Ashim Samanta	00758883	May 01, 2019
5	Mr. Adayapalam Kumaraswamy Viswanathan	08518003	July 24, 2019
6	Ms. Arundhati Mech	09177619	February 11, 2022
7	Mr. Ramesh Ganesan	05291597	July 01, 2012

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**

**Company Secretaries**

(ICSI Unique Code P1996MH007500)

Sd/-

**Dipti Mehta**

**Partner**

**FCS No: 3667**

**CP No: 23905**

**Place: Mumbai**

**Date: April 15, 2023**

**UDIN: F003667E000103668**

**COMPLIANCE CERTIFICATE**

*(Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Board of Directors of  
**HDB Financial Services Limited**

We, the undersigned, in our respective capacities as Managing Director & Chief Executive Officer and Chief Financial Officer of the Company, to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
  - (ii) 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.
- b) 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.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
  - (i) there have been no significant changes in internal control over financial reporting during this year;
  - (ii) there have been no significant changes in accounting policies during this year; and
  - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Ramesh G.**  
**Managing Director & Chief Executive Officer**

Sd/-  
**Jaykumar P. Shah**  
**Chief Financial Officer**

Place: Mumbai  
Date: April 15, 2023

**Declaration by Managing Director and Chief Executive Officer**

*[Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015]*

To,  
The Board of Directors,  
**HDB Financial Services Limited**

I, Mr. Ramesh G., Managing Director & Chief Executive Officer of HDB Financial Services Limited hereby declare that, all the Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct of the Company laid down for them for the year ended March 31, 2023.

Sd/-  
**Ramesh G.**  
**Managing Director & Chief Executive Officer**

Place: Mumbai  
Date: April 15, 2023

# Independent Auditors' Report

To  
The Members of  
**HDB Financial Services Limited**

## Report on the audit of the Standalone Financial Statements

### OPINION

1. We have audited the accompanying standalone Ind AS financial statements of HDB Financial Services Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ('the Standalone Financial Statements').
2. 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 ('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 state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

### BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) 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 ('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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Standalone Financial Statements.

### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Assessment of impairment loss provision on loans based on Expected Credit Loss model (ECL) under IND AS 109</b></p> <p>Refer to the accounting policies in 'Note 3(B) to the Standalone Ind AS Financial Statements: Expected Credit Loss', 'Note 2.11 to the Standalone Ind AS Financial Statements: Revenue Recognition' and 'Note 2.2(G) to the Standalone Ind AS Financial Statements: Impairment of Financial Assets and 'Note 45 to the Standalone Ind AS Financial Statements: Risk Management'.</p> <p>Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus are:</p> <ul style="list-style-type: none"> <li>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> </ul>	<p>Our audit procedures were focussed on assessing the appropriateness of management's judgement and estimates used in the impairment analysis that included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the Board approved Policy and approach concerning the management of credit and other risks.</li> <li>• Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions.</li> </ul>

## Independent Auditors' Report (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<ul style="list-style-type: none"> <li>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> <li>Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Standalone Ind AS Financial Statements as a whole and hence we have identified the same as a Key Audit Matter.</p> <p>Disclosures:</p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<ul style="list-style-type: none"> <li>Assessed the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans, measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information, which included overdue reports.</li> <li>Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages.</li> <li>Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default, (EAD), probability of default (PD) or loss given default (LGD);</li> <li>Tested key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and computation of probability of default and loss given default percentages.</li> <li>Verified the manner of preparation of information w.r.t. to provisions and disclosures in the Standalone Ind AS Financial Statements.</li> <li>Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems.</li> <li>Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>Performed test of details over model calculations testing through re-performance, where possible.</li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Standalone Ind AS Financial Statements are appropriate and sufficient.</li> </ul>

## Independent Auditors' Report (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		<ul style="list-style-type: none"> <li>Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable including the report on review of ECL model of the Company for the year, as performed by an independent expert, whose report is placed before the Board of Directors of the Company.</li> </ul>
2	<b>Information Technology system used for the financial reporting process</b>	
	<p>IT systems and controls</p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>These include implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, the testing of the general computer controls of these systems was considered a Key Audit Matter.</p>	<p>With the assistance of our IT specialist, our key audit procedures for assessment of the IT systems and controls over financial reporting covered following broad aspects:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management and application controls relevant to our audit</li> <li>Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting.</li> <li>Reviewed user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems and related application controls.</li> <li>Reviewed of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>Evaluated the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission</li> <li>Tested compensating controls or performed alternate audit procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and/or accuracy of data.</li> </ul>

## Independent Auditors' Report (Contd.)

### OTHER INFORMATION

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Ind AS 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.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information 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. We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and 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.

9. In preparing the Standalone Financial Statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. 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

11. 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 SAs 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 Standalone Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 12.1. 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.
  - 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal



## Independent Auditors' Report (Contd.)

financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 12.4. Conclude on the appropriateness of the 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 Company's ability 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.
- 12.5. 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.
13. 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.
14. 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.
15. 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 current year 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

16. 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 the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
  - 17.1. 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.
  - 17.2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - 17.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
  - 17.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - 17.5. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - 17.6. 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'.
  - 17.7. In our opinion and according to the information and explanations given to us, the remuneration



## Independent Auditors' Report (Contd.)

paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

18. 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:

18.1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Standalone Financial Statements – Refer Note 39.2 to the Standalone Financial Statements;

18.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39.3 to the Standalone Financial Statements;

18.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

18.4. The Management has represented, to best of their knowledge and belief, that 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.

18.5. The Management has represented, to best of their knowledge and belief, that 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.

18.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under paragraphs 18.4 and 18.5 contain any material misstatement.

18.7. In our opinion and according to the information and explanations given to us,

- a) 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 Act to the extent it applies to payment of dividend.
- b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

## Independent Auditors' Report (Contd.)

- c) As stated in Note 100 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.

- 18.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Company for maintenance of books of account, which is applicable to the Company from financial year beginning 1 April 2023. The reporting under clause (g) of Rule 11 of Companies (Audit and Auditors) Rules, 2014 would be done from financial year 2023-2024 onwards.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
ICAI Membership No: 044784  
UDIN: 23044784BGXWNB2222

Place: Mumbai  
Date: 15 April 2023

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W-100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 23033494BGWSPS9533

Place: Mumbai  
Date: 15 April 2023

## Annexure 'A' to the Independent Auditors' Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').  
The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks which are secured on the basis of security of current assets. Based on our examination of the records of the Company, the quarterly returns/statements filed by the Company with said banks are in agreement with the books of account of the Company.
- iii. (a) Since the Company's principal business is to give loans, the provision of clause 3(iii)(a) of the Order are not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c&d) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 58, note 59 and note 60 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the provision of clause 3(iii)(e) of the order are not applicable to it.
- (f) The Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties as defined in section 2(76) of the Act which are 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 not granted any loans, made investments or provided guarantees in contravention of the provisions of sections 185 and 186(1) of the Act, the other provision of the section 186 of the Act are not applicable to the Company.

## Annexure 'A' to the Independent Auditors' Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023 (Contd.)

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, provisions of clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under the sub-section (1) of Section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority as on 31 March 2023, on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking in Liquid Mutual Funds for a few days during the year, pending utilization towards purpose for which the same are obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e&f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of the clauses (ix)(e) & (f) of the Order are not applicable to the Company.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year, other than the instances of fraud noticed and reported by the management in terms of the regulatory provisions

Annexure 'A' to the Independent Auditors' Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023 (Contd.)

- applicable to the Company amounting to Rs. 0.58 Crore comprising of 6 instances.
- (b) No report under sub-section (12) of section 143 of the 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) Our review of the whistle blower complaints received during the year by the Company did not reveal any material observations.
- xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, provisions of clause 3(xii) of the Order is not applicable to the Company.
  - xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standard.
  - xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
  - xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company. and hence provisions of section 192 of the Act are not applicable to the Company.
  - xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
  - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - (c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.
  - (d) As per information provided in course of our audit, the Group to which Company belongs, does not have CIC.
  - xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
  - xviii. There has been no resignation of the statutory auditors during the year and accordingly, provisions of clause 3(xviii) of the Order is not applicable.
  - xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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

Annexure 'A' to the Independent Auditors' Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023 (Contd.)

to the date of the audit report and we neither give any guarantee nor any 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) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule

VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
ICAI Membership No: 044784  
UDIN: 23044784BGXWNB2222

Place: Mumbai  
Date: 15 April 2023

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W-100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 23033494BGWSPS9533

Place: Mumbai  
Date: 15 April 2023

## **Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of HDB Financial Services limited for the year ended 31 March 2023**

(Referred to in paragraph '17.6' under 'Report on Other Legal and Regulatory Requirements' section of our report 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 the Companies Act, 2013 ('the Act').**

### **OPINION**

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of HDB Financial Services limited ('the Company') as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls 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 ('the Guidance Note').

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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, including adherence to the 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, as required under the Act.

### **AUDITORS' RESPONSIBILITY**

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our

audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the 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 auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS**

7. A Company's internal financial controls with reference to the 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 controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



## Annexure 'B' to the Independent Auditors' Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023 (Contd.)

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 THE STANDALONE FINANCIAL STATEMENTS

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 105102W

Sd/-  
**Padmini Khare Kaicker**  
Partner  
ICAI Membership No: 044784  
UDIN: 23044784BGXWNB2222

Place: Mumbai  
Date: 15 April 2023

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W-100621

Sd/-  
**Hasmukh B Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 23033494BGWSPS9533

Place: Mumbai  
Date: 15 April 2023



# Standalone Balance Sheet

as at March 31, 2023

(Currency : Indian Rupees in Crore)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS:</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	395.90	477.20
(b) Bank balances other than (a) above	5	257.92	206.77
(c) Derivative financial instruments	6	165.34	132.44
(d) Trade receivables	7	65.76	141.82
(e) Loans	8	66,382.67	57,162.45
(f) Investments	9	1,243.25	2,233.51
(g) Other financial assets	10	34.87	32.91
		<b>68,545.71</b>	<b>60,387.10</b>
<b>2 Non-Financial Assets</b>			
(a) Current tax assets (Net)	11	25.11	13.34
(b) Deferred tax assets (Net)	12	1,000.87	1,051.17
(c) Property, plant and equipment	13	122.37	78.14
(d) Capital work-in-progress		-	-
(e) Other intangible assets		20.41	12.01
(f) Right of use Assets	14	244.27	202.49
(g) Other non-financial assets	15	91.65	281.69
		<b>1,504.68</b>	<b>1,638.84</b>
<b>TOTAL ASSETS</b>		<b>70,050.39</b>	<b>62,025.94</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
<b>3 Financial Liabilities</b>			
(a) Trade payables	16		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		291.84	246.91
(b) Debt securities	17	27,096.41	25,332.31
(c) Borrowings (other than debt securities)	18	24,227.80	19,501.72
(d) Subordinated liabilities	19	3,541.10	4,139.05
(e) Other financial liabilities	20	2,778.43	2,708.72
		<b>57,935.58</b>	<b>51,928.71</b>
<b>4 Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	21	41.97	59.73
(b) Provisions	22	368.96	314.75
(c) Other non-financial liabilities	23	266.91	183.02
		<b>677.84</b>	<b>557.50</b>
<b>5 Equity</b>			
(a) Equity share capital	24	791.40	790.44
(b) Other equity	25	10,645.57	8,749.29
		<b>11,436.97</b>	<b>9,539.73</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>70,050.39</b>	<b>62,025.94</b>
Significant accounting policies and notes to the Standalone Financial Statements.	2 - 101		

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

Sd/-  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

Sd/-  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

Sd/-  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Sd/-  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

Sd/-  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

Place: Mumbai  
Date: April 15, 2023

# Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(Currency : Indian Rupees in Crore)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1 Revenue from operations</b>			
(a) Interest income	26	8,927.78	8,362.97
(b) Sale of services		2,633.93	2,363.41
(c) Other financial charges		756.41	569.01
(d) Net gain on fair value changes	27	85.07	16.48
(e) Net gain / (loss) on derecognition of financial instruments under amortised cost category		(0.31)	(5.58)
<b>Total Revenue from operations</b>		<b>12,402.88</b>	<b>11,306.29</b>
<b>2 Expenses</b>			
(a) Finance Costs	28	3,511.92	3,325.50
(b) Impairment on financial instruments	29	1,330.40	2,465.73
(c) Employee Benefits Expenses	30	4,057.57	3,500.41
(d) Depreciation, amortisation and impairment	13,14	111.84	98.94
(e) Others expenses	31	763.75	568.15
<b>Total Expenses</b>		<b>9,775.48</b>	<b>9,958.73</b>
<b>3 Profit/(loss) before tax</b>		<b>2,627.40</b>	<b>1,347.56</b>
<b>4 Tax Expense:</b>	11,12		
(a) Current tax		621.30	663.40
(b) Deferred tax (credit)		46.75	(327.24)
<b>Total Tax expense</b>		<b>668.05</b>	<b>336.16</b>
<b>5 Profit for the year</b>		<b>1,959.35</b>	<b>1,011.40</b>
<b>6 Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan		(5.48)	(13.15)
- Income tax relating to items that will not be reclassified to profit or loss		1.38	2.25
<b>Sub total (a)</b>		<b>(4.10)</b>	<b>(10.90)</b>
(b) Items that will be reclassified to profit or loss			
- Movement in cash flow hedge reserve		19.59	33.00
- Income tax relating to items that will be reclassified to profit or loss		(4.93)	(8.31)
<b>Sub total (b)</b>		<b>14.66</b>	<b>24.69</b>
<b>Other Comprehensive Income</b>		<b>10.56</b>	<b>13.79</b>
<b>7 Total Comprehensive Income for the year</b>		<b>1,969.91</b>	<b>1,025.19</b>
<b>8 Earnings per equity share (for continuing operations)</b>	32		
Basic (₹)		24.78	12.81
Diluted (₹)		24.76	12.80
Significant accounting policies and notes to the Standalone Financial Statements.	2 - 101		

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
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For and on behalf of the Board of Directors of  
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Partner  
Membership No: 044784

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Membership No: 033494

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Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Statement of Changes in Equity

as at March 31, 2023

(Currency : Indian Rupees in Crore)

## A EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	790.44	789.19
- Changes in Equity Share Capital due to prior period errors	-	-
- Restated balance at the beginning of the current reporting period	-	-
- Changes in Equity Share Capital during the year	0.96	1.25
<b>Balance at the end of the reporting period</b>	<b>791.40</b>	<b>790.44</b>

## B OTHER EQUITY

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
<b>Balance as at April 01, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>
Profit for the year	-	-	-	1,959.35	-	-	1,959.35
Other Comprehensive Income	-	-	-	-	(4.10)	14.66	10.56
Total Comprehensive Income for the year	-	-	-	1,959.35	(4.10)	14.66	1,969.91
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	391.87	(391.87)	-	-	-
Premium on issue of shares	32.96	-	-	-	-	-	32.96
Share based payment	-	43.64	-	-	-	-	43.64
Transfer on allotment of shares pursuant to ESOP scheme	39.56	(39.56)	-	-	-	-	-
Dividends	-	-	-	(79.04)	-	-	(79.04)
Interim Dividend	-	-	-	(71.20)	-	-	(71.20)
<b>Balance as at March 31, 2023</b>	<b>3,127.72</b>	<b>39.61</b>	<b>1,685.09</b>	<b>5,844.33</b>	<b>(57.65)</b>	<b>6.46</b>	<b>10,645.57</b>

Standalone Statement of Changes in Equity  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
<b>Balance as at April 01, 2021</b>	<b>2,960.70</b>	<b>62.97</b>	<b>1,090.94</b>	<b>3,617.98</b>	<b>(42.65)</b>	<b>(32.89)</b>	<b>7,657.05</b>
Profit for the year	-	-	-	1,011.40	-	-	1,011.40
Other Comprehensive Income	-	-	-	-	(10.90)	24.69	13.79
Total Comprehensive Income for the year	-	-	-	1,011.40	(10.90)	24.69	1,025.19
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	202.28	(202.28)	-	-	-
Premium on issue of shares	36.63	-	-	-	-	-	36.63
Share based payment	-	30.42	-	-	-	-	30.42
Transfer on allotment of shares pursuant to ESOP scheme	57.86	(57.86)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
<b>Balance As At March 31, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>

As required by section 45-IC of the RBI Act 1934, the Company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1984.

Significant accounting policies and notes to the Standalone Financial Statements. Note 2 - 101

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Cash Flow Statement

for the year ended March 31, 2023

(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	2,627.40	1,347.56
Adjustments for		
Interest Income	(8,927.78)	(8,362.97)
Interest Expenses	3,502.92	3,316.64
(Profit)/loss on sale of asset	(1.01)	(0.06)
Realised net loss/ (gain) on FVTPL investments	(90.67)	39.29
Unrealised gain on FVTPL investments	5.60	(22.81)
Discount on commercial paper	9.00	8.86
Provision for compensated absence and gratuity	6.59	3.52
Employee share based payment expenses	43.64	30.42
Depreciation, amortisation and impairment	111.84	98.94
Impairment on financial instruments	1,330.40	2,465.73
<b>Operating cash flow before working capital changes</b>	<b>(1,382.07)</b>	<b>(1,074.88)</b>
<b>Adjustments for working capital changes:</b>		
(Increase)/ decrease in Loans	(10,462.68)	(1,016.51)
(Increase)/ decrease in trade receivables	76.06	(24.50)
(Increase)/ decrease in other financial assets and others	(0.19)	(17.69)
Increase/(decrease) in other financial and non financial liabilities & provisions	(758.28)	(960.09)
Increase/(decrease) in trade payables	44.93	(87.34)
<b>Cash generated from/(Used in) operations before adjustments for interest received and interest paid</b>	<b>(12,482.23)</b>	<b>(3,181.01)</b>
Interest Paid	(3,842.14)	(3,699.47)
Interest Received	8,841.36	8,353.15
<b>Cash generated from/(Used in) operations</b>	<b>(7,483.01)</b>	<b>1,472.67</b>
Direct taxes paid (net of refunds)	632.41	514.43
<b>Net cash flow generated from/(used in) operating activities (A)</b>	<b>(6,850.60)</b>	<b>1,987.10</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(49,267.66)	(24,583.62)
Sale of investments	50,350.80	23,920.20
Purchase of fixed assets	(111.32)	(41.13)
Sale of fixed assets	1.50	1.27
<b>Net cash generated (used in)/ from investing activities (B)</b>	<b>973.32</b>	<b>(703.28)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Debt securities issued	10,099.18	8,876.00
Debt securities repaid	(8,210.60)	(7,274.50)
Borrowings other than debt securities issued	17,207.75	8,800.35
Borrowings other than debt securities repaid	(12,507.21)	(12,026.41)
Subordinated debt issued	-	150.00
Subordinated debt repaid	(600.00)	-
Proceeds from issue of shares and security premium	33.93	37.89
Repayment of lease liabilities	(76.81)	(62.87)
Dividend paid	(150.25)	-
<b>Net cash generated (used in)/ from financing activities (C)</b>	<b>5,795.99</b>	<b>(1,499.54)</b>

Standalone Cash Flow Statement  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(81.30)</b>	<b>(215.72)</b>
Add : Cash and cash equivalents as at the beginning of the year	477.20	692.92
Cash and cash equivalents as at the end of the year *	395.90	477.20
<b>* Components of cash and cash equivalents</b>		
Balances with banks	358.51	430.81
Demand drafts on hand	8.87	11.32
Cash on hand	28.52	35.07
	395.90	477.20

Significant accounting policies and notes to the Standalone Financial Statements. Note 2 - 101

The notes referred to above form an integral part of the Standalone Financial Statements.

The above Standalone Statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flow.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
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Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

## 1 COMPANY OVERVIEW

HDB Financial Services Limited ('the Company') (Corporate Identity Number CIN U65993GJ2007PLC051028), incorporated in Ahmedabad, India, is a Systemically Important Non Deposit taking Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The Company is registered with the Reserve Bank of India (RBI) with registration no. N.01.00477.

The Company provides lending services and business process outsourcing services. The Company also provides services related to the marketing and promotion of various financial products.

The Company's registered office is situated at Radhika, 2nd floor, Law Garden Road, Navrangpura, Ahmedabad - 380009, India, while its corporate office is located in Mumbai, India. The Company is a subsidiary of HDFC Bank Limited.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance, Basis of Preparation and Presentation of Financial Statements

#### (A) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. Further the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC). CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020, in addition to the Regulatory disclosure as required by Master Direction - Non Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the

existing accounting standard requires a change in the accounting policy hitherto in use. These standalone financial statements subjected to audit by the Statutory Auditors of the Company have been reviewed by the Audit Committee and approved by the Board of Directors and authorised for issue on April 15, 2023.

#### (B) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

#### (C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Crore in compliance with Schedule III of the Act, unless otherwise stated.

#### (D) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs') which is also the Company's functional currency. All amounts are rounded-off to the nearest Crore, unless otherwise indicated.

#### (E) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

### 2.2 Financial Instruments

#### (A) Date of recognition

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### (B) Initial measurement

Recognised financial instruments are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

Trade receivable are initially measured at transaction price.

#### (C) Classification and subsequent measurement

##### (i) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

##### (a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

##### (b) Financial assets at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'),



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

### (c) Financial assets at fair value through profit and loss

Financial assets, which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in statement of profit and loss.

The Company records investments in equity instruments, mutual funds and Treasury bills at FVTPL.

### (ii) Financial liabilities and equity instrument

Debt and equity instruments issued by the 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.

#### (a) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

#### (b) Financial liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.

### (D) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional

circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

### (E) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (F) Derecognition

#### (i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Company neither transfers nor retains substantially all of 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 the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

### (ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

### (G) Impairment of financial assets

The Company applies the expected credit loss ('ECL') model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based

on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Company categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

Loan accounts where principal and/or interest are past due for more than 90 days continue to be classified as stage 3 till overdues across all loans are cleared.

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material. Adjustments including reversal of ECL is recognised through statement of profit and loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

### (H) Write offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

## 2.3 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be

impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

## 2.4 Foreign exchange transactions and translations

### (A) Initial recognition

Transactions in foreign currencies are recognised at prevailing exchange rates between reporting currency and foreign currency on transaction date.

### (B) Conversion

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

## 2.5 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

### Hedge accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

### Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging

instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of 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.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

## 2.6 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

The Company follows the policy of crediting the customer's account only on receipt of amount in the bank and as such no cheques in hand are taken into consideration.

## 2.7 Upfront servicers fees booked on direct assignment

Servicer fees receivable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

### 2.8 Property, plant and equipment

#### (A) Recognition and measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

#### (B) Subsequent expenditure

Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future economic benefits / functioning capability from / of such assets.

#### (C) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Company	Estimated useful life under Schedule II of the Act
Computers	2-5 years	3 years
Software and system development	3 years	3 years
Office equipment	3-5 years	5 years
Motor cars	4 years	8 years
Furniture and fixtures	3-7 years	10 years
Building	60 years	60 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

The Company uniformly estimates a zero residual value for all these assets. Items costing

less than ₹ 5,000 are fully depreciated in the year of purchase. Depreciation is pro-rated in the year of acquisition as well as in the year of disposal.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Consequently, the useful life of certain computer-related assets, furniture and fixtures, office equipment and motor cars differ from the life prescribed in Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the year the asset is de-recognised.

### 2.9 Other intangible assets

Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 3 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

### 2.10 Dividends

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

### 2.11 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at transaction price based on fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different sources of revenue are explained below:

#### (A) Income from lending business

##### Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and

the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

##### Other financial charges

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

#### (B) Income from BPO services and other financial charges

Income from BPO services comprise of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers. Performance obligations are satisfied over time and revenue is recorded on a monthly basis.

#### (C) Income from direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

### 2.12 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

### 2.13 Employee benefits

#### (A) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (B) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

#### (C) ESIC and Labour welfare fund

The Company's contribution paid/payable during the year to ESIC and Labour welfare fund are recognised in the statement of profit and loss.

#### (D) Gratuity

The Company operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Company makes annual contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of

employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

#### (E) Share-based payments

The Company recognises compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 - Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding amount.

### 2.14 Provisions and contingences

The Company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.15 Leases

Effective April 01, 2019, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, April 01, 2019.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable,

in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

### 2.16 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

### 2.17 Income tax

#### (A) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

#### (B) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry

forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 tax authority.

### 2.18 Earnings per share

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 2.19 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 ('MD') of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

Operating segments identified by the Company comprises as under:

- Lending services
- BPO services

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### 2.20 Repossession and Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements.

To the extent possible, the Company uses active market data and external valuers for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued

using models or through external valuers. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

The Company physically repossess and take into custody properties or other assets and also engages external agents to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The Company does not use the assets repossessed for the internal operations. Assets held under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards. Value of the repossessed asset is not netted off from the exposure at default for calculation of expected credit loss.

### 2.21 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

### (A) Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell 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.

Fair value measurements under Ind AS are categorised 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

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

the fair value measurement in its entirety, which are described as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 43.

### (B) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information.

The component used by the Company in determining the ECL have been depicted in Note 45.

### (C) Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

### (D) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. 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 assets.

### (E) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### (F) Leases

- The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

### (G) Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

### (H) Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future

salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (I) Provisions and contingences

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

## 4 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Cash on hand	28.52	35.07
Balances with banks	358.51	430.81
Demand drafts on hand	8.87	11.32
<b>Total</b>	<b>395.90</b>	<b>477.20</b>

## 5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Deposits with bank	101.92	1.89
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments.	93.63	172.96
Collateral with Banks for Derivative	61.71	30.58
Interest accrued but not due on fixed deposits	0.66	1.34
<b>Total</b>	<b>257.92</b>	<b>206.77</b>

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 6 DERIVATIVE FINANCIAL INSTRUMENTS

	As at March 31, 2023			As at March 31, 2022		
	Notional amounts	Fair Value-Assets	Fair Value-Liabilities	Notional amounts	Fair Value-Assets	Fair Value-Liabilities
<b>Part I</b>						
<b>(i) Currency derivatives:</b>						
Currency swaps	1,889.91	166.17	-	4,017.00	132.44	-
<b>Subtotal (i)</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>
<b>(ii) Interest rate derivatives</b>						
Forward Rate Agreements and Interest Rate swaps	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less : Provision on derivative financial instruments		0.83				
<b>Total Derivative Financial Instruments (i)+(ii)</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
<b>(i) Fair value hedging:</b>						
Currency derivatives	-	-	-	-	-	-
Interest Rate derivatives	-	-	-	-	-	-
<b>Subtotal (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) Cash flow hedging:</b>						
Currency derivatives	1,889.91	166.17	-	4,017.00	132.44	-
Interest rate derivatives	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>
<b>(iii) Undesignated Derivatives</b>						
Currency Swaps	-	-	-	-	-	-
<b>Subtotal (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less : Provision on derivative financial instruments	-	0.83	-	-	-	-
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

## 7 TRADE RECEIVABLES

	As at March 31, 2023	As at March 31, 2022
Receivables Considered good - Secured	-	-
Receivables Considered good - Unsecured	59.10	124.20
Receivables which have significant increase in the credit risk	12.22	20.79
Receivables credit impaired	1.34	0.13
Unbilled Trade Receivables	-	-
	<b>72.66</b>	<b>145.12</b>
Less: Impairment loss allowance	6.90	3.30
<b>Total</b>	<b>65.76</b>	<b>141.82</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
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**Reconciliation of impairment Loss allowance on trade receivables:**

	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	3.30	4.56
Increase during the year	5.98	2.11
Decrease during the year	(2.38)	(3.37)
<b>Balance at end of the year</b>	<b>6.90</b>	<b>3.30</b>

**Trade receivables ageing schedule :**

Previous Year figures are in (brackets)

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	58.53 (123.55)	0.60 (0.41)	(0.03) 0.05	(0.00) (0.10)	(0.00) (0.20)	59.10 (124.21)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	11.21 (19.50)	0.94 (0.79)	0.01 (0.39)	0.00 (0.02)	0.06 (0.09)	12.22 (20.79)
(iii) Undisputed Trade Receivables- credit impaired	0.78 -	0.56 -	0.00 (0.07)	0.00 (0.06)	(0.00) -	1.34 (0.13)
(iv) Disputed Trade Receivables- considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade Receivables- which have significant increase in credit risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(v) Unbilled Trade Receivables	- -	- -	- -	- -	- -	- -
<b>TOTAL</b>	<b>70.52 (143.05)</b>	<b>2.10 (1.20)</b>	<b>(0.02) (0.41)</b>	<b>0.00 (0.18)</b>	<b>0.06 (0.29)</b>	<b>72.66 (145.12)</b>

**8 LOANS (AT AMORTISED COST)**

	As at March 31, 2023	As at March 31, 2022
<b>A Term Loans in India</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>B Public sector</b>	<b>-</b>	<b>-</b>
Others	70,030.70	61,326.32
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>C Secured (Secured by tangible assets)</b>	<b>53,053.24</b>	<b>46,644.29</b>
Unsecured	16,977.46	14,682.03
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>Less: Impairment loss allowance</b>	<b>3,648.03</b>	<b>4,163.87</b>
<b>Total</b>	<b>66,382.67</b>	<b>57,162.45</b>
<b>D Term Loans in India - at amortised cost</b>		
- Public sector	-	-
- Others		
Secured (Secured by tangible assets)	53,053.24	46,644.29
Unsecured	16,977.46	14,682.03
<b>Total Gross Loans</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>Less: Impairment loss allowance</b>	<b>3,648.03</b>	<b>4,163.87</b>
<b>Total</b>	<b>66,382.67</b>	<b>57,162.45</b>

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
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**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	As at March 31, 2023	As at March 31, 2022
Stage 1	66,793.02	56,142.18
Stage 2	1,322.83	2,125.38
Stage 3	1,914.85	3,058.76
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person.

Particulars	As at March 31, 2023	% to the total Loans and Advances in the nature of loans	As at March 31, 2022	% to the total Loans and Advances in the nature of loans
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

**9 INVESTMENTS**

	As at March 31, 2023	As at March 31, 2022
<b>Recorded at Fair value through statement of profit and loss</b>		
Outside India	-	-
In India		
Mutual fund units	411.65	946.45
Treasury bills / G-Sec	773.66	1,197.57
Securities receipt of ARC	55.99	88.04
Unquoted equity shares	1.95	1.45
<b>Total</b>	<b>1,243.25</b>	<b>2,233.51</b>

**10 OTHER FINANCIAL ASSETS**

	As at March 31, 2023	As at March 31, 2022
Security deposits at amortised cost (Unsecured, considered good)	24.54	21.64
Prepaid rent (Security deposits, Unsecured, considered good)	7.14	7.19
Retained interest on assigned loan	2.81	3.12
Servicing assets on assigned loan	0.38	0.96
<b>Total</b>	<b>34.87</b>	<b>32.91</b>



Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 11 CURRENT TAX ASSETS (NET)

	As at March 31, 2023	As at March 31, 2022
<b>Current tax assets</b>		
Advance tax and tax deducted at source(Net of provision for tax ₹ 621.30 Crore)(Previous Year: ₹ 663.40 Crore)	25.11	13.34
<b>Total</b>	<b>25.11</b>	<b>13.34</b>

## 12 DEFERRED TAX ASSETS (NET)

	Balance as at April 01, 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2022	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2023
<b>Deferred Tax Asset</b>							
Depreciation and amortisation	20.82	14.78	-	35.60	13.82	-	49.42
Provision for employee benefits	10.00	2.04	2.25	14.30	5.68	1.38	21.35
Loans - Impairment	696.46	349.57	-	1,046.03	(93.91)	-	952.12
Loans - DSA	28.45	(15.45)	-	13.00	(11.44)	-	1.56
Lease	7.42	(10.87)	-	(3.45)	(13.99)	-	(17.44)
Cash Flow Hedges Reserve	11.07	-	(8.31)	2.76	-	(4.93)	(2.17)
<b>Deferred Tax Asset</b>	<b>774.22</b>	<b>340.07</b>	<b>(6.06)</b>	<b>1,108.24</b>	<b>(99.84)</b>	<b>(3.55)</b>	<b>1,004.85</b>
<b>Deferred Tax Liabilities</b>							
Borrowings	(11.47)	4.32	-	(7.15)	3.86	-	(3.29)
Investments - MTM and others	(2.00)	(16.84)	-	(18.84)	1.41	-	(17.43)
Securitisation and others	(30.76)	(0.32)	-	(31.08)	47.82	-	16.74
<b>Deferred Tax Liabilities</b>	<b>(44.23)</b>	<b>(12.84)</b>	<b>-</b>	<b>(57.07)</b>	<b>53.09</b>	<b>-</b>	<b>(3.98)</b>
<b>Net Deferred Tax Assets</b>	<b>729.99</b>	<b>327.24</b>	<b>(6.06)</b>	<b>1,051.17</b>	<b>(46.75)</b>	<b>(3.55)</b>	<b>1,000.87</b>
Movement in Net deferred tax Asset during the year						(50.30)	

The components of income tax expense for the years ended March 31, 2023 and 2022 are:

	As at March 31, 2023	As at March 31, 2022
<b>Current tax:</b>		
In respect of current year	621.30	663.40
In respect of prior years	-	-
<b>Deferred Tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	46.75	(327.24)
In respect of prior years	-	-
<b>Total Income Tax recognised in statement of profit or loss</b>	<b>668.05</b>	<b>336.16</b>
Current tax	621.30	663.40
Deferred tax (Debit)	46.75	(327.24)



Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
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Income Tax recognised in Other comprehensive income

	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax related to items recognised in Other comprehensive income during the year:</b>		
Income tax relating to items that will not be reclassified to profit or loss	1.38	2.25
Income tax relating to items that will be reclassified to profit or loss	(4.93)	(8.31)
<b>Total Income tax recognised in Other comprehensive income (Debit)</b>	<b>(3.55)</b>	<b>(6.06)</b>

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at March 31, 2023	As at March 31, 2022
Profit before tax	2,627.40	1,347.56
Applicable income tax rate (%)	25.17	25.17
Income tax expense calculated at applicable income tax rate	661.26	339.15
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	16.46	14.16
Effect of tax incentives (net)	(9.67)	(17.14)
Effects of income not considered as taxable on compliance of condition	-	-
Income tax for earlier year	-	-
<b>Income tax expense recognised in profit and loss</b>	<b>668.05</b>	<b>336.16</b>

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

13 PROPERTY, PLANT AND EQUIPMENT (PPE) AND OTHER INTANGIBLE ASSETS

	Office equipment	Furniture and fixtures	Leasehold improvements	Computers	Building	Motor cars	Total PPE Tangibles	Software and System development	Total Other Intangibles	Total
<b>Balance as at April 01, 2022</b>	<b>63.13</b>	<b>95.15</b>	<b>80.72</b>	<b>158.76</b>	<b>0.15</b>	<b>8.85</b>	<b>406.76</b>	<b>50.81</b>	<b>50.81</b>	<b>457.57</b>
Additions during the year	9.81	4.03	11.69	62.66	-	4.53	92.72	18.59	18.59	111.31
Disposals/Adjustments during the year	1.93	1.46	3.83	11.18	-	4.33	22.72	0.01	0.01	22.73
<b>Balance as at March 31, 2023</b>	<b>71.01</b>	<b>97.72</b>	<b>88.58</b>	<b>210.24</b>	<b>0.15</b>	<b>9.05</b>	<b>476.76</b>	<b>69.39</b>	<b>69.39</b>	<b>546.15</b>
<b>Accumulated Depreciation / impairment as at April 01, 2022</b>	<b>51.86</b>	<b>80.51</b>	<b>51.96</b>	<b>138.71</b>	<b>0.03</b>	<b>5.56</b>	<b>328.63</b>	<b>38.80</b>	<b>38.80</b>	<b>367.43</b>
Depreciation charge during the year	6.29	5.68	11.28	23.02	0.00	1.73	48.01	10.19	10.19	58.20
Disposals/Adjustments during the year	1.93	1.45	3.75	11.18	-	3.93	22.23	0.01	0.01	22.24
<b>Accumulated Depreciation / impairment as at March 31, 2023</b>	<b>56.22</b>	<b>84.74</b>	<b>59.49</b>	<b>150.55</b>	<b>0.03</b>	<b>3.36</b>	<b>354.41</b>	<b>48.98</b>	<b>48.98</b>	<b>403.39</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>14.79</b>	<b>12.98</b>	<b>29.09</b>	<b>59.69</b>	<b>0.12</b>	<b>5.69</b>	<b>122.35</b>	<b>20.41</b>	<b>20.41</b>	<b>142.76</b>
<b>Balance as at April 01, 2021</b>	<b>61.62</b>	<b>93.46</b>	<b>79.06</b>	<b>142.88</b>	<b>0.15</b>	<b>8.03</b>	<b>385.21</b>	<b>39.23</b>	<b>39.23</b>	<b>424.43</b>
Additions during the year	2.85	3.04	4.70	16.49	-	2.47	29.55	11.58	11.58	41.13
Disposals/Adjustments during the year	1.34	1.35	3.05	0.62	-	1.65	8.00	-	-	8.00
<b>Balance as at March 31, 2022</b>	<b>63.13</b>	<b>95.15</b>	<b>80.72</b>	<b>158.76</b>	<b>0.15</b>	<b>8.85</b>	<b>406.76</b>	<b>50.81</b>	<b>50.81</b>	<b>457.57</b>
<b>Accumulated Depreciation / impairment as at April 01, 2021</b>	<b>47.23</b>	<b>73.50</b>	<b>45.36</b>	<b>122.45</b>	<b>0.02</b>	<b>5.13</b>	<b>293.69</b>	<b>31.25</b>	<b>31.25</b>	<b>324.93</b>
Depreciation charge for the year	5.93	8.29	9.03	16.87	0.02	1.58	41.72	7.56	7.56	49.28
Disposals/Adjustments during the year	1.30	1.28	2.43	0.61	0.02	1.15	6.79	-	-	6.79
<b>Accumulated Depreciation / impairment as at March 31, 2022</b>	<b>51.86</b>	<b>80.51</b>	<b>51.96</b>	<b>138.71</b>	<b>0.03</b>	<b>5.56</b>	<b>328.63</b>	<b>38.80</b>	<b>38.80</b>	<b>367.43</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>11.27</b>	<b>14.64</b>	<b>28.76</b>	<b>20.05</b>	<b>0.12</b>	<b>3.29</b>	<b>78.13</b>	<b>12.01</b>	<b>12.01</b>	<b>90.14</b>

**Note:** No revaluation of any class of asset is carried out during the year.

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#### 14 RIGHT OF USE ASSETS

	As at March 31, 2023	As at March 31, 2022
Right of Use Assets (ROU) (Refer note 34)	244.27	202.49
<b>Total</b>	<b>244.27</b>	<b>202.49</b>

#### 15 OTHER NON-FINANCIAL ASSETS

	As at March 31, 2023	As at March 31, 2022
Capital advances	9.02	0.43
Advances recoverable in cash or in kind (Unsecured, considered good)	82.63	281.26
<b>Total</b>	<b>91.65</b>	<b>281.69</b>

#### 16 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Trade payables		
i) total outstanding dues to micro and small enterprises	-	-
ii) total outstanding dues of creditors other than micro and small enterprises	291.84	246.91
<b>Total</b>	<b>291.84</b>	<b>246.91</b>

16.1 Trade Payables includes ₹ 0 Crore (Previous Years: ₹ 0 Crore) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The above is based on the information available with the Company which has been relied upon by the auditors.

16.2 Trade payables ageing schedule :

Particulars	Previous Year figures are in (brackets)				
	Less than 1 months	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
	-	-	-	-	-
ii) Others	288.23	1.59	0.36	1.66	291.84
	(239.47)	(1.45)	(2.78)	(3.21)	(246.91)
iii) Disputed dues - MSME	-	-	-	-	-
	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
v) Unbilled Trade payables	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>288.23</b>	<b>1.59</b>	<b>0.36</b>	<b>1.66</b>	<b>291.84</b>
	<b>(239.47)</b>	<b>(1.45)</b>	<b>(2.78)</b>	<b>(3.21)</b>	<b>(246.91)</b>

Notes to the Standalone Financial Statements  
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## 17 DEBT SECURITIES

	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
<b>Secured</b>		
Privately placed redeemable Non Convertible Debenture	27,246.28	25,357.70
Secured by pari passu charge by mortgage of Company's Office no.130, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and receivables under financing activity.		
<b>Total</b>	<b>27,246.28</b>	<b>25,357.70</b>
Less: Unamortised borrowing cost	149.87	25.39
<b>Debt Securities (Net of unamortised cost)</b>	<b>27,096.41</b>	<b>25,332.31</b>
Debt securities in India	27,246.28	25,357.70
Debt securities outside India	-	-
<b>Total</b>	<b>27,246.28</b>	<b>25,357.70</b>
Less: Unamortised borrowing cost	149.87	25.39
<b>Debt Securities (Net of unamortised cost)</b>	<b>27,096.41</b>	<b>25,332.31</b>

17.1 - No non convertible debentures, non convertible perpetual debentures and any other borrowing is guaranteed by directors and/or others.

17.2 - Terms of repayment of privately placed redeemable non convertible debenture.

Previous Year figures are in (brackets)

Rate of interest (%)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.5-5.5	2,423.00 (1,380.00)	1,593.00 (2,616.00)	- -	- -	4,016.00 (3,996.00)
5.5-6.5	1,910.00 (1,510.00)	5,203.00 (6,470.00)	1,060.00 (1,390.00)	- -	8,173.00 (9,370.00)
6.5-7.5	5,341.10 -	1,286.00 (5,691.10)	130.00 -	- -	6,757.10 (5,691.10)
7.5-8.5	- (3,189.00)	4,368.00 (280.00)	1,364.00 -	1,200.00 (900.00)	6,932.00 (4,369.00)
8.5-9.5	- (1,931.60)	1,045.00 -	- -	- -	1,045.00 (1,931.60)
9.5-10.5	- -	- -	323.18 -	- -	323.18 -
<b>Total</b>	<b>9,674.10 (8,010.60)</b>	<b>13,495.00 (15,057.10)</b>	<b>2,877.18 (1,390.00)</b>	<b>1,200.00 (900.00)</b>	<b>27,246.28 (25,357.70)</b>

17.3 - All the above non convertible debentures are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year(Refer Note 94).

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**18 BORROWINGS (OTHER THAN DEBT SECURITIES)**

	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
Borrowings (other than debt securities)		
<b>Secured</b>		
(a) External commercial borrowings (ECB)	1,889.91	4,017.00
(b) Term loan against hypothecation of Receivables under financing activity	21,968.00	14,291.45
(c) Borrowing under Securitisation	370.86	1,205.64
<b>Total</b>	<b>24,228.77</b>	<b>19,514.09</b>
Less: Unamortised borrowing cost	0.97	12.37
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>24,227.80</b>	<b>19,501.72</b>
Borrowings in India	22,338.86	15,497.09
Borrowings outside India	1,889.91	4,017.00
<b>Total</b>	<b>24,228.77</b>	<b>19,514.09</b>
Less: Unamortised borrowing cost	0.97	12.37
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>24,227.80</b>	<b>19,501.72</b>

18.1 - No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others.

18.2 - During the period presented there were no defaults in the repayment of principal and interest.

18.3 - Terms of repayment of External commercial borrowings in foreign currency

Previous Year figures are in (brackets)

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
6-9	1,889.91	-	-	1,889.91
	(4,017.00)	-	-	(4,017.00)

The Company had availed total External Commercial Borrowing (ECBs) of US\$ 530 Mn for financing prospective borrower as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. Out of same US\$ 230 Mn was raised in FY 2020-21. The borrowing had a maturity of three years. In terms of the RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps. The charges for raising of the aforesaid ECB has been amortised over the tenure of the ECB.

18.4 - Terms of repayment of Term loans from Banks.

Previous Year figures are in (brackets)

Marginal Cost of Funds Based Lending Rate (MCLR) (a)	0-1 years	1-3 years	3-5 years	>5 years	Total
Overnight MCLR + (0.00% to 0.75%)	200.00	200.00	200.00	-	600.00
	-	(100.00)	-	-	(100.00)
1 Month MCLR + (0.00% to 0.75%)	41.67	-	-	-	41.67
	(41.67)	(41.67)	-	-	(83.33)
3 Month MCLR + (0.00% to 1.5%)	998.39	2,088.81	526.13	20.00	3,633.33
	(75.00)	(75.00)	-	-	(150.00)
6 Month MCLR + (0.00% to 0.75%)	200.00	400.00	400.00	-	1,000.00
	-	-	-	-	-
<b>Total (a)</b>	<b>1,440.06</b>	<b>2,688.81</b>	<b>1,126.13</b>	<b>20.00</b>	<b>5,275.00</b>
	<b>(116.67)</b>	<b>(216.67)</b>	<b>-</b>	<b>-</b>	<b>(333.33)</b>

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Previous Year figures are in (brackets)					
Marginal Cost of Funds Based Lending Rate (MCLR) (a)	0-1 years	1-3 years	3-5 years	>5 years	Total
<b>Rate linked to T-Bills rates (b)</b>					
7 Days T-Bills rates (0.00% to 4.00%)	80.00	80.00	-	-	160.00
	-	-	-	-	-
1 Month T-Bills rates (0.00% to 4.00%)	566.66	1,291.67	452.08	-	2,310.41
	-	-	-	-	-
3 Month T-Bills rates (0.00% to 4.00%)	875.83	1,618.33	73.97	-	2,568.13
	(1,579.53)	(1,562.28)	(136.67)	-	(3,278.47)
6 Month T-Bills rates (0.00% to 3.50%)	-	-	-	-	-
	(109.09)	-	-	-	(109.09)
12 Month T-Bills rates (0.00% to 3.50%)	-	-	-	-	-
	(431.67)	(772.50)	-	-	(1,204.17)
Repo Rate (0.00% to 3.50%)	2,820.88	4,463.22	390.62	-	7,674.72
	(1,061.46)	(2,286.39)	(1,473.21)	-	(4,821.06)
Mumbai Interbank Offer rate (MIBOR) (0.00% to 3.50%)	30.00	37.50	-	-	67.50
	(725.00)	(252.08)	-	-	(977.08)
<b>Total (b)</b>	<b>4,373.37</b>	<b>7,490.72</b>	<b>916.67</b>	<b>-</b>	<b>12,780.76</b>
	<b>(3,906.75)</b>	<b>(4,873.25)</b>	<b>(1,609.88)</b>	<b>-</b>	<b>(10,389.88)</b>
<b>Fixed Interest rate (c)</b>					
4.50% - 8.35%	1,725.21	1,903.21	283.82	-	3,912.24
	(1,018.70)	(2,187.40)	(362.14)	-	(3,568.24)
<b>Total (a)+(b)+(c)</b>	<b>7,538.64</b>	<b>12,082.74</b>	<b>2,326.62</b>	<b>20.00</b>	<b>21,968.00</b>
	<b>(5,042.12)</b>	<b>(7,277.32)</b>	<b>(1,972.01)</b>	<b>-</b>	<b>(14,291.45)</b>

18.4.1-Term loans includes ₹ 7,082.45 Crore (Previous year ₹ 6,067.14 Crore ) from related parties.

18.5 - All the above Term loans are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year.

18.6 - Terms of repayment of Borrowing under Securitisation.

Previous Year figures are in (brackets)				
Rate of interest (%)	0-1 years	1-3 years	3-5 years	Total
3.50% to 6.00%	285.09	85.77	-	370.86
	(763.50)	(429.25)	(12.89)	(1,205.64)

18.7 - Term Loans were used fully for the purpose for which the same were obtained.

18.8 - Periodic Statements of securities filed with lending banks are as per book of accounts.

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 19 SUBORDINATED LIABILITIES

	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
<b>Unsecured</b>		
(a) Privately placed subordinated (Tier II) redeemable bonds	2,900.00	3,500.00
(b) Redeemable non convertible perpetual bonds	650.00	650.00
<b>Total</b>	<b>3,550.00</b>	<b>4,150.00</b>
Less: Unamortised borrowing cost	8.90	10.95
<b>Subordinated Liabilities net of unamortised cost</b>	<b>3,541.10</b>	<b>4,139.05</b>
Subordinated Liabilities in India	3,550.00	4,150.00
Subordinated Liabilities outside India	-	-
<b>Total</b>	<b>3,550.00</b>	<b>4,150.00</b>
Less: Unamortised borrowing cost	8.90	10.95
<b>Subordinated Liabilities net of unamortised cost</b>	<b>3,541.10</b>	<b>4,139.05</b>

19.1 - No subordinate debts and any other borrowing is guaranteed by directors and / or others.

19.2 - Terms of repayment of Privately placed unsecured subordinated (Tier II) redeemable bonds and redeemable non convertible perpetual bonds

Previous Year figures are in (brackets)

Rate of interest (%)	<5 years	>5 years	Total
7.35-10.50	1,400.00	2,150.00	3,550.00
	(4,000.00)	(150.00)	(4,150.00)

## 20 OTHER FINANCIAL LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Interest accrued	1,172.43	1,511.65
Overdrawn balances in current account with banks	1,220.95	850.59
Deposits (not as defined in Section 2(31) of Companies Act, 2013)	10.19	10.22
Creditors for other expenses	14.09	18.31
Statutory liabilities	81.80	78.82
Unclaimed Dividend	0.01	-
Lease Liability (ROU)	278.96	239.13
<b>Total</b>	<b>2,778.43</b>	<b>2,708.72</b>

## 21 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2023	As at March 31, 2022
Provisions for tax (Net of advance tax ₹405.00 Crore, Previous Year ₹ 440.00 Crore)	41.97	59.73
<b>Total</b>	<b>41.97</b>	<b>59.73</b>

Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 22 PROVISIONS

	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity (funded)	78.03	71.44
Salary, bonus and reimbursements	255.07	208.10
Contribution to provident fund	35.86	35.21
<b>Total</b>	<b>368.96</b>	<b>314.75</b>

## 23 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Provision for expenses	266.91	183.02
<b>Total</b>	<b>266.91</b>	<b>183.02</b>

## 24 EQUITY SHARE CAPITAL

	Face Value ₹ each	As at March 31, 2023 Number of shares	As at March 31, 2022 Number of shares	As at March 31, 2023	As at March 31, 2022
Authorised equity shares	10	1,00,15,50,000	1,00,15,50,000	1001.55	1001.55
Issued, Subscribed & Paid up equity shares fully paid up	10	79,13,99,083	79,04,40,031	791.40	790.44
<b>Total</b>				<b>791.40</b>	<b>790.44</b>

### 24.1 Reconciliation of the number of shares

	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of ₹10 fully paid up				
Shares outstanding at the beginning of the year	79,04,40,031	790.44	78,91,85,216	789.19
Shares issued - exercised for ESOP scheme	9,59,052	0.96	12,54,815	1.25
<b>Shares outstanding at the end of the year</b>	<b>79,13,99,083</b>	<b>791.40</b>	<b>79,04,40,031</b>	<b>790.44</b>

### 24.2 Terms/rights attached to equity shares.

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

### 24.3 Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Equity shares of ₹10 fully paid up						
HDFC Bank Limited (Holding Company and promoter)	75,05,96,670	94.84	0.00%	75,05,96,670	94.96	0.00%



Notes to the Standalone Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**24.4 Number of shares reserved for ESOPs**

Particulars	As at March 31, 2023	As at March 31, 2022
Equity shares of ₹10 fully paid up		
<b>Number of Shares reserved for ESOPs (Refer note 35)</b>	<b>75,79,538</b>	<b>40,69,315</b>

**25 OTHER EQUITY**

	As at March 31, 2023	As at March 31, 2022
<b>Other equity</b>		
(i) Securities Premium Account	<b>3,127.72</b>	3,055.19
(ii) Employee Stock Options Outstanding Account	<b>39.61</b>	35.53
(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	<b>1,685.09</b>	1,293.22
(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	<b>5,844.33</b>	4,427.10
(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations	<b>(57.65)</b>	(53.55)
(vi) Cash Flow Hedges Reserve	<b>6.46</b>	(8.20)
	<b>10,645.57</b>	<b>8,749.29</b>

**(i) Securities Premium Account**

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

**(ii) Employee Stock Options Outstanding Account**

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

**(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934**

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

**(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations**

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

**(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations**

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings.

**(vi) Cash Flow Hedges Reserve**

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 26 INTEREST INCOME

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>On Financial Assets measured at Amortised Cost :</b>		
Interest on Loans	8,853.58	8,293.64
Interest on deposits with Banks	9.30	11.39
<b>On Financial Assets measured at fair value through profit or loss (FVTPL) :</b>		
Interest income from Investment	64.90	57.94
<b>Total</b>	<b>8,927.78</b>	<b>8,362.97</b>

## 27 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Investments	85.07	16.48
	<b>85.07</b>	<b>16.48</b>
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Realised	90.67	39.29
Unrealised	(5.60)	(22.81)
<b>Total</b>	<b>85.07</b>	<b>16.48</b>

## 28 FINANCE COSTS

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest expenses on financial liabilities measured at amortised cost</b>		
Interest on borrowings (includes Interest on lease liabilities ₹ 21.23 Crore, Previous Year ₹ 19.68 Crore)	1,460.89	1,248.83
Interest on debt securities	1,661.90	1,671.08
Interest on subordinated liabilities	352.39	369.15
Discount on commercial paper	9.00	8.86
Other borrowing costs	27.74	27.58
<b>Total</b>	<b>3,511.92</b>	<b>3,325.50</b>

## 29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Impairment on financial instruments at amortised cost</b>		
Loans	1,326.80	2,466.99
Trade receivables	3.60	(1.26)
<b>Total</b>	<b>1,330.40</b>	<b>2,465.73</b>

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

### 30 EMPLOYEE BENEFITS EXPENSES

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages (including bonus)	3,667.39	3,162.38
Contribution to provident and other funds	306.08	277.92
Employee share based payment expenses	43.64	30.42
Staff welfare expenses	40.46	29.69
<b>Total</b>	<b>4,057.57</b>	<b>3,500.41</b>

### 31 OTHER EXPENSES

	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent	7.56	5.53
Rates and taxes	1.93	0.78
Telephone	38.12	30.70
Power and fuel	32.69	24.50
Repairs and maintenance- premises	7.17	4.79
Repairs and maintenance-others	3.00	4.47
Credit report charges	49.49	37.65
Commission and brokerage	2.48	2.56
Auditor's remuneration (Refer Note No. 33)	1.50	1.16
Insurance	1.54	0.71
Loss on sale of asset	(1.01)	(0.06)
Expenses towards Corporate Social Responsibility Initiative (Refer Note No. 41)	21.78	25.83
Others administrative expenses	597.50	429.53
<b>Total</b>	<b>763.75</b>	<b>568.15</b>

### 32 EARNING PER SHARE

	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit (₹ in Crore)	1,959.35	1,011.40
Weighted average number of equity shares		
Basic	79,07,12,391	78,94,77,686
Diluted	79,14,93,138	78,99,39,967
Earnings per share (₹)		
Basic	24.78	12.81
Diluted	24.76	12.80
Face value per share (₹)	10.00	10.00

The dilutive effect on the earnings per share is caused by the potential shares that would be issued upon the exercise of the ESOP Options. As a result of the dilution, the denominator increased by 7,80,747 shares (Previous Year 4,62,281 shares).

### 33 AUDITOR'S REMUNERATION

	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditor	1.30	1.05
For taxation matters	-	-
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	0.08	0.02
<b>Sub Total</b>	<b>1.38</b>	<b>1.07</b>
GST	0.12	0.09
<b>Total</b>	<b>1.50</b>	<b>1.16</b>

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

### 34 LEASES

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

#### I. Lease disclosures under Ind-AS 116 for the current year ended March 31, 2023

##### (i) Amounts recognised in the Balance sheet

Sr No.	Particulars	March 31, 2023	March 31, 2022
a)	Right-of-use assets (net)	244.27	202.49
b)	Lease liabilities		
	Current	52.61	45.64
	Non-current	226.35	193.49
	Total Lease liabilities	278.96	239.13
c)	Additions to the Right-of-use assets	94.57	37.42

##### (ii) Amounts recognised in the Statement of Profit and Loss

Sr No.	Particulars	March 31, 2023	March 31, 2022
a)	Depreciation charge for right-of-use assets	53.64	49.67
b)	Interest expense (included in finance cost)	21.23	19.68
c)	Expense relating to short-term leases	7.56	5.53

##### (iii) Cash Flows

Particulars	March 31, 2023	March 31, 2022
The total cash outflow of leases	69.89	62.87

##### (iv) Future Commitments

Particulars	March 31, 2023	March 31, 2022
Future undiscounted lease payments to which leases is not yet commenced	10.38	23.72

##### (v) Maturity analysis of undiscounted lease liability

Particulars	March 31, 2023	March 31, 2022
Not later than one year	72.89	62.93
Later than one year and not later than five years	196.62	173.91
Later than five years	86.70	62.31
Total	356.21	299.15

### 35 ACCOUNTING FOR EMPLOYEE SHARE BASED PAYMENTS

In accordance with resolution approved by the shareholders, the Company has reserved shares, for issue to employees through Employee Stock Option Scheme (ESOP). On the approval of Nomination and Remuneration Committee (NRC), each ESOP is issued. The NRC has approved ESOP-10 on October 13, 2017, ESOP-11 on January 15, 2019, ESOP-12 on October 05, 2020, ESOP-13 on January 14, 2021, ESOP-13A on August 31, 2021, ESOP-14 on October 27, 2021, ESOP-15A on May 18, 2022 and ESOP-15B on October 31, 2022. Under the term of the ESOP, the Company may issue stock options to employees and directors of the Company, each of which is convertible into one equity share.

Such options vest at a definitive date, save for specific incidents, prescribed in the scheme as framed/approved by the NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of four years from the date of vesting.

Notes to the Standalone Financial Statements  
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**Description of share based payments plans**

Particulars	Vesting requirements	Maximum term of option	Method of settlement	Modifications to share based payment plans	Any other details as disclosed in the audited Ind-AS financials
i. ESOP - 10	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2017	7 years	Equity settled	NA	NA
ii. ESOP - 11	30% at the end of each 12 and 24 months and 40% at the end of 36 months from January 31, 2019	7 years	Equity settled	NA	NA
iii. ESOP - 12	60% at the end of 12 months and 40% at the end of 24 months from October 31, 2020	6 years	Equity settled	NA	NA
iv. ESOP - 13	30% at the end of each 12 and 24 months and 40% at the end of 36 months from January 31, 2021	7 years	Equity settled	NA	NA
v. ESOP - 13A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from August 31, 2021	7 years	Equity settled	NA	NA
vi. ESOP - 14	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2021	7 years	Equity settled	NA	NA
vii. ESOP - 15A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from May 31, 2022	7 years	Equity settled	NA	NA
viii. ESOP - 15B	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2022	7 years	Equity settled	NA	NA

**Method used for accounting for shared based payment plan.**

The Company uses fair value to account for the compensation cost of stock options to employees of the Company.

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2023**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	42,000	-	-	-	42,000	42,000
ESOP - 11	1,06,430	-	32,410	-	74,020	74,020
ESOP - 12	7,02,910	-	3,94,140	30,680	2,78,090	2,78,090
ESOP - 13	9,33,155	-	2,13,570	52,190	6,67,395	2,64,275
ESOP - 13A	50,000	-	13,000	-	37,000	2,000
ESOP - 14	22,34,820	-	3,05,932	1,29,165	17,99,723	3,40,916
ESOP - 15A	-	11,83,140	-	-	11,83,140	-
ESOP - 15B	-	35,81,490	-	83,320	34,98,170	-
<b>Total</b>	<b>40,69,315</b>	<b>47,64,630</b>	<b>9,59,052</b>	<b>2,95,355</b>	<b>75,79,538</b>	<b>10,01,301</b>
Weighted average exercise price (₹)	383.81	496.09	353.71	425.60	456.57	352.60

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2022**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	48,150	-	5,500	650	42,000	42,000
ESOP - 11	3,94,000	-	2,69,610	17,960	1,06,430	1,06,430
ESOP - 12	15,58,900	-	7,73,130	82,860	7,02,910	1,23,570
ESOP - 13	11,75,600	-	2,06,575	35,870	9,33,155	1,41,245
ESOP - 13A	-	50,000	-	-	50,000	-
ESOP - 14	-	22,44,730	-	9,910	22,34,820	-
<b>Total</b>	<b>31,76,650</b>	<b>22,94,730</b>	<b>12,54,815</b>	<b>1,47,250</b>	<b>40,69,315</b>	<b>4,13,245</b>
Weighted average exercise price (₹)	313.22	432.48	301.93	317.09	383.81	300.52

**Following summarises the information about stock options outstanding as at March 31, 2023**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	42,000	1.53
ESOP - 11	274	74,020	2.79
ESOP - 12	300	2,78,090	3.52
ESOP - 13	348	6,67,395	4.64
ESOP - 13A	409	37,000	5.42
ESOP - 14	433	17,99,723	5.58
ESOP - 15A	457	11,83,140	6.13
ESOP - 15B	509	34,98,170	6.59

**Following summarises the information about stock options outstanding as at March 31, 2022**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	42,000	2.53
ESOP - 11	274	1,06,430	3.79
ESOP - 12	300	7,02,910	4.52
ESOP - 13	348	9,33,155	5.64
ESOP - 13A	409	50,000	6.42
ESOP - 14	433	22,34,820	6.58

**Fair Value methodology**

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. The shares of Company are not listed on any stock exchange. Accordingly, the Company had considered the volatility of the Company's stock price based on historical volatility of similar listed enterprises. The various assumptions considered in the pricing model for the stock options granted by the Company are:

Particulars	ESOP 15A	ESOP 15B
Dividend yield	0.22%	0.20%
Expected volatility	52.59%	40.92%
Risk- free interest rate	6.10%	6.82%
Expected life of the option	2.33	2.30

The Company recorded an employee stock compensation expense of ₹ 43.64 Crore (previous year ₹ 30.42 Crore) in Statement of Profit and Loss.

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
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**36 SEGMENT REPORTING**

Sr No.	Particulars	March 31, 2023	March 31, 2022
<b>i.</b>	<b>Segment Revenue</b>		
	Lending business	9,768.95	8,942.88
	BPO Services	2,633.93	2,363.41
	Unallocated	-	-
	<b>Income from Operations</b>	<b>12,402.88</b>	<b>11,306.29</b>
<b>ii.</b>	<b>Segment Results</b>		
	Lending business	2,508.48	1,238.71
	BPO Services	140.70	134.69
	Unallocated	(21.78)	(25.84)
	<b>Profit before tax</b>	<b>2,627.40</b>	<b>1,347.56</b>
	<b>Income Tax expenses</b>		
	Current tax	621.30	663.40
	Deferred tax Asset	46.75	(327.24)
	<b>Net Profit</b>	<b>1,959.35</b>	<b>1,011.40</b>
<b>iii.</b>	<b>Capital Employed</b>		
	Segment assets		
	Lending business	68,921.03	60,812.70
	BPO Services	103.38	148.72
	Unallocated	1,025.98	1,064.51
	<b>Total Assets</b>	<b>70,050.39</b>	<b>62,025.94</b>
	<b>Segment Liabilities</b>		
	Lending business	58,216.53	52,009.27
	BPO Services	180.38	95.61
	Unallocated	216.52	381.33
	<b>Total Liabilities</b>	<b>58,613.43</b>	<b>52,486.21</b>
	Net Segment assets / (liabilities)	11,436.96	9,539.73
<b>iv.</b>	<b>Capital Expenditure (including net CWIP)</b>		
	Lending business	86.48	36.25
	BPO Services	24.83	4.88
	Unallocated	-	-
	<b>Total</b>	<b>111.31</b>	<b>41.13</b>
<b>v.</b>	<b>Depreciation</b>		
	Lending business	86.49	79.17
	BPO Services	25.35	19.77
	Unallocated	-	-
	<b>Total</b>	<b>111.84</b>	<b>98.94</b>
<b>vi.</b>	<b>Other non cash expenditure</b>		
	Lending business	1,330.40	2,465.73
	BPO Services	-	-
	Unallocated	-	-
	<b>Total</b>	<b>1,330.40</b>	<b>2,465.73</b>

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
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**a) Chief Operating Decision Maker**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director ('MD') of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

**b) Operating Segment**

**Primary Segment (Business Segment)**

The Company is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

**Secondary Segment (Geographical Segment)**

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

**c) Segment Revenue and Expense**

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

**d) Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

**e) Accounting Policies**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

**37 RELATED PARTY DISCLOSURES**

Name of the related Party and Nature of Relationship

**Holding Company :**

HDFC Bank Limited

**Enterprise under common control of Holding Company :**

HDFC Securities Limited.

**Key Management Personnel (KMP) :**

Arijit Basu (Chairman & Non Executive Director)

Arundhati Mech (Independent Director)

Smita Affinwalla (Independent Director)

Venkatraman Srinivasan (Independent Director)

Dr. Amla Samanta (Independent Director)

Adayapalam Viswanathan (Independent Director)

G Ramesh (Managing Director & CEO)



Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

**Other related parties :**

HDFC Ergo General Insurance Company Limited

HDFC Life Insurance Company Limited

HDFC Asset Management Company Limited

HDBFS Employees Welfare Trust

**Details of Related Party Transactions for the Year:**

Related Party	Nature Of Transaction	March 31, 2023	March 31, 2022
HDFC Bank Limited	Bank charges	15.35	12.20
	Charges for back office support services received / recoverable	984.41	921.26
	Charges for sales support services received / recoverable	1,821.96	1,607.28
	Commission Expenses	-	1.71
	Corporate logo license fees	17.19	14.63
	Dividend paid	142.61	-
	Fixed deposits placed	-	17.77
	Interest paid on non-convertible debentures	301.45	185.85
	Interest paid on term loan and OD account	376.36	312.90
	Interest received on fixed deposits	2.71	5.47
	Investment banking fees paid	0.01	0.56
	IPA charges	0.00	-
	Reimbursement of IT expense, secondment charge & other common expenses	1.51	0.89
	Rent paid for premises taken on sub-lease	2.83	2.37
	Securities purchased during the year	-	1,310.00
	Term loan availed during the year	3,350.00	4,050.00
	Tele collection charges / field collection charges received / recoverable for collection services rendered	255.65	220.58
HDFC Securities Limited	Commission on sourcing of loans	0.01	-
	Rent income for premises given on sub-lease	0.10	0.07
	Recovery of expenses	0.01	-
Key Management Personnel	Director sitting fees and commission paid	1.40	1.25
	Salary including perquisites and allowances	5.36	4.53
	Stock Options#	0.37	0.48
HDFC Life Insurance Company Limited	Income from Insurance commission	7.45	6.19
HDFC Ergo General Insurance Company Limited	Income from Insurance commission	13.72	9.89
	Insurance Premium Expense (Car & Group policy)	0.55	1.86

# The intrinsic value of the stock options granted is Nil. However, the Company in compliance with Ind-AS 102 has been charged to the statement of profit and loss of ₹3.81 Crore (previous year ₹2.62 Crore) with a corresponding credit to the reserves

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**Balances outstanding:**

Related Party	Nature Of Transaction	March 31, 2023	March 31, 2022
HDFC Bank Limited	Securitisation	53.71	454.03
	Balance in current accounts	327.51	409.00
	Balance receivable	16.50	95.95
	Balance payable	0.05	0.12
	Fixed deposit	47.73	88.51
	Security deposit paid	0.16	0.11
	Security deposit received	9.85	9.85
	Term loan outstanding	7,082.45	6,067.14
	Non convertible debentures issued	4,155.00	5,080.00
	WCDL Loan Outstanding	4.16	-
HDFC Securities Limited	Balance receivable	0.04	-
HDFC Life Insurance Company Limited**	Balance payable - Securities	1,156.60	920.00
	Balance payable - Expenses	-	0.01
	Balance receivable	2.24	0.72
HDFC Asset Management Company Limited	Balance payable	640.00	346.00
HDFC Ergo General Insurance Company Limited**	Balance payable	70.00	120.00
	Balance receivable	1.98	1.36

\*\* excludes amounts pertaining to insurance premiums payable that are in the nature of pass through.

### 38 EMPLOYEE BENEFITS

#### A) Defined contribution plan

The contribution made to various statutory funds is recognised as expense and included in Note 30 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss.

#### B) Defined benefit plan (Gratuity)

The Company contributes to the group gratuity fund based on the actuarial valuation determined as at the year-end through the HDFC Life Insurance Company ('HDFC Life') Limited and Life Insurance Corporation of India Limited (LIC). HDFC Life and LIC have certified the Fair Value of the Plan Assets .

#### Details of Actuarial Valuation as at March 31, 2023.

Particulars	March 31, 2023	March 31, 2022
<b>A. Change in defined benefit obligation</b>		
1 Defined benefit obligation at beginning of period	166.90	149.09
2 Service cost		
a. Current service cost	19.16	17.17
b. Past service cost	-	1.49
c. (Gain) / loss on settlements	-	-
3 Interest expenses	7.96	5.75
4 Cash flows		
a. Benefit payments from plan	(33.07)	(19.88)
b. Benefit payments from employer	-	-
c. Settlement payments from plan	-	-
d. Settlement payments from employer	-	-

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	March 31, 2023	March 31, 2022
5 Remeasurements		
a. Effect of changes in demographic assumptions	(5.91)	2.51
b. Effect of changes in financial assumptions	(4.03)	(3.08)
c. Effect of experience adjustments	13.70	13.85
6 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
7 Defined benefit obligation at end of period	164.71	166.90
<b>B. Change in fair value of plan assets</b>		
1 Fair value of plan assets at beginning of period	95.57	81.51
2 Interest income	4.56	3.15
3 Cash flows		
a. Total employer contributions		
(i) Employer contributions	21.36	30.66
(ii) Employer direct benefit payments	-	-
(iii) Employer direct settlement payments	-	-
b. Participant contributions	-	-
c. Benefit payments from plan assets	(33.07)	(19.88)
d. Benefit payments from employer	-	-
e. Settlement payments from plan assets	-	-
f. Settlement payments from employer	-	-
4 Remeasurements		
a. Return on plan assets (excluding interest income)	(1.73)	0.13
5 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
6 Fair value of plan assets at end of period	86.68	95.57
<b>C. Amounts recognised in the Balance Sheet</b>		
1 Defined benefit obligation	164.71	166.90
2 Fair value of plan assets	(86.68)	(95.57)
3 Funded status	78.03	71.33
4 Effect of asset ceiling	-	-
5 Net defined benefit liability (asset)	78.03	71.33
<b>D. Components of defined benefit cost</b>		
1 Service cost		
a. Current service cost	19.16	17.17
b. Past service cost	-	1.49
c. (Gain) / loss on settlements	-	-
d. Total service cost	19.16	18.66

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	March 31, 2023	March 31, 2022
2 Net interest cost		
a. Interest expense on DBO	7.96	5.75
b. Interest (income) on plan assets	4.56	3.15
c. Interest expense on effect of (asset ceiling)	-	-
d. Total net interest cost	3.40	2.60
3 Remeasurements (recognised in OCI / Retained Earnings)		
a. Effect of changes in demographic assumptions	(5.91)	2.51
b. Effect of changes in financial assumptions	(4.03)	(3.08)
c. Effect of experience adjustments	13.70	13.85
d. Return on plan assets (excluding interest income)	(1.73)	0.13
e. Changes in asset ceiling (excluding interest income)	-	-
f. Total remeasurements included in OCI / Retained Earnings	5.48	13.15
4 Total defined benefit cost recognised in P&L and OCI	28.04	34.41
<b>E. Re-measurement</b>		
a. Actuarial Loss/(Gain) on DBO	3.75	13.28
b. Returns above Interest Income	1.73	(0.13)
c. Change in Asset ceiling	-	-
Total Re-measurements (OCI / Retained Earnings)	5.48	13.15
<b>F. Employer Expense (P&amp;L)</b>		
a. Current Service Cost	19.16	17.17
b. Interest Cost on net DBO	3.40	2.60
c. Past Service Cost	-	1.49
d. Total P&L Expenses	22.56	21.26
<b>G. Net defined benefit liability (asset) reconciliation</b>		
1 Net defined benefit liability (asset)	71.33	67.58
2 Defined benefit cost included in P&L	22.56	21.26
3 Total remeasurements included in OCI / Retained Earnings	5.48	13.15
4 a. Employer contributions	(21.36)	(30.66)
b. Employer direct benefit payments	-	-
c. Employer direct settlement payments	-	-
5 Net transfer	-	-
6 Net defined benefit liability (asset) as of end of period	78.02	71.33
<b>H. Reconciliation of OCI (Re-measurement)</b>		
1 Recognised in OCI at the beginning of period	70.26	57.11
2 Recognised in OCI during the period	5.48	13.15
3 Recognised in OCI / Retained Earnings at the end of the period	75.74	70.26

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
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Particulars	March 31, 2023	March 31, 2022
<b>I. Sensitivity analysis - DBO end of Period</b>		
1 Discount rate +100 basis points	(3.19)	(4.38)
2 Discount rate -100 basis points	3.43	4.77
3 Salary Increase Rate +1%	3.36	4.57
4 Salary Increase Rate -1%	(3.18)	(4.29)
5 Attrition Rate +1%	(0.66)	(1.34)
6 Attrition Rate -1%	0.69	1.42
<b>J. Significant actuarial assumptions</b>		
1 Discount rate Current Year (p.a.)	7.42%	4.77%
2 Discount rate Previous Year (p.a.)	4.77%	3.86%
3 Salary increase rate (p.a.)	3.00% - 10.00%	6.00% - 11.00%
4 Attrition Rate (%)	9.00% - 71.00%	9.00% - 74.00%
5 Retirement Age (years)	60	60
6 Pre-retirement mortality	IALM (FY 2012-14) Urban	IALM (FY 2012-14) Urban
7 Disability	Nil	Nil
<b>K. Data</b>		
1 No.	1,15,137	1,15,490
2 Average age (yrs.)	29.11	28.99
3 Average past service (yrs.)	2.47	2.42
4 Average salary monthly (₹)	9,159.64	9,046.16
5 Future service (yrs.)	30.89	31.01
6 Weighted average duration of DBO	3.00	4.00
<b>L. Expected cash flows for following year</b>		
1 Expected contributions / Addl. Provision Next Year	36.85	29.61
2 Expected total benefit payments		
Year 1	64.60	51.64
Year 2	37.29	33.72
Year 3	22.65	24.02
Year 4	15.34	16.99
Year 5	11.09	12.79
Next 5 years	27.97	32.29

Category of Plan assets	% of Fair value to total planned assets (as at March 31, 2023)
Government securities and corporate bonds/debentures	8.48%
Money market instruments and fixed deposits	92.62%
Net current assets and other approved security	(1.10%)
<b>Total</b>	<b>100.00%</b>

The Company's gratuity plan obligation is determined by actuarial valuation and is funded by investments in government securities. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Company's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
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requirements. The Company monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

**C) Compensated absences**

The Company neither has a policy of encashment of unavailed leaves for its employees nor allow the leaves to be carry forward to next year.

- D)** The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Company will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

**39 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

Sr No.	Particulars	March 31, 2023	March 31, 2022
1	Claims against the Company not acknowledged as debt (Refer Note 39.1)	99.53	90.59
2	Estimated amount of contracts remaining to be executed on capital account and not provided for: (Net of Advances amounting to ₹ 9.02 Crore, previous year ₹0.43 Crore)	45.00	13.27
3	Undrawn committed sanctions to borrowers	134.31	59.40

**39.1 Claims against the Company not acknowledged as debt**

Particulars	March 31, 2023	March 31, 2022
Suit filed by borrowers	13.88	5.25
<b>Other contingent liabilities in respect of :</b>		
1. Provident Fund matter - (see (a) below)	50.14	50.14
2. Payment of Bonus (Amendment) Act, 2015 - (see (b) below)	34.88	34.88
3. Payment of Labour Welfare Fund	0.32	0.32
4. Maharashtra Professional Tax Assessment	0.31	-
<b>Total</b>	<b>99.53</b>	<b>90.59</b>

**a) Provident Fund matter**

The Company has received a notice of demand from the Provident Fund department amounting to ₹ 50.14 Crore. The Company had filed an appeal challenging the Provident Fund Commissioner's order before the Provident Fund Appellate Tribunal, wherein the Company had received a favourable outcome. However, a sum of ₹ 1 Crore has been deposited under protest with the Provident Fund Appellate Authority. This amount is shown under Other financial assets.

The Provident Fund department has challenged order of the appellate authority in the High Court. The management of the Company is of the view that no material losses will arise in respect of the legal claim and accordingly the same has been disclosed as a contingent liability. In the eventuality of any claim arising out of this case, the same will be billed to the customer in the year the claim is final and accordingly no provision has been made.

**b) Payment of Bonus (Amendment) Act, 2015**

As per the amendment to the Payment of Bonus (Amendment) Act, 2015 vide notification number DL-(N)04/70007/2003-16 issued on January 01, 2016 by Government of India, the Company would be required to pay statutory bonus to all eligible employees as per the amendments specified thereunder, with effect from April 01, 2014. However, various High Courts have granted a stay on retrospective effect of Payment of Bonus (Amendment) Act,

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

2015 from financial year 2014-15. In light of the above, the Company has decided to disclose such bonus amounting to ₹ 34.88 Crore as a contingent liability.

**39.2** The Company's pending litigations comprise of claims against the Company by the customers and proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**39.3** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

### 40 MATURITY ANALYSIS OF ASSETS & LIABILITIES

Particulars	March 31, 2023		March 31, 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents (CCE)	395.90	-	477.20	-
(b) Bank balances other than CCE	257.92	-	176.19	30.58
(c) Derivative financial instruments	165.34	-	-	132.44
(d) Trade receivables	65.76	-	141.82	-
(e) Loans	24,418.76	41,963.91	21,299.76	35,862.69
(f) Investments	1,185.31	57.94	2,144.02	89.49
(g) Other financial assets	-	34.87	-	32.91
	26,488.99	42,056.72	24,238.99	36,148.11
<b>Non-financial Assets</b>				
(a) Current tax assets (Net)	25.11	-	13.34	-
(b) Deferred tax assets (Net)	-	1,000.87	-	1,051.17
(c) Property, plant and equipment	-	122.37	-	78.14
(d) Capital work-in-progress	-	-	-	-
(e) Other intangible assets	-	20.41	-	12.01
(f) Right of Use Assets	54.03	190.24	49.00	153.49
(g) Other non-financial assets	50.40	41.25	58.99	222.70
	129.54	1,375.14	121.33	1,517.51
<b>TOTAL ASSETS</b>	26,618.53	43,431.86	24,360.32	37,665.62
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Derivative financial instruments	-	-	-	-
(b) Trade payables	291.84	-	246.91	-
(c) Debt securities	9,620.89	17,475.52	8,003.83	17,328.48
(d) Borrowings other than debt securities	9,663.25	14,564.55	8,752.04	10,749.68
(e) Subordinated liabilities	229.42	3,311.68	599.23	3,539.82
(f) Other financial liabilities	2,310.87	467.57	2,344.47	364.25
	22,116.27	35,819.32	19,946.48	31,982.23
<b>Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)	41.97	-	59.73	-
(b) Provisions	314.34	54.62	264.61	50.14
(c) Other non-financial liabilities	266.91	-	183.02	-
	623.22	54.62	507.36	50.14
<b>TOTAL LIABILITIES</b>	22,739.49	35,873.94	20,453.84	32,032.37
<b>NET</b>	3,879.04	7,557.92	3,906.48	5,633.25



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

### 41 CORPORATE SOCIAL RESPONSIBILITY

The average profit before tax of the Company for last three financial years was ₹ 1,107.64 Crore, basis which the Company's Prescribed CSR Budget for FY 2022-23 was ₹ 22.15 Crore. In FY 2021-22 an excess amount of ₹ 1.13 Crore was spent against the Prescribed CSR Budget for FY 2021-22, hence after adjusting the excess spend, the Company's CSR Obligation for FY 2022-23 was ₹ 21.02 Crore.

#### a) Amount spent during the year on:

Particulars	March 31, 2023			March 31, 2022		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than above	21.78	Not Applicable	21.78	25.83	Not Applicable	25.83

#### b) In case of Section 135(5) unspent amount:

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Not Applicable				

#### c) In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
(1.13)	22.15	21.78	(0.76)

**Note:** ₹ 0.76 Crore was spent over and above the CSR Obligation of ₹ 21.02 Crore for the FY 2022-23.

#### d) In case of Section 135(6) Details of ongoing projects

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent Account
(1.13)	2.28	22.15	21.78	2.28	(0.76)	-

#### e) Nature of CSR activities

CSR activities conducted during the year was focused on promoting healthcare, enhancing employability skills for unemployed individuals, supporting restoration of waterbodies and other water conservation activities, among other interventions.

### 42 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

As per the confirmation received from the parties following is the status of MSME parties.

Particulars	As at March 31, 2023	As at March 31, 2022
The Principal amount remaining unpaid at the end of the year	-	-
The Interest Amount remaining unpaid at the end of the year	-	-
Interest paid along with amount of payment made to the supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day	-	-
Amount of interest accrued and remaining unpaid	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Balance of MSME parties at the end of the year	-	-

**Note** - The above is based on the information available with the Company which has been relied upon by the auditors.



Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

### 43 FAIR VALUE MEASUREMENT

#### a) Valuation principles

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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

#### b) Total financial assets measured at fair value on a recurring basis :

The following tables show an analysis of the fair value of financial assets by level of the fair value hierarchy.

Particulars	Category	Fair value hierarchy	Fair value	
			March 31, 2023	March 31, 2022
Mutual fund units	FVTPL	Level 1	411.65	946.45
Unquoted equity shares	FVTPL	Level 3	1.95	1.45
Treasury bills	FVTPL	Level 1	773.66	1,197.57
Securities receipt of ARC	FVTPL	Level 2	55.99	88.04
Derivative financial instruments	FVTPL	Level 2	165.34	132.44

##### Level 1:

Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Treasury bills are valued based on market quotes.

##### Level 2:

Fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data.

##### Level 3:

Fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Unquoted equity shares are measured at fair value using suitable valuation models viz., net asset value technique.

#### c) The table below presents information pertaining to the fair values and carrying values of the Company's financial assets and liabilities.

Particulars	Category	Fair value hierarchy	March 31, 2023		March 31, 2022	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>						
(a) Cash and cash equivalents (CCE)	Amortised cost		395.90	395.90	477.20	477.20
(b) Bank balances other than CCE	Amortised cost		257.92	257.92	206.77	206.77
(c) Derivative financial instruments	FVTPL	Level 2	165.34	165.34	132.44	132.44
(d) Trade receivables	Amortised cost		65.76	65.76	141.82	141.82
(e) Loans	Amortised cost	Level 3	66,382.67	63,647.52	57,162.45	54,511.90
(f) Investments - Mutual funds and Treasury bills	FVTPL	Level 1	1,185.31	1,185.31	2,144.02	2,144.02
Investments - In Security Receipts	FVTPL	Level 2	55.99	55.99	88.04	88.04
Investments - Unquoted equity shares	FVTPL	Level 3	1.95	1.95	1.45	1.45
(g) Other financial assets	Amortised cost		34.87	34.87	314.60	314.60
			68,545.71	65,810.56	60,668.79	58,018.24

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	Category	Fair value hierarchy	March 31, 2023		March 31, 2022	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Liabilities</b>						
(a) Derivative financial instruments	FVTPL	Level 2	-	-	-	-
(b) Trade payables	Amortised cost		291.84	291.84	246.91	246.91
(c) Debt securities	Amortised cost	Level 2	27,096.41	27,322.07	25,332.31	26,356.46
(d) Borrowings other than Securitisation	Amortised cost	Level 2	23,856.94	23,087.21	18,296.08	17,976.30
Borrowings under Securitisation	Amortised cost	Level 2	370.86	364.45	1,205.64	1,193.88
(e) Subordinated liabilities	Amortised cost	Level 2	3,541.10	3,623.40	4,139.05	4,429.21
(f) Other financial liabilities	Amortised cost		2,778.42	2,778.42	2,708.72	2,708.72
			57,935.57	57,467.39	51,928.71	52,911.47

**(i) Short-term and other financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

**(ii) Loans**

These financial assets are recorded at amortised cost, the fair values of which are estimated at portfolio level using a discounted cash flow model based on contractual cash flows discounted using market rates incorporating the counterparties' credit risk.

**(iii) Debt securities, borrowings and subordinated liabilities**

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the Company's own credit risk or based on market-observable data such as secondary market prices for its traded debt, as relevant.

#### 44 CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Company comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

#### 45 RISK MANAGEMENT

While 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.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**a) Credit risk**

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and industry concentrations, and by monitoring exposures in relation to such limits.

**Financial assets measured on a collective basis**

The Company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured / unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

**Significant increase in credit risk**

The Company considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

**Impairment assessment**

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e. borrower becomes 0 days past due on its contractual payments.

**Exposure at default**

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

**Loss given default**

The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The Company uses data obtained from third party sources and combines such data with inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios.

**Credit quality of assets**

- a) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.**

Stage	March 31, 2023	March 31, 2022
Stage 1	66,793.73	56,142.18
Stage 2	1,322.12	2,125.38
Stage 3	1,914.85	3,058.76
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>

- b) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:**

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	56,142.18	2,125.38	3,058.76	61,326.32
Originated or new	44,483.31	210.59	107.86	44,801.76
Matured or repaid	(31,096.12)	(1,099.72)	(2,059.75)	(34,255.59)
Transfers to Stage 1	875.26	(572.33)	(302.93)	-
Transfers to Stage 2	(1,346.94)	1,407.22	(60.28)	-
Transfers to Stage 3	(2,264.67)	(748.31)	3,012.98	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Gross carrying amount - closing balance	66,793.02	1,322.83	1,914.85	70,030.70

# Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

	March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	55,263.27	3,300.87	2,760.86	61,325.00
Originated or new	28,624.70	251.85	156.66	29,033.21
Matured or repaid	(24,958.69)	(1,099.41)	(1,818.27)	(27,876.37)
Transfers to Stage 1	1,964.69	(1,394.17)	(570.52)	-
Transfers to Stage 2	(2,016.03)	2,097.54	(81.51)	-
Transfers to Stage 3	(2,735.76)	(1,031.30)	3,767.06	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Gross carrying amount - closing balance	<b>56,142.18</b>	<b>2,125.38</b>	<b>3,058.76</b>	<b>61,326.32</b>

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	<b>1,996.81</b>	<b>511.25</b>	<b>1,655.81</b>	<b>4,163.87</b>
Originated or new	<b>711.35</b>	<b>74.53</b>	<b>86.91</b>	<b>872.79</b>
Increase / (decrease) in provision on existing financial assets (Net of recovery)	<b>(489.95)</b>	<b>(0.68)</b>	<b>943.79</b>	<b>453.16</b>
Transfers to Stage 1	<b>200.90</b>	<b>(102.26)</b>	<b>(98.64)</b>	-
Transfers to Stage 2	<b>(102.61)</b>	<b>122.39</b>	<b>(19.78)</b>	-
Transfers to Stage 3	<b>(287.57)</b>	<b>(232.73)</b>	<b>520.30</b>	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Impairment loss allowance - closing balance	<b>2,028.93</b>	<b>372.50</b>	<b>1,246.60</b>	<b>3,648.03</b>

	March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	1,306.11	542.71	874.74	2,723.56
Originated or new	362.16	50.74	82.96	495.86
Increase / (decrease) in provision on existing financial assets (Net of recovery)	333.52	202.97	1,563.48	2,099.97
Transfers to Stage 1	335.24	(176.84)	(158.40)	-
Transfers to Stage 2	(108.83)	133.96	(25.13)	-
Transfers to Stage 3	(231.39)	(242.29)	473.68	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Impairment loss allowance - closing balance	<b>1,996.81</b>	<b>511.25</b>	<b>1,655.81</b>	<b>4,163.87</b>

## c) Modified financial assets

The Company renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as Stage 3. Such accounts are upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets	March 31, 2023	March 31, 2022
Gross carrying amount	<b>2,384.91</b>	5,100.35
Impairment allowance	<b>1,091.00</b>	1,975.22
Net carrying amount	<b>1,293.91</b>	3,125.13

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

#### Analysis of risk concentration

The following table shows risk concentration of the Company's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

	March 31, 2023	March 31, 2022
Carrying value of Loans	66,382.67	57,162.44
Mortgage backed loans	17,676.86	16,404.30
Other assets backed loans	28,669.31	24,290.68
Personal loans	15,828.13	13,143.46
Others	4,208.37	3,324.00
<b>Total</b>	<b>66,382.67</b>	<b>57,162.44</b>

#### Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees
- For retail lending, mortgages over residential properties

The Company also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

#### Collateral coverage - credit impaired loans

Loan to Value (LTV) range	March 31, 2023	March 31, 2022
Upto 50 % Coverage	659.53	1,259.26
51-75 % Coverage	8.58	139.87
76-100 % Coverage	0.02	3.75
Above 100% Coverage	-	0.07
<b>Total</b>	<b>668.13</b>	<b>1,402.95</b>

#### b) Liquidity risk and funding management

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. 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.

#### Maturity profile of financial liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31.

March 31, 2023	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	291.84	-	-	-	291.84
Debt securities	11,287.03	15,700.20	3,220.45	1,393.20	31,600.88
Borrowings	10,257.28	13,961.22	2,628.58	41.07	26,888.15
Borrowings under Securitisation	293.82	86.99	-	-	380.81
Subordinated liabilities	545.86	1,036.75	1,125.54	2,490.14	5,198.29
<b>Total</b>	<b>22,675.83</b>	<b>30,785.16</b>	<b>6,974.57</b>	<b>3,924.41</b>	<b>64,359.97</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

March 31, 2022	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	246.91	-	-	-	246.91
Debt securities	9,999.33	16,693.39	1,684.16	1,117.35	29,494.22
Borrowings	8,182.18	10,532.33	932.43	12.56	19,659.50
Borrowings under Securitisation	774.09	408.48	11.31	-	1,193.88
Subordinated liabilities	975.04	1,338.21	878.57	2,981.50	6,173.32
<b>Total</b>	<b>20,177.55</b>	<b>28,972.40</b>	<b>3,506.47</b>	<b>4,111.41</b>	<b>56,767.84</b>

### c) Market risk

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

#### i) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

	% Increase/decrease in rate		Increase/decrease in profit	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Borrowings that are re-priced	0.25%	0.25%	48.75	31.69
Loans that are re-priced	0.25%	0.25%	41.78	35.63

#### ii) Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

### d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or from external events.

The operational risks of the Company are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.



Notes to the Standalone Financial Statements  
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#### 46 IMPACT OF HEDGING ACTIVITIES

a) Disclosure of effects of hedge accounting on financial position:

March 31, 2023								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	1,889.91		165.34		June 18, 2023	33.73	33.73	Borrowings

March 31, 2022								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	4,017.00		132.44		October 30, 2022, November 29, 2020, December 10, 2022 & June 18, 2023	175.17	175.17	Borrowings

b) Disclosure of effects of hedge accounting on financial performance

March 31, 2023				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk and interest rate risk	33.73	-	(14.13)	Finance cost

March 31, 2022				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk and interest rate risk	175.17	-	(142.17)	Finance cost

## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

### 47 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	April 01, 2022	Cash flows	Exchange Difference	Other	March 31, 2023
Debt securities	25,332.31	1,738.71	-	25.39	27,096.41
Borrowings other than debt securities	18,296.08	5,534.35	-	26.51	23,856.94
Borrowings under Securitisation	1,205.64	(834.78)	-	-	370.86
Subordinated liabilities	4,139.05	(608.90)	-	10.95	3,541.10
<b>Total</b>	<b>48,973.08</b>	<b>5,829.38</b>	<b>-</b>	<b>62.85</b>	<b>54,865.31</b>

Particulars	April 01, 2021	Cash flows	Exchange Difference	Other	March 31, 2022
Debt securities	23,802.07	1,555.63	-	(25.39)	25,332.31
Borrowings other than debt securities	20,532.66	(2,248.95)	-	12.37	18,296.08
Borrowings under Securitisation	2,036.41	(830.77)	-	-	1,205.64
Subordinated liabilities	3,987.61	140.49	-	10.95	4,139.05
<b>Total</b>	<b>50,358.75</b>	<b>(1,383.60)</b>	<b>-</b>	<b>(2.07)</b>	<b>48,973.08</b>

- (i) Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.  
(ii) Total Liabilities comprises of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

### 48 EXPENDITURE / REMITTANCES IN FOREIGN CURRENCIES

#### a) Expenditure in Foreign Currencies

Particulars	March 31, 2023	March 31, 2022
Professional charges	0.05	0.14
Annual software application fee	4.16	0.20

#### b) There is no dividend paid in foreign currency.

### 49 EVENT AFTER REPORTING DATE

Subsequent events are tracked and evaluated by the Company. Necessary adjustments / disclosures have been provided in the financial statements for significant subsequent events.

### 50 TRANSFER OF FINANCIAL ASSETS

#### 50.1 Transferred financial assets that are not derecognised in their entirety

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

##### A) Securitisation

The Company has transferred certain pools of fixed rate loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) sponsored by commercial banks for consideration received in cash at the inception of the transaction.

The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Company to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs etc. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent



Notes to the Standalone Financial Statements  
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of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 18.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	March 31, 2023	March 31, 2022
Carrying amount of transferred assets measured at amortised cost	356.14	1,211.85
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	370.86	1,205.64
Fair value of assets	337.98	1,154.16
Fair value of associated liabilities	364.45	1,193.88
Net position at Fair Value	(26.47)	(39.72)

## B) Assignment

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	March 31, 2023	March 31, 2022
Carrying amount of de-recognised financial asset	55.84	117.98
Carrying amount of retained assets at amortised cost*	6.09	13.41
Gain on sale of the de-recognised financial asset	Nil	Nil

\*excludes Excess Interest Spread (EIS) on de-recognised financial assets

## 50.2 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

RBI disclosures from Notes 51 to 92 have been prepared as per RBI Circulars / Directives basis Ind-AS financial statements.  
RBI disclosures are prepared basis gross carrying value of loans.

## 51 DISCLOSURE RELATING TO SECURITISATION PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 DATED SEPTEMBER 24, 2021 FOR NON-STC SECURITISATION TRANSACTIONS.

Sr No.	Particulars	March 31, 2023	March 31, 2022
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	3.00	5.00
2	Total amount of securitised assets as per books of the SPEs	356.14	1,223.15
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First Loss	21.86	62.64

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Sr No.	Particulars	March 31, 2023	March 31, 2022
	• Others	-	-
	b) On-balance sheet exposures		
	• First Loss	93.63	190.47
	• Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First Loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First Loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First Loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First Loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	-	-
	Fixed Deposit		
	(a) Amount paid	-	17.12
	(b) Repayment received	-	17.12
	(c) Outstanding amount	93.63	172.96
	Corporate Guarantee		
	(a) Amount paid	-	36.07
	(b) Repayment received	-	36.07
	(c) Outstanding amount	21.86	62.64
8	Average default rate of portfolios observed in the past.	1.89%	1.86 %
9	Amount and number of additional/top up loan given on same underlying asset.		
	(a) Amount	-	0.09
	(b) Number	-	10.00
10	Investor complaints		
	(a) Directly/Indirectly received	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

**52 Disclosure relating to securitisation pursuant to Reserve Bank of India notification RBI/DOR/2021-22/85 DOR.STR. REC.53/21.04.177/2021-22 dated September 24, 2021 for STC (Simple, transparent and comparable) Securitisation Transactions are not applicable.**

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
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**53 DISCLOSURE OF FINANCIAL ASSETS SOLD TO SECURITISATION COMPANY PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2021-22/86 DOR.STR.REC. 51/21.04.048/2021-22 DATED SEPTEMBER 24, 2021.**

**a) Details of NPA loans transferred during the year**

Sr No.	Particulars	March 31, 2023			March 31, 2022		
		To ARCs	To permitted transferees	To other transferees	To ARCs	To permitted transferees	To other transferees
i)	Number of Accounts	1337	-	-	80	-	-
ii)	Aggregate principal outstanding of loans transferred	161.24	-	-	14.41	-	-
iii)	Weighted average residual tenor of the loans transferred	7.18 Years	-	-	6.73 Years	-	-
iv)	Net book value of loans transferred (at the time of transfer)	126.29	-	-	12.57	-	-
v)	Aggregate consideration	103.62	-	-	7.50	-	-
vi)	Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-	-	-

During the year excess provisions of ₹ 51.58 Crore ( Previous Year ₹ 1.84 Crore) reversed to the profit and loss account on accounts of sale of stressed loans.

**b) Security Receipts (SRs) Ratings held**

	March 31, 2023		March 31, 2022	
	Rating Agencies	Rating	Rating Agencies	Rating
EARC TRUST SC - 411 Series I (*)	Indian rating and research	IND RR3- (50% - 75%)	Indian rating and research	NR3- (75% - 100%)

(\*) Rating Band awarded by SEBI approved Ratings agencies to Security Receipts issued by above mentioned trust(s) set up by Edelweiss Asset Reconstruction Company Limited (EARC).

**c) Details of loans (not in default) acquired during the year**

Sr No.	Particulars	March 31, 2023	March 31, 2022
i)	Aggregate amount of loans acquired (₹ in Crore)	83.08	-
ii)	Weighted average residual maturity (in years)	4.13	-
iii)	Weighted average holding period by originator (in years)	5.02	-
iv)	Retention of beneficial economic interest by the originator	10%	-
v)	Aggregate consideration paid	83.08	-
vi)	Tangible security coverage	0%	-

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

d) Details of Assignment Transactions

Sr No.	Particulars	March 31, 2023			March 31, 2022		
		To ARC's	To permitted transferees	To other transferees	To ARC's	To permitted transferees	To other transferees
i)	Number of Accounts	-	-	-	-	-	-
ii)	Aggregate principal outstanding of loans transferred	-	-	-	-	-	-
iii)	Weighted average residual tenor of the loans transferred	-	-	-	-	-	-
iv)	Net book value of loans transferred (at the time of transfer)	-	-	-	-	-	-
v)	Aggregate consideration	-	-	-	-	-	-
vi)	Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-	-	-

\* The securitised loans disclosed in the above notes, i.e. 51, 52 and 53 do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

54 Total fixed deposits stands at ₹ 93.63 Crore (previous year ₹ 172.96 Crore) on account of securitisation transaction outstanding till March 31, 2023.

55 Loan against gold portfolio to Total assets is 0.61% (Previous year 0.77%).

56 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DNBR/2016-17/45 MASTER DIRECTION DNBR.PD.008/03.10.119/2016-17 UPDATED AS ON DECEMBER 29, 2022 PERTAINING TO GOLD LOANS

Details of Gold auctions conducted\*

Particulars	March 31, 2023	March 31, 2022
No of loan accounts	1,114	2,822
Outstanding loan amount	6.28	30.01
Sale Consideration of gold **	14.31	35.40

\* there is no sister concern participation in any of the above auctions.

\*\* the excess of sales consideration over and above the outstanding amount is repaid to respective borrower.

57 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DNBR/2016-17/45 MASTER DIRECTION DNBR.PD.008/03.10.119/2016-17 UPDATED AS ON DECEMBER 29, 2022 PERTAINING TO ASSET CLASSIFICATION AS PER RBI NORMS

As at March 31, 2023

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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	66,793.73	2,026.71	64,767.02	443.94	1,582.77
	Stage 2	1,322.12	372.41	949.71	26.68	345.73
<b>Subtotal</b>		<b>68,115.85</b>	<b>2,399.12</b>	<b>65,716.73</b>	<b>470.62</b>	<b>1,928.50</b>
<b>Non-Performing Assets (NPA)</b>						

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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)
Substandard	Stage 3	1,835.18	1,198.66	636.52	171.47	1,027.19
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	78.41	46.68	31.73	13.55	33.13
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	1.26	1.26	-	1.14	0.12
<b>Subtotal for NPA</b>		<b>1,914.85</b>	<b>1,246.60</b>	<b>668.25</b>	<b>186.16</b>	<b>1,060.44</b>
Other items such as guarantee, loan commitment, 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	475.06	2.55	472.51	2.29	0.26
	Stage 2	12.22	5.84	6.38	0.47	5.37
	Stage 3	1.34	0.81	0.53	0.05	0.76
<b>Subtotal of other items</b>		<b>488.62</b>	<b>9.20</b>	<b>479.42</b>	<b>2.81</b>	<b>6.39</b>
<b>TOTAL</b>	Stage 1	67,268.79	2,029.26	65,239.53	446.23	1,583.03
	Stage 2	1,334.34	378.25	956.09	27.15	351.10
	Stage 3	1,916.19	1,247.41	668.78	186.21	1,061.20
	<b>Total</b>	<b>70,519.32</b>	<b>3,654.92</b>	<b>66,864.40</b>	<b>659.59</b>	<b>2,995.33</b>

As at March 31, 2022

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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	56,142.18	1,996.81	54,145.37	220.34	1,776.47
	Stage 2	2,125.38	511.25	1,614.13	8.34	502.91
<b>Subtotal</b>		<b>58,267.56</b>	<b>2,508.05</b>	<b>55,759.51</b>	<b>228.68</b>	<b>2,279.38</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	2,829.45	1,589.28	1,240.17	258.35	1,330.93
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	224.85	62.07	162.78	38.10	23.97
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	4.47	4.47	-	3.97	0.50
<b>Subtotal for NPA</b>		<b>3,058.76</b>	<b>1,655.81</b>	<b>1,402.95</b>	<b>300.42</b>	<b>1,355.40</b>
Other items such as guarantee, loan commitment, 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	419.21	1.12	418.09	-	1.12
	Stage 2	20.78	2.05	18.73	-	2.05
	Stage 3	0.13	0.13	-	0.74	(0.61)
<b>Subtotal of other items</b>		<b>440.12</b>	<b>3.30</b>	<b>436.82</b>	<b>0.74</b>	<b>2.56</b>
<b>TOTAL</b>	Stage 1	56,561.40	1,997.93	54,563.47	220.34	1,777.59
	Stage 2	2,146.16	513.29	1,632.87	8.34	504.95
	Stage 3	3,058.90	1,655.94	1,402.96	301.16	1,354.78
	<b>Total</b>	<b>61,766.45</b>	<b>4,167.16</b>	<b>57,599.29</b>	<b>529.84</b>	<b>3,637.32</b>

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**58 THE BELOW TABLE DEPICTS STAGE WISE COUNT AND AMOUNT OF LOAN BOOK OUTSTANDING.**

Sr No.	Stage	Count	March 31, 2023	Count	March 31, 2022
1	Stage 1	44,80,195	66,793.73	36,55,901	56,142.18
2	Stage 2	1,12,059	1,322.12	1,10,555	2,125.38
3	Stage 3	80,528	1,914.85	1,62,567	3,058.76
	<b>Total</b>	<b>46,72,782</b>	<b>70,030.70</b>	<b>39,29,023</b>	<b>61,326.32</b>

**Note:** The Company follows the due process for recovery of the overdues . The recovery process is carried out inhouse & through collection agencies. Proper legal process & regulatory requirements are followed in recovery & collection activities.

**59 MOVEMENT OF CREDIT IMPAIRED LOANS UNDER IND-AS**

Sr No.	Particulars	March 31, 2023	March 31, 2022
(i)	<b>Credit impaired loans under Ind-AS (Net) to Loans (Net) (%)</b>	<b>0.97%</b>	<b>2.41%</b>
(ii)	<b>Movement of Credit impaired loans under Ind-AS (Gross)</b>		
a)	Opening balance	3,058.76	2,760.86
b)	Additions during the year	3,120.84	3,927.26
c)	Reductions during the year	4,264.75	3,629.36
d)	Closing balance	1,914.85	3,058.76
(iii)	<b>Movement of Credit impaired loans under Ind-AS (Net)</b>		
a)	Opening balance	1,402.95	1,886.12
b)	Additions during the year	1,569.84	1,803.61
c)	Reductions during the year	2,304.54	2,286.78
d)	Closing balance	668.25	1,402.95
(iv)	<b>Movement of impairment loss allowance on credit impaired loans</b>		
a)	Opening balance	1,655.81	874.74
b)	Impairment loss allowance made during the year	1,551.00	2,120.12
c)	Write-off / write-back of excess allowance	1,960.21	1,339.05
d)	Closing balance	1,246.60	1,655.81

**60 MOVEMENT OF IMPAIRMENT LOSS ALLOWANCE FOR LOW CREDIT RISK LOANS AND SIGNIFICANT INCREASE IN CREDIT RISK LOANS**

Sr No.	Particulars	March 31, 2023	March 31, 2022
(i)	<b>Movement of impairment allowance for low credit risk loans and significant increase in credit risk loans</b>		
a)	Opening balance	2,508.06	1,848.82
b)	Additions during the year	785.88	949.39
c)	Reductions during the year	892.51	290.15
d)	Closing balance	2,401.43	2,508.06

**61 CONCENTRATION OF LOAN, EXPOSURES & CREDIT IMPAIRED LOAN**

**a) Concentration of Loan**

Particulars	March 31, 2023	March 31, 2022
Total Advances to Twenty Largest Borrowers	353.93	198.85
Percentage of advances to twenty largest borrowers to Total Advances	0.51%	0.32%

Notes to the Standalone Financial Statements  
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**b) Concentration of Exposures**

Particulars	March 31, 2023	March 31, 2022
Total Exposure to Twenty Largest Borrowers	353.93	198.85
Percentage of exposures to twenty largest borrowers to Total Exposures	0.51%	0.32%

**c) Concentration of credit impaired loans**

Particulars	March 31, 2023	March 31, 2022
Total Exposure of Top four credit impaired accounts	24.82	21.79

**d) Sector-wise distribution of credit impaired loans**

Sr No.	Sector	Percentage of Impairment loss allowance to Total credit impaired loans in that sector	
		March 31, 2023	March 31, 2022
1	Agriculture & allied activities	4.11%	7.51%
2	Corporate borrowers	3.04%	3.26%
3	Services	1.77%	2.56%
4	Unsecured personal loans	2.33%	4.83%
5	Auto loans	2.65%	4.98%
6	Other personal loans	-	-
7	Others	3.96%	10.67%

**Note:** MSME category is included in the above categories

**62 DETAILS OF CREDIT IMPAIRED FINANCIAL ASSETS PURCHASED / SOLD**

The Company has not purchased any credit impaired financial assets during the financial year 2022-23. However, the Company has transferred certain credit impaired assets to Asset Reconstruction Company in terms of guidelines issued by RBI circular no. DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 (Refer Note 53). Further, the Company has not sold any credit impaired financial asset to institutions other than to Securitisation / Asset Reconstruction Company (SC / RC).

**63 INVESTMENTS**

Sr No.	Particulars	March 31, 2023	March 31, 2022
<b>1</b>	<b>Value of Investments*</b>		
	i) Gross value of Investments	1,262.89	2,247.54
	ii) Unrealised fair value movement	(19.64)	(14.03)
	iii) Fair value of Investments	1,243.25	2,233.51
	* Please note that all investments are held in India		
<b>2</b>	<b>Movement of unrealised fair value movement on investments</b>		
	i) Opening Balance	(14.03)	8.78
	ii) Add : increase in unrealised fair value during the year	0.50	-
	iii) Less : decrease in unrealised fair value during the year	6.11	22.81
	iv) Closing Balance	(19.64)	(14.03)

**64 DERIVATIVES**

**a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

Sr No.	Particulars	March 31, 2023	March 31, 2022
i)	The notional principal of swap agreements	1,889.91	4,017.00
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreement	-	-
iii)	Collateral required by the Company upon entering into swaps	-	-
iv)	Concentration of credit risk arising from the swaps	2.70%	4.34%
v)	The fair value of the swap book (Asset / (Liability))	1.00	1.00



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**b) Exchange Traded Interest Rate (IR) Derivatives**

The Company has not entered into any exchange traded derivative.

**c) Disclosures on Risk Exposure in Derivatives**

**Qualitative Disclosures**

- i) The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.
- ii) Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.
- iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

**d) Foreign currency non-repatriate loans availed**

Sr No.	Particulars	March 31, 2023		March 31, 2022	
		Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives*	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount)				
	- For hedging	1,889.91	-	4,017.00	-
ii)	Marked to Market Positions				
	(a) Asset [+] Estimated gain	-	-	-	-
	(b) Liability [-] Estimated loss	-	-	-	-
iii)	Credit exposure	1,889.91	-	4,017.00	-
iv)	Unhedged exposures	-	-	-	-

\* Cross currency interest rate swap

**65 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:

	March 31, 2023	March 31, 2022
CRAR%	20.05%	20.22%
CRAR – Tier I Capital %	15.91%	15.22%
CRAR-Tier II Capital %	4.14%	5.00%
Amount of Subordinated Debt raised as Tier-II capital	-	3,500
Amount Raised by the issue of Perpetual Debt Instruments	-	650

There were ₹ Nil Crore ( Previous Year ₹ Nil Crore) interest outstanding to pay Perpetual Debt Insutments holder.



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## 66 MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES

(Previous year figures are presented in italics.)

Particulars	Deposits	Advances	Investments(*)	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 30/31 days	<b>100.03</b>	<b>2,821.76</b>	<b>1,185.31</b>	<b>1,114.00</b>	-	-
	45.96	2,453.75	2,144.03	1,530.02	-	-
Over one month to 2 months	<b>0.84</b>	<b>2,298.33</b>	-	<b>1,130.11</b>	-	-
	1.04	1,926.23	-	691.34	-	-
Over 2 months upto 3 months	-	<b>2,295.78</b>	-	<b>2,272.19</b>	-	<b>1,888.94</b>
	-	1,951.17	-	1,497.90	-	-
Over 3 months to 6 months	<b>69.14</b>	<b>6,258.32</b>	-	<b>4,376.33</b>	-	-
	25.24	5,399.67	-	4,175.78	-	-
Over 6 months to 1 year	<b>26.21</b>	<b>10,744.56</b>	-	<b>8,768.93</b>	-	-
	103.95	9,568.93	-	7,195.46	-	2,264.60
Over 1 year to 3 years	-	<b>26,830.43</b>	-	<b>26,203.30</b>	-	-
	-	24,094.04	-	23,936.94	-	1,740.02
Over 3 years to 5 years	-	<b>6,545.54</b>	<b>55.99</b>	<b>5,743.68</b>	-	-
	-	5,936.77	88.03	2,614.90	-	-
Over 5 years	-	<b>8,587.95</b>	<b>1.95</b>	<b>3,367.83</b>	-	-
	-	5,831.89	1.45	3,326.11	-	-
<b>Total</b>	<b>196.22</b>	<b>66,382.67</b>	<b>1,243.25</b>	<b>52,976.37</b>	-	<b>1,888.94</b>
	<b>176.19</b>	<b>57,162.45</b>	<b>2,233.51</b>	<b>44,968.45</b>	-	<b>4,004.62</b>

\* Long-Term Investment in Clayfin Technologies Private Limited are shown in "over 5 year"

## 67 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA CIRCULAR DOR.NO.BP.BC/3/21.04.048/2020-21 DATED AUGUST 06, 2020 PERTAINING TO RESOLUTION FRAMEWORK FOR COVID-19-RELATED STRESS READ WITH RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 DATED MAY 05, 2021 PURSUANT TO RESOLUTION FRAMEWORK 2.0 – RESOLUTION OF COVID-19 RELATED STRESS OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) AND DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA CIRCULAR RBI/2021-22/31 DOR.STR.REC.11/21.04.048 /2021-22 DATED MAY 05, 2021 PERTAINING TO RESOLUTION FRAMEWORK - 2.0: RESOLUTION OF COVID-19 RELATED STRESS OF INDIVIDUALS AND SMALL BUSINESSES

### Format-B For Resolution framework

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half- year	Of (A) amount Paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	<b>133.47</b>	<b>19.68</b>	<b>4.78</b>	<b>38.14</b>	<b>70.88</b>
	327.13	49.10	-	21.75	256.28
Corporate persons*	<b>11.74</b>	-	-	<b>8.25</b>	<b>3.49</b>
	53.41	-	-	7.55	45.86
Of which, MSMEs	<b>11.74</b>	-	-	<b>8.25</b>	<b>3.49</b>
	53.41	-	-	7.55	45.86
Others	<b>0.12</b>	<b>0.01</b>	<b>0.00</b>	<b>0.07</b>	<b>0.03</b>
	0.32	-	-	0.01	0.31
<b>Total</b>	<b>145.32</b>	<b>19.68</b>	<b>4.78</b>	<b>46.46</b>	<b>74.40</b>
	<b>380.86</b>	<b>49.10</b>	-	<b>29.31</b>	<b>302.45</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**68 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA CIRCULAR RESOLUTION FRAMEWORK - 2.0: RESOLUTION OF COVID-19 RELATED STRESS OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) – REVISION IN THE THRESHOLD FOR AGGREGATE EXPOSURE ISSUED VIDE CIRCULAR NO. RBI/2021-22/47 DOR.STR. REC.21/21.04.048/2021-22 DATED JUNE 04, 2021 READ WITH CIRCULAR RBI/2018-19/100 DBR.NO.BP BC.18/21.04.048/2018-19 DATED JANUARY 01, 2019.**

Type of borrower	Year	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan
MSMEs	Current Year	-	-
	Previous Year	49,823	3,711.08 Crore

**69 DISCLOSURE REQUIREMENTS UNDER SCALE BASED REGULATION - SECTORAL EXPOSURE DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA RBI/2022-23/26 DOR. ACC REC. NO.20/21.04.018/2022-23 DATED APRIL 19, 2022.**

Sr No.	Sectors	March 31, 2023			March 31, 2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Crore)	Gross NPAs (₹ in Crore)	Percentage of Gross NPAs to total exposure in that sector %	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Crore)	Gross NPAs (₹ in Crore)	Percentage of Gross NPAs to total exposure in that sector %
	<b>Total sectors exposure</b>	<b>70,030.70</b>	<b>1,914.85</b>	<b>2.73%</b>	<b>61,326.32</b>	<b>3,058.76</b>	<b>4.99%</b>
<b>1</b>	<b>Agriculture and Allied Activities</b>	<b>169.06</b>	<b>5.55</b>	<b>3.28%</b>	<b>151.96</b>	<b>6.47</b>	<b>4.26%</b>
<b>2</b>	<b>Industry</b>						
	(i) Micro and Small	1,532.88	57.97	3.78%	1,407.13	58.54	4.16%
	(ii) Medium	-	-	-	-	-	-
	(iii) Others	-	-	-	-	-	-
	<b>Total of Industry</b>	<b>1,532.88</b>	<b>57.97</b>	<b>3.78%</b>	<b>1,407.13</b>	<b>58.54</b>	<b>4.16%</b>
<b>3</b>	<b>Services</b>						
	(i) Transport Operators	390.18	6.04	1.55%	181.59	7.35	4.05%
	(ii) Computer Software	57.68	2.72	4.71%	34.53	0.94	2.73%
	(iii) Tourism, Hotel and Restaurants	247.62	10.74	4.34%	250.76	6.37	2.54%
	(iv) Shipping	8.71	0.04	0.45%	14.67	0.18	1.20%
	(v) Professional Services	27.23	-	0.00%	24.46	-	0.00%
	(vi) Total of Trade	743.30	19.68	2.65%	562.81	12.70	2.26%
	(a) Wholesale Trade (other than Food Procurement)	74.98	4.64	6.19%	46.28	0.42	0.90%
	(b) Retail Trade	668.32	15.04	2.25%	516.53	12.28	2.38%
	(vii) Commercial Real Estate	166.02	5.06	3.05%	138.11	0.59	0.42%
	(viii) NBFCs	-	-	-	-	-	-
	(ix) Aviation	5.24	3.22	61.53%	7.96	3.70	46.52%
	(x) Others	2,408.10	54.64	2.27%	1,758.63	66.49	3.78%
	<b>Total of Services</b>	<b>4,054.08</b>	<b>102.14</b>	<b>2.52%</b>	<b>2,973.52</b>	<b>98.32</b>	<b>3.31%</b>

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

Sr No.	Sectors	March 31, 2023			March 31, 2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Crore)	Gross NPAs (₹ in Crore)	Percentage of Gross NPAs to total exposure in that sector %	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Crore)	Gross NPAs (₹ in Crore)	Percentage of Gross NPAs to total exposure in that sector %
<b>4</b>	<b>Personal Loans</b>						
	(i) Housing Loans (incl. priority sector Housing)	-	-	-	-	-	-
	(ii) Consumer Durables	3,965.26	29.62	0.75%	3,083.41	70.56	2.29%
	(iii) Credit Card Receivables	-	-	-	-	-	-
	(iv) Vehicle/Auto Loans	21,880.85	705.65	3.22%	19,442.88	1,066.20	5.48%
	(v) Education Loans	-	-	-	-	-	-
	(vi) Advances against Fixed Deposit	-	-	-	-	-	-
	(vii) Advances to Individuals against Shares, Bonds	2.69	0.21	7.97%	6.07	0.40	6.58%
	(viii) Advances to Individuals against Gold	425.15	7.07	1.66%	473.99	20.22	4.27%
	(ix) Micro finance loan/SHG Loan	115.69	-	-	2.33	-	-
	(x) Others	37,885.04	1,006.63	2.66%	33,785.03	1,738.05	5.14%
	<b>Total of Personal Loans</b>	<b>64,274.68</b>	<b>1,749.19</b>	<b>2.72%</b>	<b>56,793.71</b>	<b>2,895.43</b>	<b>5.10%</b>
<b>5</b>	<b>Others, if any (please specify)</b>	-	-	-	-	-	-

**70 EXPOSURE TO REAL ESTATE SECTOR - 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.**

Categories	March 31, 2023	March 31, 2022
<b>A. Direct Exposure</b>		
i. Residential Mortgages - (Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	12,584.64	11,779.72
ii. Commercial Real Estate – (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 shall also include non-fund based limits	6,012.62	5,345.78
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential,	-	-
b) Commercial Real Estate	-	-
<b>B. Indirect Exposure</b>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>18,597.26</b>	<b>17,125.50</b>

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**71 EXPOSURE TO CAPITAL MARKET - 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.**

Sr No.	Particulars	March 31, 2023	March 31, 2022
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	2.30	2.30
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares ( including IPO's / ESOP's), convertible bonds, convertible debentures and units of equity oriented mutual funds	0.01	0.02
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 ;	-	-
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		
	<b>Total Exposure to Capital Market</b>	<b>2.31</b>	<b>2.32</b>

**72 UNHEDGED FOREIGN CURRENCY EXPOSURE - 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 Refer Significant accounting policies Note 2.5 and Note 45 (c) (ii)**

**73 INTRA-GROUP EXPOSURES DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA RBI/2022-23/26 DOR.ACC.REC. NO.20/21.04.018/2022-23 DATED APRIL 19, 2022**

Particulars	March 31, 2023	March 31, 2022
Total amount of intra-group exposures	Nil	Nil
Total amount of top 20 intra-group exposures	Nil	Nil
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	Nil	Nil

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**74 COMPLAINTS 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.**

**Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

Sr No.	Particulars	March 31, 2023	March 31, 2022
i)	Number of Complaints Pending at the beginning of the year	64	391
ii)	Number of Complaints received during the year	5,462	4,334
iii)	Number of Complaints disposed during the year	5,465	4,661
iiia)	Of which (iii), number of complaints rejected by the NBFC	125	200
iv)	Number of complaints pending at the end of the year	61	64
	Maintainable complaints received by the NBFC from Office of Ombudsman		
v)	Number of maintainable complaints received by the NBFC from Office of Ombudsman	106	121
va)	Of (v), number of complaints resolved in favour of the NBFC by Office of Ombudsman	92	110
vb)	Of (v), number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	14	11
vc)	Of (v), number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
vi)	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

**Note :-** Complaints include any expression of dissatisfaction from a customer or any identified service deficiency

**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	% 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
<b>Current Year</b>					
Ground - 1 Recovery Agents/Direct Sales Agents	1	44	(53.19%)	-	-
Ground - 2 Loans and advances	39	5,284	29.76%	61	-
Ground - 3 Non-observance of fair practices code	-	-	-	-	-
Ground - 4 Levy of charges without prior notice/excessive charges/ foreclosure charges	-	-	-	-	-
Ground - 5 Facilities for customers visiting the office/adherence to prescribed working hours, etc.	-	-	-	-	-
Others	24	134	(20.24%)	-	-
<b>Total</b>	<b>64</b>	<b>5,462</b>	<b>26.03%</b>	<b>61</b>	<b>-</b>

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

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	% 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
<b>Previous Year</b>					
Ground - 1 Recovery Agents/Direct Sales Agents	13	94	(48.91%)	1	-
Ground - 2 Loans and advances	354	4,072	(67.73%)	39	-
Ground - 3 Non-observance of fair practices code	-	-	-	-	-
Ground - 4 Levy of charges without prior notice/excessive charges/ foreclosure charges	-	-	-	-	-
Ground - 5 Facilities for customers visiting the office/adherence to prescribed working hours, etc.	-	-	-	-	-
Others	24	168	38.84%	24	-
<b>Total</b>	<b>391</b>	<b>4,334</b>	<b>(66.47%)</b>	<b>64</b>	<b>-</b>

**75 BREACH OF COVENANT 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.**

**Disclose of all instances of breach of covenant of loan availed or debt securities issued.**

There are no instances of breach of covenant of loan availed or debt securities issued during the current year 2022-23 as well as previous year 2021-22.

**76 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.**

**A) 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

**B) Additional Gross NPAs identified by RBI exceeds 5 per cent of the reported Gross NPAs for the reference period.**

Not applicable

Sr.	Particulars	Amount
1	Gross NPAs as on March 31, 2022 as reported by Company	Not applicable
2	Gross NPAs as on March 31, 2022 as assessed by the Reserve Bank of India	
3	Divergence in Gross NPAs (2-1)	
4	Net NPAs as on March 31, 2022 as reported by the Company	
5	Net NPAs as on March 31, 2022 as assessed by Reserve Bank of India	
6	Divergence in Net NPAs (5-4)	
7	Provisions for NPAs as on March 31, 2022 as reported by the Company	
8	Provisions for NPAs as on March 31, 2022 as assessed by Reserve Bank of India	
9	Divergence in provisioning (8-7)	
10	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 2022	
11	Reported Net Profit after Tax (PAT) for the year ended March 31, 2022	
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2022 after considering the divergence in provisioning	

\* March 31, 2022 is the close of the reference period in respect of which divergences were assessed



Notes to the Standalone Financial Statements  
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(Currency : Indian Rupees in Crore)

**77 DISCLOSURE PURSUANT TO SECTION III 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.**

The Company endeavours to comply with requirements for getting its equity shares listed within the timelines prescribed under Scale Based Regulation.

**78 RELATED PARTY 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.**

Sr No.	Related party	Parent (HDFC Bank)		Subsidiaries		Associates/Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>A</b>	<b>Details of Related Party Transactions for the Year:</b>														
(i)	Borrowings	3,350.00	5,360.00	-	-	-	-	-	-	-	-	-	-	3,350.00	5,360.00
(ii)	Placement of deposits	-	17.77	-	-	-	-	-	-	-	-	-	-	-	17.77
(iii)	Interest paid	677.81	498.75	-	-	-	-	-	-	-	-	-	-	677.81	498.75
(iv)	Interest received	2.71	5.47	-	-	-	-	-	-	-	-	-	-	2.71	5.47
(v)	Others	3,241.53	2,781.48	-	-	-	-	9.55	9.00	-	-	21.85	18.01	3,272.93	2,808.48
(va)	Charges for back office support services received / recoverable	984.41	921.26	-	-	-	-	-	-	-	-	-	-	984.41	921.26
(vb)	Charges for sales support services received / recoverable	1,821.96	1,607.28	-	-	-	-	-	-	-	-	-	-	1,821.96	1,607.28
(vc)	Tele collection charges / field collection charges received / recoverable for collection services rendered	255.65	220.58	-	-	-	-	-	-	-	-	-	-	255.65	220.58
(vd)	Others	179.51	32.36	-	-	-	-	9.55	9.00	-	-	21.85	18.01	210.90	59.37
<b>B</b>	<b>Balances outstanding:</b>														
(i)	Borrowings	11,295.33	11,601.17	-	-	-	-	-	-	-	-	1,866.60	1,386.00	13,161.93	12,987.17
(ii)	Deposits	9.85	-	-	-	-	-	-	-	-	-	-	-	9.85	-
(iii)	Placement of deposits	47.89	88.62	-	-	-	-	-	-	-	-	-	-	47.89	88.62
(iv)	Others	353.92	514.93	-	-	-	-	-	-	-	-	4.26	2.10	358.17	517.03
<b>C</b>	<b>Maximum balance during the year:</b>														
(i)	Borrowings	13,064.15	12,550.80	-	-	-	-	-	-	-	-	-	-	13,064.15	12,550.80
(ii)	Deposits	9.85	9.85	-	-	-	-	-	-	-	-	-	-	9.85	9.85
(iii)	Placement of deposits	88.66	188.92	-	-	-	-	-	-	-	-	-	-	88.66	188.92

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**79 DISCLOSURE ON LIQUIDITY RISK MANAGEMENT FRAMEWORK PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DNBR/2016-17/45 MASTER DIRECTION DNBR.PD.008/03.10.119/2016-17 DATED DECEMBER 29, 2022.**

**Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended March 31, 2023 is given below:**

Particulars	Quarter Ended March 31, 2023				Quarter Ended December 31, 2022				Quarter Ended September 30, 2022				Quarter Ended June 30, 2022			
	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*		Total Unweighted Value (average)*	Weight	Total Weighted value (average)*		Total Unweighted Value (average)*	Weight	Total Weighted value (average)*		Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	
<b>High Quality Liquid Assets</b>																
1 Total High Quality Liquid Assets (HQLA)	1,061.33	100%	1,061.33		2,074.80	100%	2,074.80		1,074.37	100%	1,074.37		1,289.48	100%	1,289.48	
Cash & Bank Balances	150.77	100%	150.77		246.87	100%	246.87		202.48	100%	202.48		173.47	100%	173.47	
Investment in T-Bills	910.57	100%	910.57		1,827.93	100%	1,827.93		871.89	100%	871.89		1,116.01	100%	1,116.01	
<b>Cash Outflows</b>																
2 Deposits (for deposit taking companies)	N.A.	115%	N.A.		N.A.	115%	N.A.		N.A.	115%	N.A.		N.A.	115%	N.A.	
3 Unsecured wholesale funding		115%				115%				115%				115%		
4 Secured wholesale funding	1,708.20	115%	1,964.43		2,310.88	115%	2,657.51		1,558.25	115%	1,791.99		1,081.76	115%	1,244.02	
5 Additional requirements, of which																
(i) Outflows related to derivative exposures and other collateral requirements**		115%				115%				115%			500.00	115%	575.00	
(ii) Outflows related to loss of funding on debt products		115%				115%				115%				115%		
(iii) Credit and liquidity facilities		115%				115%				115%				115%		
6 Other contractual funding obligations	414.76	115%	476.97		384.04	115%	441.65		319.41	115%	367.33		360.83	115%	414.96	
7 Other contingent funding obligations	71.54	115%	82.27		54.65	115%	62.85		48.06	115%	55.27		46.17	115%	53.10	
8 Total Cash Outflows	2,194.50		2,523.67		2,749.57		3,162.01		1,925.72		2,214.59		1,988.76		2,287.08	
<b>Cash Inflows</b>																
9 Secured Lending	-	-	-		-	-	-		-	-	-		-	-	-	
10 Inflows from fully performing exposures	2,751.93	75%	2,063.94		2,665.55	75%	1,999.16		2,636.60	75%	1,977.45		2,524.92	75%	1,893.69	
11 Other cash inflows	2,020.08	75%	1,515.06		2,047.70	75%	1,535.78		1,778.70	75%	1,334.03		1,411.00	75%	1,058.25	
12 TOTAL CASH INFLOWS	4,772.01		3,579.00		4,713.25		3,534.94		4,415.30		3,311.48		3,935.92		2,951.94	
13 TOTAL HQLA			1,061.33				2,074.80				1,074.37				1,289.48	
14 TOTAL NET CASH OUTFLOWS			630.92				790.50				553.65				571.77	
15 LIQUIDITY COVERAGE RATIO (%)			168.22%				262.47%				194.05%				225.53%	

\*The average weighted and unweighted amounts are calculated taking simple averages of monthly observations for the respective quarters

\*\* Consist of outflows related to collateral requirements where downgrade triggers upto and including 3 notches downgrade



Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

#### Qualitative Disclosure on LCR

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. The Reserve Bank of India introduced the liquidity coverage ratio (LCR) requirement for all deposit-taking NBFCs and non-deposit taking NBFCs with an asset size of ₹ 5,000 Crore and above. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. LCR is calculated by dividing the stock of HQLA's by its total net cash outflow over a 30 day calendar period.

The Company has adopted the liquidity risk framework as required under RBI regulation. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors have delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Committee.

The LCR is calculated by dividing a Company's stock of HQLA by it's total net cash outflows over a 30 -day stress period. The guidelines for LCR were effective from December 01, 2020 with the minimum LCR to be 50% which would rise in equal annual steps to reach 100%, on December 01, 2024. The present minimum LCR requirement is 70% effective from December 01, 2022. In order to determine High quality Liquid Assets, Company considers Cash and Bank Balances, Investment in Government Securities without any haircut. In order to determine net cash outflows, Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days. As per regulations, stressed cash flows is computed by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Net cash outflow over next 30 days is computed as stressed outflows less minimum of stressed inflows, 75% of stressed outflow. Accordingly LCR would be computed by dividing Company's stock of HQLA by it's total net cash outflow.

Cash outflow under secured wholesale funding includes contractual obligations under Term loans, NCDs, Interest payable within 30 days. Outflow under other collateral requirement, the Company considers the loans which are callable under rating downgrade trigger up to and including 3- notch downgrade. Outflow under other contractual funding obligations primarily includes outflow on account of overdrawn balances with Banks and sundry payables. In order to determine Inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds, CPs which are maturing within 30 days. The Average LCR for the quarter ended March 31, 2023 was 168.22% as against 262.47% for the quarter ended December 31, 2022 which is well above present prescribed minimum requirement of 70%. The average HQLA for the quarter ended March 31, 2023 was 1061.33 Crore as against 2074.80 Crore for the quarter ended December 31, 2022. During the same period the composition of Government securities in the HQLA was 85.79% for the quarter ended March 31, 2023 as against 88.10% for the quarter ended December 31, 2022.

#### Public Disclosure on LCR

##### Fund Concentration based on Significant counter parties

Sr. No	No of Significant counter Parties	Amount	% of Total Liabilities
1	21	37,746.32	60.47%

**Note :** The above is arrived including Securitisation exposure to Banks

##### Top Ten Borrowings as a % of Total Borrowings

Sr. No	Particulars	Amount	% of Total Borrowing
1	Top 10	29,650.02	53.88%

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**Fund Concentration Based on Significant Instrument /Products**

Sr. No	No of Instruments	Amount	% of Total Liabilities
1	Non Convertible Debentures & Market Linked Debentures	27,246.28	43.65%
2	Term Loans from Banks	21,968.00	35.19%
3	Subordinate Debts & Perpetual Debts	3,550.00	5.69%
4	External Commercial Borrowings	1,889.91	3.03%
5	Securitisation Borrowings	370.86	0.59%
6	Commercial Paper	-	-

**Stock Ratios**

Sr. No	Stock Ratios	Ratio
1	Commercial Paper as a % of Total Public Funds	-
2	Commercial Paper as a % of Total Liabilities*	-
3	Commercial Paper as a % of Total Assets	-
4	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Public Fund	N.A
5	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Liabilities	N.A
6	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Assets	N.A
7	Other Short Term Liabilities** as % of Total Public Funds	41.42%
8	Other Short Term Liabilities as % of Total Liabilities	36.52%
9	Other Short Term Liabilities as a % of Total Assets	30.86%

\* Total liabilities refer to Total Outside Liabilities i.e. Balance Sheet Total excluding Share Capital and Reserves

\*\* Other short term liabilities include all contractual obligation payable within a period of 1 year excluding commercial paper

**Institutional set-up for liquidity risk management**

The Company monitors its inflows and outflows in various buckets and ensures that there are no major mismatches in assets and liabilities in various buckets. The ALM is tabled and evaluated in the ALCO on a monthly basis. The Company ensures that there is adequate liquidity cushion available in the form of investments in G-Secs/ T-Bills / Mutual Funds etc. and unavailed Bank lines. The Company issues various instruments including Term Loans, Line of Credits, Non-Convertible Debentures, External Commercial Borrowings and other market instruments. The Company has a diversified mix of investors which includes Banks, Mutual Funds, Insurance firms, FIIs, Corporates, PFs etc.

**80 PROVISIONS AND CONTINGENCIES**

Particulars	March 31, 2023	March 31, 2022
Category wise breakup of Provisions & Contingencies shown in Statement of Profit and Loss		
Provisions for depreciation on investment	2.19	16.47
Provision towards non-performing assets*	(409.21)	781.07
Provision made towards income tax	621.30	663.40
Provision for standard assets#	(105.79)	659.24
Provision for gratuity	28.04	3.52
Provisions for trade receivables	3.60	(1.26)

\* Represents impairment loss allowance on stage 3 loans.

# Represents impairment loss allowance on stage 1 and stage 2 loans.

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**81 SCHEDULE TO THE BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY  
PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DNBR/2016-17/45 MASTER DIRECTION DNBR.  
PD.008/03.10.119/2016-17 DATED DECEMBER 29, 2022.**

Sr. No	Particulars	March 31, 2023	March 31, 2022
<b>1</b>	<b>Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid: (*)</b>		
	(a) Debentures		
	- Secured (*)	27,096.41	26,635.79
	- Unsecured (*)	3,541.10	4,322.76
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits		
	(c) Term Loans (*)	21,968.00	14,291.45
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans (*)	2,259.80	5,234.73
	(*) There is no overdue		
<b>2</b>	<b>Break-up of (1)(f) above (outstanding public deposit inclusive of interest accrued thereon but not paid)</b>		
	(a) In the form of unsecured debenture	-	-
	(b) In the form of partly secured debenture i.e. debenture where there is shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	<b>Assets side:</b>		
<b>3</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
	(a) Secured	53,053.24	46,644.29
	(b) Unsecured	16,977.46	14,682.03
<b>4</b>	<b>Break up of Leased Assets and stock on Hire and other assets counting towards AFC activities</b>		
	(i) Lease Assets including lease rentals sundry debtors:		
	a) Financial Lease	-	-
	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 AFC Activities		
	a) Loans where assets have been repossessed	59.25	108.61
	b) Loans other than (a) above	-	-
<b>5</b>	<b>Break-up of Investments (net of provision for diminution in value):</b>		
	<b>Current Investments:</b>		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Sr. No	Particulars	March 31, 2023	March 31, 2022
	ii. Debentures and Bonds		
	iii. Units of Mutual Funds	411.65	946.45
	iv. Government Securities	773.66	1,197.57
	v. Others (please specify)	55.99	88.04
	II. Unquoted:		
	i. Shares	-	-
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	<b>Long Term Investments:</b>		
	I. Quoted:		
	i. Shares	-	-
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	II. Unquoted:		
	i. Shares		
	a) Equity	1.95	1.45
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
6	<b>Borrower group-wise classification of assets financed as in (2) and (3) above: (Amount net of provisions)</b>		
	1. Related Parties		
	(a) Subsidiaries		
	i. Secured	-	-
	ii. Unsecured	-	-
	<b>Total</b>	-	-
	(b) Companies in the same Group		
	i. Secured	-	-
	ii. Unsecured	-	-
	<b>Total</b>	-	-
	(c) Other Related Parties		
	i. Secured	-	-
	ii. Unsecured	-	-
	<b>Total</b>	-	-

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Sr. No	Particulars	March 31, 2023	March 31, 2022
2.	Other than Related Parties		
i.	Secured	53,053.24	46,644.29
ii.	Unsecured	16,977.46	14,682.03
	<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>7</b>	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)</b>		
1.	Related Parties		
(a)	Subsidiaries		
i.	Market Value / Break up or fair value or NAV	-	-
ii.	Book Value (Net of Provisions)	-	-
(b)	Companies in the same Group		
i.	Market Value / Break up or fair value or NAV	-	-
ii.	Book Value (Net of Provisions)	-	-
(c)	Other Related Parties		
i.	Market Value / Break up or fair value or NAV	-	-
ii.	Book Value (Net of Provisions)	-	-
2.	Other than Related Parties		
i.	Market Value / Break up or fair value or NAV	-	-
ii.	Book Value (Net of Provisions)	1,241.30	2,232.06
<b>8</b>	<b>Other Information</b>		
(i)	Gross credit impaired assets		
(a)	Related parties	-	-
(b)	Other than related parties	1,914.85	3,058.76
(ii)	Net credit impaired assets		
(a)	Related parties	-	-
(b)	Other than related parties	668.25	1,402.95
(iii)	Assets Acquired in satisfaction of debt	-	-

## 82 PENALTIES IMPOSED BY RBI AND OTHER REGULATORS

No penalties have been imposed by RBI and Other Regulators during current year (Previous year - NIL).

## 83 DISCLOSURE ON FRAUDS PURSUANT TO RBI MASTER DIRECTION

The frauds detected and reported for the year amounted to ₹ 0.58 Crore (Previous year ₹ 4.69 Crore).

## 84 DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS

There is no financing during the current year.

## 85 DETAILS OF SINGLE BORROWER LIMITS (SBL)/ GROUP BORROWER LIMITS (GBL) EXCEEDED

The Company has not exceeded the single borrower limits / group borrower limits as set as by Reserve Bank of India.

## 86 ADVANCES AGAINST INTANGIBLE SECURITIES

The Company has not given any loans against intangible securities.

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 87 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

There are no overseas asset owned by the Company.

## 88 DRAW DOWN FROM RESERVES

The Company has made no drawdown from existing reserves.

## 89 OFF-BALANCE SHEET SPVS SPONSORED

The Company is now required to provide its financial statements under Ind AS, which requires all securitisation related SPV's to be consolidated in the books of the originator (the Company). Accordingly, these SPV's stand consolidated and none of the SPV's sponsored are off-balance sheet.

## 90 RATINGS

The Credit Analysis & Research Limited (CARE) and CRISIL Limited (CRISIL) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Facility	March 31, 2023		March 31, 2022	
	CARE	CRISIL	CARE	CRISIL
Bank facilities	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Non-convertible debentures	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Short term debt program	A1+	A1+	A1+	A1+
Subordinated bond issue	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Perpetual bond issue	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Market Linked Debentures	PP-MLD AAA/ Stable	PP-MLD AAAr/ Stable	PP-MLD AAA/ Stable	PP-MLD AAAr/ Stable

## 91 REGISTRATION UNDER OTHER REGULATORS

The Company is not registered under any other regulator other than Reserve Bank of India and Insurance Regulatory & Development Authority of India (IRDAI).

## 92 RBI CIRCULAR RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 DATED APRIL 07, 2021.

Under the circular all the lending institutions were required to refund/adjust the "interest on interest" charged to the borrower during the moratorium period i.e March 01, 2020 to August 31, 2020 in conformity with the supreme court judgement. The status of the same is mentioned in below table

Sr No.	Particulars	March 31, 2023	March 31, 2022
1	Aggregate amount	-	34.36
2	Refunded/Adjusted	-	34.36
3	Outstanding Balance	-	-

Notes to the Standalone Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**93 DISCLOSURE PURSUANT TO REGULATION 53(F) READ WITH SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Sr No.	Particulars	March 31, 2023	March 31, 2022
a)	Loans and advances in the nature of loans to subsidiaries	-	-
	Name of the Company	-	-
	Amount	-	-
b)	Loans and advances in the nature of loans to associates	-	-
	Name of the Company	-	-
	Amount	-	-
c)	Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-
	Name of the Company	-	-
	Amount	-	-
d)	Investments by the loanee in the shares of parent company and subsidiary company, when the Company has made a loan or advance in the nature of loan.	-	-

**94 DISCLOSURE PURSUANT TO REGULATION 54 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Debentures are secured by way of a first and pari passu mortgage in favour of the Security Trustee on the Company's Office no 319, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and/or further secured by way of hypothecation of receivables under financing activity with a minimum requirement of asset cover of 1.1 times. Assets cover as on March 31, 2023 is 1.1 times.

**95 RELATIONSHIP WITH STRUCK OFF COMPANIES ON THE BASIS OF AVAILABLE DATA ON THE DATE OF REPORTING**

Sr No.	Name of Struck off Company	Nature of transactions	As at March 31, 2023 (Amt in Crore)	As at March 31, 2022 (Amt in Crore)	Relation ship with the struck off company, if any, to be disclosed
1	Goldman Venture Private Limited	Shareholder	*	*	Shareholder
2	Anish Projects Developers (I) Private Limited	Loan	-	0.06	Borrower
3	Foxmind Connect Private Limited	Loan	-	0.69	Borrower
4	Galaxy Park Hospitality Private Limited	Loan	0.48	0.55	Borrower
5	Glamoroso Family Saloon And Spa Private Limited	Loan	0.28	0.32	Borrower
6	Gravitee Concepts Private Limited	Loan	-	0.01	Borrower
7	GVK Alliance Networks Private Limited	Loan	0.53	0.58	Borrower
8	Onus Labs Private Limited	Loan	0.30	0.35	Borrower
9	Peesscon India Reality Private Limited	Loan	0.13	0.16	Borrower
10	Satkar Security Provider Private Limited	Loan	-	(0.00)	Borrower
11	Shanti Sarup And Sons Private Limited	Loan	0.70	0.78	Borrower
12	Shiv Bhole India Travels Private Limited	Loan	-	0.51	Borrower
13	Sunrise Build Structure Private Limited	Loan	-	0.24	Borrower
14	Tapobhumi Real Estate & Marketing Private Limited	Loan	-	0.15	Borrower
15	Arun Electrochemical Systems Private Limited	Loan	0.19	0.25	Borrower



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

Sr No.	Name of Struck off Company	Nature of transactions	As at March 31, 2023 (Amt in Crore)	As at March 31, 2022 (Amt in Crore)	Relation ship with the struck off company, if any, to be disclosed
16	Rushi Herbal Private Limited	Loan	(0.02)	1.27	Borrower
17	A S P Appliances P Limited	Loan	1.01	-	Borrower
18	Natkhat Agro Foods Private Limited	Loan	0.20	-	Borrower
19	Jeevan Jyothi General And Maternity Hospital Private Limited	Loan	0.69	-	Borrower
20	Deli Carrier Pack And Move Private Limited	Loan	0.21	-	Borrower
21	DRS Enterprises Private Limited	Loan	0.15	-	Borrower
22	NMG Food And Beverages Private Limited	Loan	0.05	-	Borrower
23	R S Vegetable Exporters India Private Limited	Loan	0.09	-	Borrower
24	Brand X Zone Private Limited	Loan	0.04	-	Borrower
25	Prarabdh Bharti Bhawan Opc Private Limited	Loan	0.03	-	Borrower
26	Shri Ganesha Global Gulal Private Limited	Loan	0.15	-	Borrower
27	Royal Friends Enterprises Private Limited	Loan	(0.00)	-	Borrower
28	Raj Kumar And Sons Ornaments Private Limited	Loan	(0.01)	-	Borrower
29	Grahalaya Constructions Private Limited	Loan	(0.00)	-	Borrower
30	Indonex Services Private Limited	Loan	(0.00)	-	Borrower
31	Trilogy Krikos Private Limited	Loan	-	(0.00)	Borrower

**Note:-** In the absence of purchase price of share held by Goldman Venture Private Limited face value is considered for reporting purpose.

\* Less than ₹ 1000/-.

### 96 DETAILS OF REVENUE FROM INSURANCE SEGMENT

Particulars	As at March 31, 2023	As at March 31, 2022
Commission Income	40.89	24.70

### 97 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

- The Company has not traded or invested in crypto currency or virtual currency during the financial year
- There are no undisclosed transaction which have not been recorded in the books.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- The Company has not entered into any scheme of arrangement
- No Registration or satisfaction of charges are pending to be filed with ROC.



## Notes to the Standalone Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

- 98** a) 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.
- b) 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.
- 99** 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.

### 100 DIVIDEND DISTRIBUTED TO EQUITY SHAREHOLDERS

The Company has paid an interim dividend of ₹ 0.90 per equity share during the year. Further, the Board has proposed a final dividend of ₹ 1.10 per equity share for financial year ended March 31, 2023 in the Board of Directors meeting held on April 15, 2023.

Accounting Period	Net Profit for the accounting period (₹ in Crore)	Rate of dividend (%)	Amount of Dividend (₹ in Crore)	Dividend Payout ratio (%)
<b>FY 2022-23</b>	<b>1,959.35</b>	<b>20%</b>	<b>158.26</b>	<b>8.08%</b>
<b>FY 2021-22</b>	<b>1,011.40</b>	<b>10%</b>	<b>79.04</b>	<b>7.82%</b>

### 101 STANDARDS ISSUED BUT NOT YET EFFECTIVE

On March 31, 2023, the Ministry of Corporate Affairs ("MCA") through a notification, The amendments rules the Companies (Indian Accounting Standards) Amendment Rules, 2023 are applicable from April 01, 2023 (Financial Year 2023-24).

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive  
Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Independent Auditors' Report

To  
The Members of  
**HDB Financial Services Limited**

## Report on the audit of the Consolidated Financial Statements

### OPINION

1. We have audited the accompanying consolidated Ind AS financial statements of HDB Financial Services Limited ('the Parent') and its controlled structured entities (the parent and its controlled structured entities together referred to as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2023 and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ('the Consolidated Financial Statements').
2. 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 31 March 2023, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated 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 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

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. 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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Assessment of impairment loss provision on loans based on Expected Credit Loss model (ECL) under IND AS 109</b></p> <p>Refer to the accounting policies in 'Note 3(B) to the Consolidated Ind AS Financial Statements: Expected Credit Loss', 'Note 2.11 to the Consolidated Ind AS Financial Statements: Revenue Recognition' and 'Note 2.2(G) to the Consolidated Ind AS Financial Statements: Impairment of Financial Assets and 'Note 45 to the Consolidated Ind AS Financial Statements: Risk Management'.</p> <p>Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus are:</p>	<p>Our audit procedures were focussed on assessing the appropriateness of management's judgement and estimates used in the impairment analysis that included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>Reviewed the Board approved Policy and approach concerning the management of credit and other risks.</li> </ul>

## Independent Auditors' Report (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<ul style="list-style-type: none"> <li>Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> <li>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> <li>Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Consolidated Ind AS Financial Statements as a whole and hence we have identified the same as a Key Audit Matter.</p> <p>Disclosures: The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<ul style="list-style-type: none"> <li>Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions.</li> <li>Assessed the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans, measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information, which included overdue reports.</li> <li>Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages.</li> <li>Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default, (EAD), probability of default (PD) or loss given default (LGD);</li> <li>Tested key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and computation of probability of default and loss given default percentages.</li> <li>Verified the manner of preparation of information w.r.t. to provisions and disclosures in the Consolidated Ind AS Financial Statements.</li> <li>Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems.</li> <li>Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>Performed test of details over model calculations testing through re-performance, where possible.</li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Consolidated Ind AS Financial Statements are appropriate and sufficient.</li> <li>Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable including the report on review of ECL model of the Company for the year, as performed by an independent expert, whose report is placed before the Board of Directors of the Company.</li> </ul>

## Independent Auditors' Report (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Information Technology system used for the financial reporting process</b></p> <p>IT systems and controls</p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>These include implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, the testing of the general computer controls of these systems was considered a Key Audit Matter.</p>	<p>With the assistance of our IT specialist, our key audit procedures for assessment of the IT systems and controls over financial reporting covered following broad aspects:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management and application controls relevant to our audit</li> <li>• Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting.</li> <li>• Reviewed user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems and related application controls.</li> <li>• Reviewed of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>• Evaluated the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission</li> <li>• Tested compensating controls or performed alternate audit procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and/or accuracy of data.</li> </ul>

**OTHER INFORMATION**

- The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the Parent's 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 and, in doing so, consider whether

the other information is materially inconsistent with the Consolidated 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 CONSOLIDATED FINANCIAL STATEMENTS**

- The Parent's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of

## Independent Auditors' Report (Contd.)

the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group 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 Board of Directors of the Parent are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Parent, as aforesaid.

9. In preparing the Consolidated Financial Statements, the Board of Directors of the Parent are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors of the Parent are responsible for overseeing the financial reporting process of the Group.

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. 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 SAs 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.

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 12.1. 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.

- 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

- 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- 12.4. 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 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 to cease to continue as a going concern.

## Independent Auditors' Report (Contd.)

- 12.5. 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.
- 12.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance of the Parent 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.
14. 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.
15. 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 current year 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**

16. We did not audit the financial information of 3 controlled structured entities, whose financial information reflect total assets of – Nil as at 31 March 2023, total revenues of – Nil and net cash flows amounting to – Nil for the year ended on that date, as considered in the Consolidated Financial Statements. These financial information are unaudited 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 controlled structured entities, and our report in terms of Section 143(3) of the Act in so far as it relates to the aforesaid controlled structured entities, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this unaudited financial information are not material to the Group.
17. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial information certified by the Management.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

18. As required by Section 143(3) of the Act, based on our audit and as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - 18.1. 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.
  - 18.2. 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.
  - 18.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated



## Independent Auditors' Report (Contd.)

statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- 18.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- 18.5. On the basis of the written representations received from the directors of the Parent as on 31 March 2023, taken on record by the Board of Directors of the Parent, none of the directors of the Parent, are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- 18.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Parent, the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- 18.7. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Parent, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Parent, incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
19. 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 as noted in the 'Other Matters' paragraph:
- 19.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group – Refer Note 39.2 to the Consolidated Financial Statements.
- 19.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39.3 to the

Consolidated Financial Statements in respect of such items as it relates to the Group.

- 19.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent.
- 19.4. The management of the Parent whose financial statements have been audited under the Act have represented to us, to best of their knowledge and belief, that 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 Parent 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 Parent ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 19.5. The management of the Parent, whose financial statements have been audited under the Act have represented to us to best of their knowledge and belief, that no funds have been received by the Parent from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Parent 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.
- 19.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representation under paragraphs 19.4 and 19.5 contain any material misstatement.
- 19.7. In our opinion and according to the information and explanations given to us,
- a) The final dividend paid by the Parent during the year, in respect of the same declared for the previous year, is in accordance with

## Independent Auditors' Report (Contd.)

Section 123 of the Act to the extent it applies to payment of dividend.

- b) The interim dividend declared and paid by the Parent during the year and until the date of this report is in compliance with Section 123 of the Act.
- c) As stated in Note 58 to the consolidated financial statements, the Board of Directors of the Parent 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.

- 19.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Parent for maintenance of books of account, which is applicable to the Parent from financial year beginning 1 April 2023. The reporting under clause (g) of Rule 11 of Companies (Audit and Auditors) Rules, 2014 would be done from financial year 2023-2024 onwards.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
ICAI Membership No: 044784  
UDIN: 23044784BGXWNC2475

Place: Mumbai  
Date: 15 April 2023

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W-100621

**Sd/-**  
**Hasmukh B Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 23033494BGWSPT8806

Place: Mumbai  
Date: 15 April 2023



## Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023

(Referred to in paragraph "18.6" under 'Report on Other Legal and Regulatory Requirements' section of our report 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")

#### OPINION

1. In conjunction with our audit of the Consolidated Financial Statements of HDB Financial Services Limited as of and for the year ended 31 March 2023, HDB Financial Services Limited we have audited the internal financial controls with reference to the Consolidated Financial Statements of ("the Parent Company") and its controlled structured entities as of that date.
2. In our opinion, the Parent Company and its structured control entities, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

3. The Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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, including adherence to the respective 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, as required under the Act.

#### AUDITORS' RESPONSIBILITY

4. Our responsibility is to express an opinion on the internal financial controls with reference to the Consolidated

Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs 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 the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and also refer to 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. A company's internal financial controls with reference to the 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 controls with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain

## Annexure "A" to the Independent Auditors' Report on the Consolidated Financial Statements of HDB Financial Services Limited for the year ended 31 March 2023 (Contd.)

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 THE CONSOLIDATED FINANCIAL STATEMENTS

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OTHER MATTERS

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to Parent Company, as Section 143(3)(i) of the Act is not applicable to controlled structured entities.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 105102W

Sd/-  
**Padmini Khare Kaicker**  
Partner  
ICAI Membership No: 044784  
UDIN: 23044784BGXWNC2475

Place: Mumbai  
Date: 15 April 2023

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W-100621

Sd/-  
**Hasmukh B Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 23033494BGWSPT8806

Place: Mumbai  
Date: 15 April 2023

# Consolidated Balance Sheet

as at March 31, 2023

(Currency : Indian Rupees in Crore)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS:</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	395.90	477.20
(b) Bank balances other than (a) above	5	257.92	206.77
(c) Derivative financial instruments	6	165.34	132.44
(d) Trade receivables	7	65.76	141.82
(e) Loans	8	66,382.67	57,162.45
(f) Investments	9	1,243.25	2,233.51
(g) Other financial assets	10	34.87	32.91
		<b>68,545.71</b>	<b>60,387.10</b>
<b>2 Non-Financial Assets</b>			
(a) Current tax assets (Net)	11	25.11	13.34
(b) Deferred tax assets (Net)	12	1,000.87	1,051.17
(c) Property, plant and equipment	13	122.37	78.14
(d) Capital work-in-progress		-	-
(e) Other intangible assets		20.41	12.01
(f) Right of use Assets	14	244.27	202.49
(g) Other non-financial assets	15	91.65	281.69
		<b>1,504.68</b>	<b>1,638.84</b>
<b>TOTAL ASSETS</b>		<b>70,050.39</b>	<b>62,025.94</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
<b>3 Financial Liabilities</b>			
(a) Trade payables	16	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		291.84	246.91
(b) Debt securities	17	27,096.41	25,332.31
(c) Borrowings (other than debt securities)	18	24,227.80	19,501.72
(d) Subordinated liabilities	19	3,541.10	4,139.05
(e) Other financial liabilities	20	2,778.43	2,708.72
		<b>57,935.58</b>	<b>51,928.71</b>
<b>4 Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	21	41.97	59.73
(b) Provisions	22	368.96	314.75
(c) Other non-financial liabilities	23	266.91	183.02
		<b>677.84</b>	<b>557.50</b>
<b>5 Equity</b>			
(a) Equity share capital	24	791.40	790.44
(b) Other equity	25	10,645.57	8,749.29
		<b>11,436.97</b>	<b>9,539.73</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>70,050.39</b>	<b>62,025.94</b>
Significant accounting policies and notes to the Consolidated Financial Statements.	2 - 59		

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

Sd/-  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

Sd/-  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

Sd/-  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

Sd/-  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Sd/-  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

Sd/-  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

Place: Mumbai  
Date: April 15, 2023

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(Currency : Indian Rupees in Crore)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1 Revenue from operations</b>			
(a) Interest income	26	8,927.78	8,362.97
(b) Sale of services		2,633.93	2,363.41
(c) Other financial charges		756.41	569.01
(d) Net gain on fair value changes	27	85.07	16.48
(e) Net gain / (loss) on derecognition of financial instruments under amortised cost category		(0.31)	(5.58)
<b>Total Revenue from operations</b>		<b>12,402.88</b>	<b>11,306.29</b>
<b>2 Expenses</b>			
(a) Finance Costs	28	3,511.92	3,325.50
(b) Impairment on financial instruments	29	1,330.40	2,465.73
(c) Employee Benefits Expenses	30	4,057.57	3,500.41
(d) Depreciation, amortisation and impairment	13,14	111.84	98.94
(e) Others expenses	31	763.75	568.15
<b>Total Expenses</b>		<b>9,775.48</b>	<b>9,958.73</b>
<b>3 Profit/(loss) before tax</b>		<b>2,627.40</b>	<b>1,347.56</b>
<b>4 Tax Expense:</b>	11,12		
(a) Current tax		621.30	663.40
(b) Deferred tax (credit)		46.75	(327.24)
<b>Total Tax expense</b>		<b>668.05</b>	<b>336.16</b>
<b>5 Profit for the year</b>		<b>1,959.35</b>	<b>1,011.40</b>
<b>6 Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan		(5.48)	(13.15)
- Income tax relating to items that will not be reclassified to profit or loss		1.38	2.25
<b>Sub total (a)</b>		<b>(4.10)</b>	<b>(10.90)</b>
(b) Items that will be reclassified to profit or loss			
- Movement in cash flow hedge reserve		19.59	33.00
- Income tax relating to items that will be reclassified to profit or loss		(4.93)	(8.31)
<b>Sub total (b)</b>		<b>14.66</b>	<b>24.69</b>
<b>Other Comprehensive Income</b>		<b>10.56</b>	<b>13.79</b>
<b>7 Total Comprehensive Income for the year</b>		<b>1,969.91</b>	<b>1,025.19</b>
<b>8 Earnings per equity share (for continuing operations)</b>	32		
Basic (₹)		24.78	12.81
Diluted (₹)		24.76	12.80
Significant accounting policies and notes to the Consolidated Financial Statements.	2-59		

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Consolidated Statement of Changes in Equity

as at March 31, 2023

(Currency : Indian Rupees in Crore)

## A EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	790.44	789.19
- Changes in Equity Share Capital due to prior period errors	-	-
- Restated balance at the beginning of the current reporting period	-	-
- Changes in Equity Share Capital during the year	0.96	1.25
<b>Balance at the end of the reporting period</b>	<b>791.40</b>	<b>790.44</b>

## B OTHER EQUITY

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
<b>Balance as at April 01, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>
Profit for the year	-	-	-	1,959.35	-	-	1,959.35
Other Comprehensive Income	-	-	-	-	(4.10)	14.66	10.56
Total Comprehensive Income for the year	-	-	-	1,959.35	(4.10)	14.66	1,969.91
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	391.87	(391.87)	-	-	-
Premium on issue of shares	32.96	-	-	-	-	-	32.96
Share based payment	-	43.64	-	-	-	-	43.64
Transfer on allotment of shares pursuant to ESOP scheme	39.56	(39.56)	-	-	-	-	-
Dividends	-	-	-	(79.04)	-	-	(79.04)
Interim Dividend	-	-	-	(71.20)	-	-	(71.20)
<b>Balance as at March 31, 2023</b>	<b>3,127.72</b>	<b>39.61</b>	<b>1,685.09</b>	<b>5,844.33</b>	<b>(57.65)</b>	<b>6.46</b>	<b>10,645.57</b>

Consolidated Statement of Changes in Equity  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
<b>Balance as at April 01, 2021</b>	<b>2,960.70</b>	<b>62.97</b>	<b>1,090.94</b>	<b>3,617.98</b>	<b>(42.65)</b>	<b>(32.89)</b>	<b>7,657.05</b>
Profit for the year	-	-	-	1,011.40	-	-	1,011.40
Other Comprehensive Income	-	-	-	-	(10.90)	24.69	13.79
Total Comprehensive Income for the year	-	-	-	1,011.40	(10.90)	24.69	1,025.19
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	202.28	(202.28)	-	-	-
Premium on issue of shares	36.63	-	-	-	-	-	36.63
Share based payment	-	30.42	-	-	-	-	30.42
Transfer on allotment of shares pursuant to ESOP scheme	57.86	(57.86)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
<b>Balance As At March 31, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>

As required by section 45-IC of the RBI Act 1934, the Group maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Group cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1934.

Significant accounting policies and notes to the Consolidated Financial Statements. Note 2 - 59

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353



# Consolidated Cash Flow Statement

for the year ended March 31, 2023

(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	2,627.40	1,347.56
<b>Adjustments for</b>		
Interest Income	(8,927.78)	(8,362.97)
Interest Expenses	3,502.92	3,316.64
(Profit)/loss on sale of asset	(1.01)	(0.06)
Realised net loss/ (gain) on FVTPL investments	(90.67)	39.29
Unrealised gain on FVTPL investments	5.60	(22.81)
Discount on commercial paper	9.00	8.86
Provision for compensated absence and gratuity	6.59	3.52
Employee share based payment expenses	43.64	30.42
Depreciation, amortisation and impairment	111.84	98.94
Impairment on financial instruments	1,330.40	2,465.73
<b>Operating cash flow before working capital changes</b>	<b>(1,382.07)</b>	<b>(1,074.88)</b>
<b>Adjustments for working capital changes:</b>		
(Increase)/ decrease in Loans	(10,462.68)	(1,016.51)
(Increase)/ decrease in trade receivables	76.06	(24.50)
(Increase)/ decrease in other financial assets and others	(0.19)	(17.69)
Increase/(decrease) in other financial and non financial liabilities & provisions	(758.28)	(960.09)
Increase/(decrease) in trade payables	44.93	(87.34)
<b>Cash generated from/(Used in) operations before adjustments for interest received and interest paid</b>	<b>(12,482.23)</b>	<b>(3,181.01)</b>
Interest Paid	(3,842.14)	(3,699.47)
Interest Received	8,841.36	8,353.15
<b>Cash generated from/(Used in) operations</b>	<b>(7,483.01)</b>	<b>1,472.67</b>
Direct taxes paid (net of refunds)	632.41	514.43
<b>Net cash flow generated from/(used in) operating activities (A)</b>	<b>(6,850.60)</b>	<b>1,987.10</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(49,267.66)	(24,583.62)
Sale of investments	50,350.80	23,920.20
Purchase of fixed assets	(111.32)	(41.13)
Sale of fixed assets	1.50	1.27
<b>Net cash generated (used in)/ from investing activities (B)</b>	<b>973.32</b>	<b>(703.28)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Debt securities issued	10,099.18	8,876.00
Debt securities repaid	(8,210.60)	(7,274.50)
Borrowings other than debt securities issued	17,207.75	8,800.35
Borrowings other than debt securities repaid	(12,507.21)	(12,026.41)
Subordinated debt issued	-	150.00
Subordinated debt repaid	(600.00)	-
Proceeds from issue of shares and security premium	33.93	37.89
Repayment of lease liabilities	(76.81)	(62.87)
Dividend paid	(150.25)	-
<b>Net cash generated (used in)/ from financing activities (C)</b>	<b>5,795.99</b>	<b>(1,499.54)</b>

Consolidated Cash Flow Statement  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(81.30)</b>	<b>(215.72)</b>
Add : Cash and cash equivalents as at the beginning of the year	477.20	692.92
Cash and cash equivalents as at the end of the year *	395.90	477.20
<b>* Components of cash and cash equivalents</b>		
Balances with banks	358.51	430.81
Demand drafts on hand	8.87	11.32
Cash on hand	28.52	35.07
	395.90	477.20

Significant accounting policies and notes to the Consolidated Financial Statements. Note 2 - 59

The notes referred to above form an integral part of the Consolidated Financial Statements.

The above Consolidated statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flow.

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 15, 2023

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 1 GROUP OVERVIEW

HDB Financial Services Limited ('the Group'), (Corporate Identity Number U65993GJ2007PLC051028) incorporated in Ahmedabad, India, is a Systemically Important Non Deposit taking Non-Banking Financial Group ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934, is registered with the Reserve Bank of India (RBI) with registration no. N.01.00477.

It provides lending services and business process outsourcing services. It also provides services related to the marketing and promotion of various financial products.

Its registered office is situated at Radhika, 2nd floor, Law Garden Road, Navrangpura, Ahmedabad - 380009, India, while its corporate office is located in Mumbai, India. It is a subsidiary of HDFC Bank Limited.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance, Basis of Preparation and Presentation of Financial Statements

#### (A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. The Regulatory disclosure as required by Master Direction - Non Banking Financial company - Systemically Important Non-Deposit taking Group and Deposit taking Group (Reserve Bank) Direction, 2016, further, it has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC). CC.PD.No.109/22.10.106/ 2019-20 dated March 13, 2020, in addition to the Regulatory disclosure as required by Master Direction - Non Banking Financial Group - Systemically Important Non-Deposit taking Group and Deposit taking Group (Reserve Bank) Direction, 2016

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. These consolidated financial statements have been subjected to audit by the Statutory Auditors, have been reviewed by the Audit Committee and approved by the Board of Directors and authorised for issue on April 15, 2023.

#### (B) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its controlled structured entities (collectively known as 'the Group') as at March 31, 2023. The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of the entity begins when the Group obtains control over the entity and ceases when the Group loses control of the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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 Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of structured entities to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The financial statement of the following controlled structured trusts (all incorporated in India) have been consolidated as per Ind-AS 110 - Consolidated Financial Statements.

Name of the entity	Proportion of Ownership Interest (%) <sup>*</sup>	
	March 31, 2023	March 31, 2022
Venus Trust March 2022	3.65%	3.65%
Venus Trust March 2021	1.10%	1.10%
Venus Trust September 2020	0.84%	0.84%
Venus Trust March 2020	-	1.46%
Venus Trust December 2019	-	1.86%

<sup>\*</sup> the Group's share of pass through certificates issued by the trust.

The above structured entities are the entities that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, but the relevant activities are directed by means of contractual agreements. The primary use of structured entities is to provide the Group access to liquidity through asset securitisations.

### (C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Crore in compliance with Schedule III of the Act, unless otherwise stated.

### (D) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Group's functional currency. All amounts are rounded-off to the nearest Crore, unless otherwise indicated.

### (E) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

### 2.2 Financial Instruments

#### (A) Date of recognition

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

#### (B) Initial measurement

Recognised financial instruments are initially measured at transaction price, which equates fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

#### (C) Classification and subsequent measurement

##### (i) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

##### (a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

##### (b) Financial assets at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

##### (c) Financial assets at fair value through profit and loss

Financial assets, which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

changes in fair value are recognised in statement of profit and loss.

The Group records investments in equity instruments, mutual funds and Treasury bills at FVTPL.

### (ii) Financial liabilities and equity instrument

Debt and equity instruments issued by the 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.

#### (a) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

#### (b) Financial liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.

### (D) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

### (E) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Group has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (F) Derecognition

#### (i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Group neither transfers nor retains substantially all of 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 the amount it may have to pay.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

#### (ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

### (G) Impairment of financial assets

The Group applies the expected credit loss ('ECL') model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Group's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Group categorises financial assets at the

reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

Loan accounts where principal and/or interest are past due for more than 90 days continue to be classified as stage 3 till overdues across all loans are cleared.

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Group.

The Group incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Group forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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. The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Group regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material. Adjustments including reversal of ECL is recognised through statement of profit and loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

### (H) Write offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

### 2.3 Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a

previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

### 2.4 Foreign exchange transactions and translations

#### (A) Initial recognition

Transactions in foreign currencies are recognised at prevailing exchange rates between reporting currency and foreign currency on transaction date.

#### (B) Conversion

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

### 2.5 Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

### Hedge accounting policy

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The Group only has cashflow hedge during the financial year 2019-20.

### Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of 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.

The Group's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

### 2.6 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

The Group follows the policy of crediting the customer's account only on receipt of amount in the bank and as such no cheques in hand are taken into consideration.

### 2.7 Upfront servicers fees booked on direct assignment

Servicer fees receivable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

### 2.8 Property, plant and equipment

#### (A) Recognition and measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

### (B) Subsequent expenditure

Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future economic benefits / functioning capability from / of such assets.

### (C) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Group	Estimated useful life under Schedule II of the Act
Computers	2-5 years	3 years
Software and system development	3 years	3 years
Office equipment	3-5 years	5 years
Motor cars	4 years	8 years
Furniture and fixtures	3-7 years	10 years
Building	60 years	60 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

The Group uniformly estimates a zero residual value for all these assets. Items costing less than ₹ 5,000 are fully depreciated in the year of purchase. Depreciation is pro-rated in the year of acquisition as well as in the year of disposal.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Consequently, the useful life of certain computer-related assets, furniture and fixtures, office equipment and motor cars differ from the life prescribed in Schedule II of the Act.

The residual values, useful lives and methods of

depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the year the asset is de-recognised.

## 2.9 Other intangible assets

Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 3 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

## 2.10 Dividends

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Group. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

## 2.11 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at transaction price based on fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Group satisfies a performance obligation.

Specific policies for the Group's different sources of revenue are explained below:

### (A) Income from lending business

#### Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

#### Other financial charges

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

### (B) Income from BPO services and other financial charges

Income from BPO services comprise of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers. Performance obligations are satisfied over time and revenue is recorded on a monthly basis.

### (C) Income from direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

## 2.12 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

### 2.13 Employee benefits

#### (A) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (B) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

#### (C) ESIC and Labour welfare fund

The Group's contribution paid/payable during the year to ESIC and Labour welfare fund are recognised in the statement of profit and loss.

#### (D) Gratuity

The Group operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Group makes annual contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

#### (E) Share-based payments

The Group recognises compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 - Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share options outstanding amount.

### 2.14 Provisions and contingences

The Group recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 may arise from past events

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.15 Leases

Effective April 01, 2019, the Group has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Group is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, April 01, 2019.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

### 2.16 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

### 2.17 Income tax

#### (A) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

#### (B) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 tax authority.

### 2.18 Earnings per share

The Group reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 2.19 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 ('MD') of the Group has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

Operating segments identified by the Group comprises as under:

- Lending services
- BPO services

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### 2.20 Collateral

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements.

To the extent possible, the Group uses active market data and external valuers for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models or through external valuers. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

The Group physically repossess and take into custody properties or other assets and also engages external agents to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

### 2.21 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

## 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

### (A) Fair value of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting

purposes. Fair value is the price that would be received to sell 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.

Fair value measurements under Ind AS are categorised 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 measurement in its entirety, which are described as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Group can access at measurement date

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note - 43.

### (B) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward looking information.

The inputs used by the Group in determining the ECL have been detailed in Note - 45.

### (C) Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation, by nature, requires an element of judgement regarding the expected behaviour



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

### (D) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. 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 assets.

### (E) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### (F) Leases

- The determination of lease term for some lease contracts in which the Group is a lessee, including whether the Group is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

### (G) Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

### (H) Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (I) Provisions and contingences

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Group's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

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#### 4 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Cash on hand	28.52	35.07
Balances with banks	358.51	430.81
Demand drafts on hand	8.87	11.32
<b>Total</b>	<b>395.90</b>	<b>477.20</b>

#### 5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Deposits with bank	101.92	1.89
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments.	93.63	172.96
Collateral with Banks for Derivative	61.71	30.58
Interest accrued but not due on fixed deposits	0.66	1.34
<b>Total</b>	<b>257.92</b>	<b>206.77</b>

#### 6 DERIVATIVE FINANCIAL INSTRUMENTS

	As at March 31, 2023			As at March 31, 2022		
	Notional amounts	Fair Value- Assets	Fair Value- Liabilities	Notional amounts	Fair Value- Assets	Fair Value- Liabilities
<b>Part I</b>						
<b>(i) Currency derivatives:</b>						
Currency swaps	1,889.91	166.17	-	4,017.00	132.44	-
<b>Subtotal (i)</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>
<b>(ii) Interest rate derivatives</b>						
Forward Rate Agreements and Interest Rate swaps	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less : Provision on derivative financial instruments	-	0.83	-	-	-	-
<b>Total Derivative Financial Instruments (i)+(ii)</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
<b>(i) Fair value hedging:</b>						
Currency derivatives	-	-	-	-	-	-
Interest Rate derivatives	-	-	-	-	-	-
<b>Subtotal (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) Cash flow hedging:</b>						
Currency derivatives	1,889.91	166.17	-	4,017.00	132.44	-
Interest rate derivatives	-	-	-	-	-	-
<b>Subtotal (ii)</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>
<b>(iii) Undesignated Derivatives</b>						
Currency Swaps	-	-	-	-	-	-
<b>Subtotal (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less : Provision on derivative financial instruments	-	0.83	-	-	-	-
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>	<b>4,017.00</b>	<b>132.44</b>	<b>-</b>

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows

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the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

## 7 TRADE RECEIVABLES

	As at March 31, 2023	As at March 31, 2022
Receivables Considered good - Secured	-	-
Receivables Considered good - Unsecured	59.10	124.20
Receivables which have significant increase in the credit risk	12.22	20.79
Receivables credit impaired	1.34	0.13
Unbilled Trade Receivables	-	-
	72.66	145.12
Less: Impairment loss allowance	6.90	3.30
<b>Total</b>	<b>65.76</b>	<b>141.82</b>

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

### Reconciliation of impairment Loss allowance on trade receivables:

	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	3.30	4.56
Increase during the year	5.98	2.11
Decrease during the year	(2.38)	(3.37)
<b>Balance at end of the year</b>	<b>6.90</b>	<b>3.30</b>

### Trade receivables ageing schedule :

Previous Year figures are in italics

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	58.53	0.60	(0.03)	(0.00)	(0.00)	59.10
	(123.55)	(0.41)	0.05	(0.10)	(0.20)	(124.21)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	11.21	0.94	0.01	0.00	0.06	12.22
	(19.50)	(0.79)	(0.39)	(0.02)	(0.09)	(20.79)
(iii) Undisputed Trade Receivables- credit impaired	0.78	0.56	0.00	0.00	(0.00)	1.34
	-	-	(0.07)	(0.06)	-	(0.13)
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
(v) Unbilled Trade Receivables	-	-	-	-	-	-
	-	-	-	-	-	-
<b>TOTAL</b>	<b>70.52</b>	<b>2.10</b>	<b>(0.02)</b>	<b>0.00</b>	<b>0.06</b>	<b>72.66</b>
	<b>(143.05)</b>	<b>(1.20)</b>	<b>(0.41)</b>	<b>(0.18)</b>	<b>(0.29)</b>	<b>(145.12)</b>



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**8 LOANS (AT AMORTISED COST)**

	As at March 31, 2023	As at March 31, 2022
<b>A Term Loans in India</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>B Public sector</b>	-	-
Others	70,030.70	61,326.32
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>
<b>C Secured (Secured by tangible assets)</b>	<b>53,053.24</b>	<b>46,644.29</b>
Unsecured	16,977.46	14,682.03
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>
Less: Impairment loss allowance	3,648.03	4,163.87
<b>Total</b>	<b>66,382.67</b>	<b>57,162.45</b>
<b>D Term Loans in India - at amortised cost</b>		
- Public sector	-	-
- Others	-	-
Secured (Secured by tangible assets)	53,053.24	46,644.29
Unsecured	16,977.46	14,682.03
<b>Total Gross Loans</b>	<b>70,030.70</b>	<b>61,326.32</b>
Less: Impairment loss allowance	3,648.03	4,163.87
<b>Total</b>	<b>66,382.67</b>	<b>57,162.45</b>

**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	As at March 31, 2023	As at March 31, 2022
Stage 1	66,793.02	56,142.18
Stage 2	1,322.83	2,125.38
Stage 3	1,914.85	3,058.76
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person.

Particulars	As at March 31, 2023	% to the total Loans and Advances in the nature of loans	As at March 31, 2022	% to the total Loans and Advances in the nature of loans
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

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## 9 INVESTMENTS

	As at March 31, 2023	As at March 31, 2022
<b>Recorded at Fair value through statement of profit and loss</b>		
Outside India	-	-
In India		
Mutual fund units	411.65	946.45
Treasury bills / G-Sec	773.66	1,197.57
Securities receipt of ARC	55.99	88.04
Unquoted equity shares	1.95	1.45
<b>Total</b>	<b>1,243.25</b>	<b>2,233.51</b>

## 10 OTHER FINANCIAL ASSETS

	As at March 31, 2023	As at March 31, 2022
Security deposits at amortised cost (Unsecured, considered good)	24.54	21.64
Prepaid rent (Security deposits, Unsecured, considered good)	7.14	7.19
Retained interest on assigned loan	2.81	3.12
Servicing assets on assigned loan	0.38	0.96
<b>Total</b>	<b>34.87</b>	<b>32.91</b>

## 11 CURRENT TAX ASSETS (NET)

	As at March 31, 2023	As at March 31, 2022
<b>Current tax assets</b>		
Advance tax and tax deducted at source(Net of provision for tax ₹ 621.30 Crore)(Previous Year: ₹ 663.40 Crore)	25.11	13.34
<b>Total</b>	<b>25.11</b>	<b>13.34</b>

## 12 DEFERRED TAX ASSETS (NET)

	Balance as at April 01, 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2022	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2023
<b>Deferred Tax Asset</b>							
Depreciation and amortisation	20.82	14.78	-	35.60	13.82	-	49.42
Provision for employee benefits	10.00	2.04	2.25	14.30	5.68	1.38	21.35
Loans - Impairment	696.46	349.57	-	1,046.03	(93.91)	-	952.12
Loans - DSA	28.45	(15.45)	-	13.00	(11.44)	-	1.56
Lease	7.42	(10.87)	-	(3.45)	(13.99)	-	(17.44)
Cash Flow Hedges Reserve	11.07	-	(8.31)	2.76	-	(4.93)	(2.17)
<b>Deferred Tax Asset</b>	<b>774.22</b>	<b>340.07</b>	<b>(6.06)</b>	<b>1,108.24</b>	<b>(99.84)</b>	<b>(3.55)</b>	<b>1,004.85</b>

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	Balance as at April 01, 2021	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2022	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2023
<b>Deferred Tax Liabilities</b>							
Borrowings	(11.47)	4.32	-	(7.15)	3.86	-	<b>(3.29)</b>
Investments - MTM and others	(2.00)	(16.84)	-	(18.84)	1.41	-	<b>(17.43)</b>
Securitisation and others	(30.76)	(0.32)	-	(31.08)	47.82	-	<b>16.74</b>
<b>Deferred Tax Liabilities</b>	<b>(44.23)</b>	<b>(12.84)</b>	<b>-</b>	<b>(57.07)</b>	<b>53.09</b>	<b>-</b>	<b>(3.98)</b>
<b>Net Deferred Tax Assets</b>	<b>729.99</b>	<b>327.24</b>	<b>(6.06)</b>	<b>1,051.17</b>	<b>(46.75)</b>	<b>(3.55)</b>	<b>1,000.87</b>
Movement in Net deferred tax Asset during the year						(50.30)	

The components of income tax expense for the years ended March 31, 2023 and 2022 are:

	As at March 31, 2023	As at March 31, 2022
<b>Current tax:</b>		
In respect of current year	<b>621.30</b>	663.40
In respect of prior years	-	-
<b>Deferred Tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	<b>46.75</b>	(327.24)
In respect of prior years	-	-
<b>Total Income Tax recognised in statement of profit or loss</b>	<b>668.05</b>	<b>336.16</b>
Current tax	<b>621.30</b>	663.40
Deferred tax (Debit)	<b>46.75</b>	(327.24)

Income Tax recognised in Other comprehensive income

	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax related to items recognised in Other comprehensive income during the year:</b>		
Income tax relating to items that will not be reclassified to profit or loss	<b>1.38</b>	2.25
Income tax relating to items that will be reclassified to profit or loss	<b>(4.93)</b>	(8.31)
<b>Total Income tax recognised in Other comprehensive income (Debit)</b>	<b>(3.55)</b>	<b>(6.06)</b>

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at March 31, 2023	As at March 31, 2022
Profit before tax	<b>2,627.40</b>	1,347.56
Applicable income tax rate (%)	<b>25.17</b>	25.17
Income tax expense calculated at applicable income tax rate	<b>661.26</b>	339.15
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	<b>16.46</b>	14.16
Effect of tax incentives (net)	<b>(9.67)</b>	(17.14)
Effects of income not considered as taxable on compliance of condition	-	-
Income tax for earlier year	-	-
<b>Income tax expense recognised in profit and loss</b>	<b>668.05</b>	<b>336.16</b>

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13 PROPERTY, PLANT AND EQUIPMENT (PPE) AND OTHER INTANGIBLE ASSETS

	Office equipment	Furniture and fixtures	Leasehold improvements	Computers	Building	Motor cars	Total PPE Tangibles	Software and System development	Total Other Intangibles	Total
<b>Balance as at April 01, 2022</b>	<b>63.13</b>	<b>95.15</b>	<b>80.72</b>	<b>158.76</b>	<b>0.15</b>	<b>8.85</b>	<b>406.76</b>	<b>50.81</b>	<b>50.81</b>	<b>457.57</b>
Additions during the year	9.81	4.03	11.69	62.66	-	4.53	92.72	18.59	18.59	111.31
Disposals/Adjustments during the year	1.93	1.46	3.83	11.18	-	4.33	22.72	0.01	0.01	22.73
<b>Balance as at March 31, 2023</b>	<b>71.01</b>	<b>97.72</b>	<b>88.58</b>	<b>210.24</b>	<b>0.15</b>	<b>9.05</b>	<b>476.76</b>	<b>69.39</b>	<b>69.39</b>	<b>546.15</b>
<b>Accumulated Depreciation / impairment as at April 01, 2022</b>	<b>51.86</b>	<b>80.51</b>	<b>51.96</b>	<b>138.71</b>	<b>0.03</b>	<b>5.56</b>	<b>328.63</b>	<b>38.80</b>	<b>38.80</b>	<b>367.43</b>
Depreciation charge during the year	6.29	5.68	11.28	23.02	0.00	1.73	48.01	10.19	10.19	58.20
Disposals/Adjustments during the year	1.93	1.45	3.75	11.18	-	3.93	22.23	0.01	0.01	22.24
<b>Accumulated Depreciation / impairment as at March 31, 2023</b>	<b>56.22</b>	<b>84.74</b>	<b>59.49</b>	<b>150.55</b>	<b>0.03</b>	<b>3.36</b>	<b>354.41</b>	<b>48.98</b>	<b>48.98</b>	<b>403.39</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>14.79</b>	<b>12.98</b>	<b>29.09</b>	<b>59.69</b>	<b>0.12</b>	<b>5.69</b>	<b>122.35</b>	<b>20.41</b>	<b>20.41</b>	<b>142.76</b>
<b>Balance as at April 01, 2021</b>	<b>61.62</b>	<b>93.46</b>	<b>79.06</b>	<b>142.88</b>	<b>0.15</b>	<b>8.03</b>	<b>385.21</b>	<b>39.23</b>	<b>39.23</b>	<b>424.43</b>
Additions during the year	2.85	3.04	4.70	16.49	-	2.47	29.55	11.58	11.58	41.13
Disposals/Adjustments during the year	1.34	1.35	3.05	0.62	-	1.65	8.00	-	-	8.00
<b>Balance as at March 31, 2022</b>	<b>63.13</b>	<b>95.15</b>	<b>80.72</b>	<b>158.76</b>	<b>0.15</b>	<b>8.85</b>	<b>406.76</b>	<b>50.81</b>	<b>50.81</b>	<b>457.57</b>
<b>Accumulated Depreciation / impairment as at April 01, 2021</b>	<b>47.23</b>	<b>73.50</b>	<b>45.36</b>	<b>122.45</b>	<b>0.02</b>	<b>5.13</b>	<b>293.69</b>	<b>31.25</b>	<b>31.25</b>	<b>324.93</b>
Depreciation charge for the year	5.93	8.29	9.03	16.87	0.02	1.58	41.72	7.56	7.56	49.28
Disposals/Adjustments during the year	1.30	1.28	2.43	0.61	0.02	1.15	6.79	-	-	6.79
<b>Accumulated Depreciation / impairment as at March 31, 2022</b>	<b>51.86</b>	<b>80.51</b>	<b>51.96</b>	<b>138.71</b>	<b>0.03</b>	<b>5.56</b>	<b>328.63</b>	<b>38.80</b>	<b>38.80</b>	<b>367.43</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>11.27</b>	<b>14.64</b>	<b>28.76</b>	<b>20.05</b>	<b>0.12</b>	<b>3.29</b>	<b>78.13</b>	<b>12.01</b>	<b>12.01</b>	<b>90.14</b>

**Note :** No revaluation of any class of asset is carried out during the year.

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#### 14 RIGHT OF USE ASSETS

	As at March 31, 2023	As at March 31, 2022
Right of Use Assets (ROU) (Refer note 34)	244.27	202.49
<b>Total</b>	<b>244.27</b>	<b>202.49</b>

#### 15 OTHER NON-FINANCIAL ASSETS

	As at March 31, 2023	As at March 31, 2022
Capital advances	9.02	0.43
Advances recoverable in cash or in kind (Unsecured, considered good)	82.63	281.26
<b>Total</b>	<b>91.65</b>	<b>281.69</b>

#### 16 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Trade payables		
i) total outstanding dues to micro and small enterprises	-	-
ii) total outstanding dues of creditors other than micro and small enterprises	291.84	246.91
<b>Total</b>	<b>291.84</b>	<b>246.91</b>

16.1 Trade Payables includes ₹ 0 Crore (Previous Years: ₹ 0 Crore) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Group during the year to "Suppliers" registered under this act. The above is based on the information available with the Group which has been relied upon by the auditors.

16.2 Trade payables ageing schedule :

Particulars	Previous Year figures are in (brackets)				
	Less than 1 months	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
	-	-	-	-	-
ii) Others	288.23	1.59	0.36	1.66	291.84
	(239.47)	(1.45)	(2.78)	(3.21)	(246.91)
iii) Disputed dues - MSME	-	-	-	-	-
	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
v) Unbilled Trade payables	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>288.23</b>	<b>1.59</b>	<b>0.36</b>	<b>1.66</b>	<b>291.84</b>
	<b>(239.47)</b>	<b>(1.45)</b>	<b>(2.78)</b>	<b>(3.21)</b>	<b>(246.91)</b>

Notes to the Consolidated Financial Statements  
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## 17 DEBT SECURITIES

	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
<b>Secured</b>		
Privately placed redeemable Non Convertible Debenture	27,246.28	25,357.70
Secured by pari passu charge by mortgage of Group's Office no.130, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and receivables under financing activity.		
Total	27,246.28	25,357.70
Less: Unamortised borrowing cost	149.87	25.39
<b>Debt Securities (Net of unamortised cost)</b>	<b>27,096.41</b>	<b>25,332.31</b>
Debt securities in India	27,246.28	25,357.70
Debt securities outside India	-	-
Total	27,246.28	25,357.70
Less: Unamortised borrowing cost	149.87	25.39
<b>Debt Securities (Net of unamortised cost)</b>	<b>27,096.41</b>	<b>25,332.31</b>

17.1 - No non convertible debentures, non convertible perpetual debentures and any other borrowing is guaranteed by directors and/or others.

17.2 - Terms of repayment of privately placed redeemable non convertible debenture.

Previous Year figures are in (brackets)

Rate of interest (%)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.5-5.5	2,423.00	1,593.00	-	-	4,016.00
	(1,380.00)	(2,616.00)	-	-	(3,996.00)
5.5-6.5	1,910.00	5,203.00	1,060.00	-	8,173.00
	(1,510.00)	(6,470.00)	(1,390.00)	-	(9,370.00)
6.5-7.5	5,341.10	1,286.00	130.00	-	6,757.10
	-	(5,691.10)	-	-	(5,691.10)
7.5-8.5	-	4,368.00	1,364.00	1,200.00	6,932.00
	(3,189.00)	(280.00)	-	(900.00)	(4,369.00)
8.5-9.5	-	1,045.00	-	-	1,045.00
	(1,931.60)	-	-	-	(1,931.60)
9.5-10.5	-	-	323.18	-	323.18
	-	-	-	-	-
<b>Total</b>	<b>9,674.10</b>	<b>13,495.00</b>	<b>2,877.18</b>	<b>1,200.00</b>	<b>27,246.28</b>
	<b>(8,010.60)</b>	<b>(15,057.10)</b>	<b>(1,390.00)</b>	<b>(900.00)</b>	<b>(25,357.70)</b>

17.3 - All the above non convertible debentures are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year (Refer Note 53)

Notes to the Consolidated Financial Statements  
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**18 BORROWINGS (OTHER THAN DEBT SECURITIES)**

	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
Borrowings (other than debt securities)		
<b>Secured</b>		
(a) External commercial borrowings (ECB)	1,889.91	4,017.00
(b) Term loan against hypothecation of Receivables under financing activity	21,968.00	14,291.45
(c) Borrowing under Securitisation	370.86	1,205.64
<b>Total</b>	<b>24,228.77</b>	<b>19,514.09</b>
Less: Unamortised borrowing cost	0.97	12.37
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>24,227.80</b>	<b>19,501.72</b>
Borrowings in India	22,338.86	15,497.09
Borrowings outside India	1,889.91	4,017.00
<b>Total</b>	<b>24,228.77</b>	<b>19,514.09</b>
Less: Unamortised borrowing cost	0.97	12.37
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>24,227.80</b>	<b>19,501.72</b>

18.1 - No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others.

18.2 - During the period presented there were no defaults in the repayment of principal and interest.

18.3 - Terms of repayment of External commercial borrowings in foreign currency

Previous Year figures are in (brackets)

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
6-9	1,889.91	-	-	1,889.91
	(4,017.00)	-	-	(4,017.00)

The Group had availed total External Commercial Borrowing (ECBs) of US\$ 530 Mn for financing prospective borrower as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. Out of same US\$ 230 Mn was raised in FY 2020-21. The borrowing had a maturity of three years. In terms of the RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps. The charges for raising of the aforesaid ECB has been amortised over the tenure of the ECB.

18.4 - Terms of repayment of Term loans from Banks.

Previous Year figures are in (brackets)

	0-1 years	1-3 years	3-5 years	>5 years	Total
<b>Marginal Cost of Funds Based Lending Rate (MCLR) (a)</b>					
Overnight MCLR + (0.00% to 0.75%)	200.00	200.00	200.00	-	600.00
	-	(100.00)	-	-	(100.00)
1 Month MCLR + (0.00% to 0.75%)	41.67	-	-	-	41.67
	(41.67)	(41.67)	-	-	(83.33)
3 Month MCLR + (0.00% to 1.5%)	998.39	2,088.81	526.13	20.00	3,633.33
	(75.00)	(75.00)	-	-	(150.00)
6 Month MCLR + (0.00% to 0.75%)	200.00	400.00	400.00	-	1,000.00
	-	-	-	-	-
<b>Total (a)</b>	<b>1,440.06</b>	<b>2,688.81</b>	<b>1,126.13</b>	<b>20.00</b>	<b>5,275.00</b>
	(116.67)	(216.67)	-	-	(333.33)



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Previous Year figures are in (brackets)					
	0-1 years	1-3 years	3-5 years	>5 years	Total
<b>Rate linked to T-Bills rates (b)</b>					
7 Days T-Bills rates (0.00% to 4.00%)	80.00	80.00	-	-	160.00
	-	-	-	-	-
1 Month T-Bills rates (0.00% to 4.00%)	566.66	1,291.67	452.08	-	2,310.41
	-	-	-	-	-
3 Month T-Bills rates (0.00% to 4.00%)	875.83	1,618.33	73.97	-	2,568.13
	(1,579.53)	(1,562.28)	(136.67)	-	(3,278.47)
6 Month T-Bills rates (0.00% to 3.50%)	-	-	-	-	-
	(109.09)	-	-	-	(109.09)
12 Month T-Bills rates (0.00% to 3.50%)	-	-	-	-	-
	(431.67)	(772.50)	-	-	(1,204.17)
Repo Rate (0.00% to 3.50%)	2,820.88	4,463.22	390.62	-	7,674.72
	(1,061.46)	(2,286.39)	(1,473.21)	-	(4,821.06)
Mumbai Interbank Offer rate (MIBOR) (0.00% to 3.50%)	30.00	37.50	-	-	67.50
	(725.00)	(252.08)	-	-	(977.08)
<b>Total (b)</b>	<b>4,373.37</b>	<b>7,490.72</b>	<b>916.67</b>	<b>-</b>	<b>12,780.76</b>
	<b>(3,906.75)</b>	<b>(4,873.25)</b>	<b>(1,609.88)</b>	<b>-</b>	<b>(10,389.88)</b>
<b>Fixed Interest rate (c)</b>					
4.50% - 8.35%	1,725.21	1,903.21	283.82	-	3,912.24
	(1,018.70)	(2,187.40)	(362.14)	-	(3,568.24)
<b>Total (a)+(b)+(c)</b>	<b>7,538.64</b>	<b>12,082.74</b>	<b>2,326.62</b>	<b>20.00</b>	<b>21,968.00</b>
	<b>(5,042.12)</b>	<b>(7,277.32)</b>	<b>(1,972.01)</b>	<b>-</b>	<b>(14,291.45)</b>

18.4.1 - Term loans includes ₹ 7,082.45 Crore (Previous year ₹ 6,067.14 Crore ) from related parties.

18.5 - All the above Term loans are secured by specific charge on receivables under financing activities. Minimum security cover of 1.1 times is required to be maintained throughout the year.

18.6 - Terms of repayment of Borrowing under Securitisation.

Previous Year figures are in (brackets)				
Rate of interest (%)	0-1 years	1-3 years	3-5 years	Total
3.50% to 6.00%	285.09	85.77	-	370.86
	(763.50)	(429.25)	(12.89)	(1,205.64)

18.7 - Term Loans were used fully for the purpose for which the same were obtained.

18.8- Periodic Statements of securities filed with lending banks are as per book of accounts.



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## 19 SUBORDINATED LIABILITIES

	As at March 31, 2023	As at March 31, 2022
<b>At Amortised Cost</b>		
<b>Unsecured</b>		
(a) Privately placed subordinated (Tier II) redeemable bonds	2,900.00	3,500.00
(b) Redeemable non convertible perpetual bonds	650.00	650.00
<b>Total</b>	<b>3,550.00</b>	<b>4,150.00</b>
Less: Unamortised borrowing cost	8.90	10.95
<b>Subordinated Liabilities net of unamortised cost</b>	<b>3,541.10</b>	<b>4,139.05</b>
Subordinated Liabilities in India	3,550.00	4,150.00
Subordinated Liabilities outside India	-	-
<b>Total</b>	<b>3,550.00</b>	<b>4,150.00</b>
Less: Unamortised borrowing cost	8.90	10.95
<b>Subordinated Liabilities net of unamortised cost</b>	<b>3,541.10</b>	<b>4,139.05</b>

19.1 - No subordinate debts and any other borrowing is guaranteed by directors and / or others.

19.2 - Terms of repayment of Privately placed unsecured subordinated (Tier II) redeemable bonds and redeemable non convertible perpetual bonds

Previous Year figures are in (brackets)

Rate of interest (%)	<5 years	>5 years	Total
7.35-10.50	1,400.00	2,150.00	3,550.00
	(4,000.00)	(150.00)	(4,150.00)

## 20 OTHER FINANCIAL LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Interest accrued	1,172.43	1,511.65
Overdrawn balances in current account with banks	1,220.95	850.59
Deposits (not as defined in Section 2(31) of Companies Act, 2013)	10.19	10.22
Creditors for other expenses	14.09	18.31
Statutory liabilities	81.80	78.82
Unclaimed Dividend	0.01	-
Lease Liability (ROU)	278.96	239.13
<b>Total</b>	<b>2,778.43</b>	<b>2,708.72</b>

## 21 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2023	As at March 31, 2022
Provisions for tax (Net of advance tax ₹405.00 Crore, Previous Year ₹ 440.00 Crore)	41.97	59.73
<b>Total</b>	<b>41.97</b>	<b>59.73</b>

Notes to the Consolidated Financial Statements  
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## 22 PROVISIONS

	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity (funded)	78.03	71.44
Salary, bonus and reimbursements	255.07	208.10
Contribution to provident fund	35.86	35.21
<b>Total</b>	<b>368.96</b>	<b>314.75</b>

## 23 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Provision for expenses	266.91	183.02
<b>Total</b>	<b>266.91</b>	<b>183.02</b>

## 24 EQUITY SHARE CAPITAL

	Face Value ₹ each	As at March 31, 2023 Number of shares	As at March 31, 2022 Number of shares	As at March 31, 2023	As at March 31, 2022
Authorised equity shares	10	1,00,15,50,000	1,00,15,50,000	1001.55	1001.55
Issued, Subscribed & Paid up equity shares fully paid up	10	79,13,99,083	79,04,40,031	791.40	790.44
<b>Total</b>				<b>791.40</b>	<b>790.44</b>

### 24.1 Reconciliation of the number of shares

	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of ₹10 fully paid up				
Shares outstanding at the beginning of the year	79,04,40,031	790.44	78,91,85,216	789.19
Shares issued - exercised for ESOP scheme	9,59,052	0.96	12,54,815	1.25
<b>Shares outstanding at the end of the year</b>	<b>79,13,99,083</b>	<b>791.40</b>	<b>79,04,40,031</b>	<b>790.44</b>

### 24.2 Terms/rights attached to equity shares.

The Group has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

Notes to the Consolidated Financial Statements  
as at March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**24.3 Details of shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Equity shares of ₹10 fully paid up						
HDFC Bank Limited (Holding Company and promoter)	75,05,96,670	94.84	0.00%	75,05,96,670	94.96	0.00%

**24.4 Number of shares reserved for ESOPs**

Particulars	As at March 31, 2023	As at March 31, 2022
Equity shares of ₹10 fully paid up		
<b>Number of Shares reserved for ESOPs (Refer note 35)</b>	<b>75,79,538</b>	<b>40,69,315</b>

**25 OTHER EQUITY**

	As at March 31, 2023	As at March 31, 2022
<b>Other equity</b>		
(i) Securities Premium Account	3,127.72	3,055.19
(ii) Employee Stock Options Outstanding Account	39.61	35.53
(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	1,685.09	1,293.22
(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	5,844.33	4,427.10
(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations	(57.65)	(53.55)
(vi) Cash Flow Hedges Reserve	6.46	(8.20)
	<b>10,645.57</b>	<b>8,749.29</b>

**(i) Securities Premium Account**

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

**(ii) Employee Stock Options Outstanding Account**

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

**(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934**

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

**(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations**

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

**(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations**

The Group recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings.

**(vi) Cash Flow Hedges Reserve**

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

## 26 INTEREST INCOME

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>On Financial Assets measured at Amortised Cost :</b>		
Interest on Loans	8,853.58	8,293.64
Interest on deposits with Banks	9.30	11.39
<b>On Financial Assets measured at fair value through profit or loss (FVTPL) :</b>		
Interest income from Investment	64.90	57.94
<b>Total</b>	<b>8,927.78</b>	<b>8,362.97</b>

## 27 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Investments	85.07	16.48
	<b>85.07</b>	<b>16.48</b>
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Realised	90.67	39.29
Unrealised	(5.60)	(22.81)
<b>Total</b>	<b>85.07</b>	<b>16.48</b>

## 28 FINANCE COSTS

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest expenses on financial liabilities measured at amortised cost</b>		
Interest on borrowings (includes Interest on lease liabilities ₹ 21.23 Crore, Previous Year ₹ 19.68 Crore)	1,460.89	1,248.83
Interest on debt securities	1,661.90	1,671.08
Interest on subordinated liabilities	352.39	369.15
Discount on commercial paper	9.00	8.86
Other borrowing costs	27.74	27.58
<b>Total</b>	<b>3,511.92</b>	<b>3,325.50</b>

## 29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Impairment on financial instruments at amortised cost</b>		
Loans	1,326.80	2,466.99
Trade receivables	3.60	(1.26)
<b>Total</b>	<b>1,330.40</b>	<b>2,465.73</b>

Notes to the Consolidated Financial Statements  
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### 30 EMPLOYEE BENEFITS EXPENSES

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages (including bonus)	3,667.39	3,162.38
Contribution to provident and other funds	306.08	277.92
Employee share based payment expenses	43.64	30.42
Staff welfare expenses	40.46	29.69
<b>Total</b>	<b>4,057.57</b>	<b>3,500.41</b>

### 31 OTHER EXPENSES

	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent	7.56	5.53
Rates and taxes	1.93	0.78
Telephone	38.12	30.70
Power and fuel	32.69	24.50
Repairs and maintenance- premises	7.17	4.79
Repairs and maintenance-others	3.00	4.47
Credit report charges	49.49	37.65
Commission and brokerage	2.48	2.56
Auditor's remuneration (Refer Note No. 33)	1.50	1.16
Insurance	1.54	0.71
Loss on sale of asset	(1.01)	(0.06)
Expenses towards Corporate Social Responsibility Initiative (Refer Note No. 41)	21.78	25.83
Others administrative expenses	597.50	429.53
<b>Total</b>	<b>763.75</b>	<b>568.15</b>

### 32 EARNING PER SHARE

	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit (₹ in Crore)	1,959.35	1,011.40
Weighted average number of equity shares		
Basic	79,07,12,391	78,94,77,686
Diluted	79,14,93,138	78,99,39,967
Earnings per share (₹)		
Basic	24.78	12.81
Diluted	24.76	12.80
Face value per share (₹)	10.00	10.00

The dilutive effect on the earnings per share is caused by the potential shares that would be issued upon the exercise of the ESOP Options. As a result of the dilution, the denominator increased by 7,80,747 shares (Previous Year 4,62,281 shares).

### 33 AUDITOR'S REMUNERATION

	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditor	1.30	1.05
For taxation matters	-	-
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	0.08	0.02
<b>Sub Total</b>	<b>1.38</b>	<b>1.07</b>
GST	0.12	0.09
<b>Total</b>	<b>1.50</b>	<b>1.16</b>

Notes to the Consolidated Financial Statements  
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### 34 LEASES

The Group has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Group. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

#### I. Lease disclosures under Ind-AS 116 for the current year ended March 31, 2023

##### (i) Amounts recognised in the Balance sheet

Sr No.	Particulars	March 31, 2023	March 31, 2022
a)	Right-of-use assets (net)	244.27	202.49
b)	Lease liabilities		
	Current	52.61	45.64
	Non-current	226.35	193.49
	<b>Total Lease liabilities</b>	<b>278.96</b>	<b>239.13</b>
c)	Additions to the Right-of-use assets	94.57	37.42

##### (ii) Amounts recognised in the Statement of Profit and Loss

Sr No.	Particulars	March 31, 2023	March 31, 2022
a)	Depreciation charge for right-of-use assets	53.64	49.67
b)	Interest expense (included in finance cost)	21.23	19.68
c)	Expense relating to short-term leases	7.56	5.53

##### (iii) Cash Flows

Particulars	March 31, 2023	March 31, 2022
The total cash outflow of leases	69.89	62.87

##### (iv) Future Commitments

Particulars	March 31, 2023	March 31, 2022
Future undiscounted lease payments to which leases is not yet commenced	10.38	23.72

##### (v) Maturity analysis of undiscounted lease liability

Particulars	March 31, 2023	March 31, 2022
Not later than one year	72.89	62.93
Later than one year and not later than five years	196.62	173.91
Later than five years	86.70	62.31
<b>Total</b>	<b>356.21</b>	<b>299.15</b>

### 35 ACCOUNTING FOR EMPLOYEE SHARE BASED PAYMENTS

In accordance with resolution approved by the shareholders, the Group has reserved shares, for issue to employees through Employee Stock Option Scheme (ESOP). On the approval of Nomination and Remuneration Committee (NRC), each ESOP is issued. The NRC has approved ESOP-10 on October 13, 2017, ESOP-11 on January 15, 2019, ESOP-12 on October 05, 2020, ESOP-13 on January 14, 2021, ESOP-13A on August 31, 2021, ESOP-14 on October 27, 2021, ESOP-15A on May 18, 2022 and ESOP-15B on October 31, 2022. Under the term of the ESOP, the Group may issue stock options to employees and directors of the Group, each of which is convertible into one equity share.

Such options vest at a definitive date, save for specific incidents, prescribed in the scheme as framed/approved by the NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of four years from the date of vesting.

Notes to the Consolidated Financial Statements  
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**Description of share based payments plans**

Particulars	Vesting requirements	Maximum term of option	Method of settlement	Modifications to share based payment plans	Any other details as disclosed in the audited Ind-AS financials
i. ESOP - 10	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2017	7 years	Equity settled	NA	NA
ii. ESOP - 11	30% at the end of each 12 and 24 months and 40% at the end of 36 months from January 31, 2019	7 years	Equity settled	NA	NA
iii. ESOP - 12	60% at the end of 12 months and 40% at the end of 24 months from October 31, 2020	6 years	Equity settled	NA	NA
iv. ESOP - 13	30% at the end of each 12 and 24 months and 40% at the end of 36 months from January 31, 2021	7 years	Equity settled	NA	NA
v. ESOP - 13A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from August 31, 2021	7 years	Equity settled	NA	NA
vi. ESOP - 14	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2021	7 years	Equity settled	NA	NA
vii. ESOP - 15A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from May 31, 2022	7 years	Equity settled	NA	NA
viii. ESOP - 15B	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2022	7 years	Equity settled	NA	NA

**Method used for accounting for shared based payment plan.**

The Group uses fair value to account for the compensation cost of stock options to employees of the Group.

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2023**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	42,000	-	-	-	42,000	42,000
ESOP - 11	1,06,430	-	32,410	-	74,020	74,020
ESOP - 12	7,02,910	-	3,94,140	30,680	2,78,090	2,78,090
ESOP - 13	9,33,155	-	2,13,570	52,190	6,67,395	2,64,275
ESOP - 13A	50,000	-	13,000	-	37,000	2,000
ESOP - 14	22,34,820	-	3,05,932	1,29,165	17,99,723	3,40,916
ESOP - 15A	-	11,83,140	-	-	11,83,140	-
ESOP - 15B	-	35,81,490	-	83,320	34,98,170	-
<b>Total</b>	<b>40,69,315</b>	<b>47,64,630</b>	<b>9,59,052</b>	<b>2,95,355</b>	<b>75,79,538</b>	<b>10,01,301</b>
Weighted average exercise price (₹)	383.81	496.09	353.71	425.60	456.57	352.60

Notes to the Consolidated Financial Statements  
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**Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2022**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	48,150	-	5,500	650	42,000	42,000
ESOP - 11	3,94,000	-	2,69,610	17,960	1,06,430	1,06,430
ESOP - 12	15,58,900	-	7,73,130	82,860	7,02,910	1,23,570
ESOP - 13	11,75,600	-	2,06,575	35,870	9,33,155	1,41,245
ESOP - 13A	-	50,000	-	-	50,000	-
ESOP - 14	-	22,44,730	-	9,910	22,34,820	-
<b>Total</b>	<b>31,76,650</b>	<b>22,94,730</b>	<b>12,54,815</b>	<b>1,47,250</b>	<b>40,69,315</b>	<b>4,13,245</b>
Weighted average exercise price (₹)	313.22	432.48	301.93	317.09	383.81	300.52

**Following summarises the information about stock options outstanding as at March 31, 2023**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	42,000	1.53
ESOP - 11	274	74,020	2.79
ESOP - 12	300	2,78,090	3.52
ESOP - 13	348	6,67,395	4.64
ESOP - 13A	409	37,000	5.42
ESOP - 14	433	17,99,723	5.58
ESOP - 15A	457	11,83,140	6.13
ESOP - 15B	509	34,98,170	6.59

**Following summarises the information about stock options outstanding as at March 31, 2022**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP - 10	213	42,000	2.53
ESOP - 11	274	1,06,430	3.79
ESOP - 12	300	7,02,910	4.52
ESOP - 13	348	9,33,155	5.64
ESOP - 13A	409	50,000	6.42
ESOP - 14	433	22,34,820	6.58

**Fair Value methodology**

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. The shares of Group are not listed on any stock exchange. Accordingly, the Group had considered the volatility of the Group's stock price based on historical volatility of similar listed enterprises. The various assumptions considered in the pricing model for the stock options granted by the Group are:

Particulars	ESOP 15A	ESOP 15B
Dividend yield	0.22%	0.20%
Expected volatility	52.59%	40.92%
Risk- free interest rate	6.10%	6.82%
Expected life of the option	2.33	2.30

The Group recorded an employee stock compensation expense of ₹ 43.64 Crore (previous year ₹ 30.42 Crore) in Statement of Profit and Loss.



Notes to the Consolidated Financial Statements  
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**36 SEGMENT REPORTING**

Sr No.	Particulars	March 31, 2023	March 31, 2022
<b>i.</b>	<b>Segment Revenue</b>		
	Lending business	9,768.95	8,942.88
	BPO Services	2,633.93	2,363.41
	Unallocated	-	-
	<b>Income from Operations</b>	<b>12,402.88</b>	<b>11,306.29</b>
<b>ii.</b>	<b>Segment Results</b>		
	Lending business	2,508.48	1,238.71
	BPO Services	140.70	134.69
	Unallocated	(21.78)	(25.84)
	<b>Profit before tax</b>	<b>2,627.40</b>	<b>1,347.56</b>
	<b>Income Tax expenses</b>		
	Current tax	621.30	663.40
	Deferred tax Asset	46.75	(327.24)
	<b>Net Profit</b>	<b>1,959.35</b>	<b>1,011.40</b>
<b>iii.</b>	<b>Capital Employed</b>		
	Segment assets		
	Lending business	68,921.03	60,812.70
	BPO Services	103.38	148.72
	Unallocated	1,025.98	1,064.51
	<b>Total Assets</b>	<b>70,050.39</b>	<b>62,025.94</b>
	<b>Segment Liabilities</b>		
	Lending business	58,216.53	52,009.27
	BPO Services	180.38	95.61
	Unallocated	216.52	381.33
	<b>Total Liabilities</b>	<b>58,613.43</b>	<b>52,486.21</b>
	<b>Net Segment assets / (liabilities)</b>	<b>11,436.96</b>	<b>9,539.73</b>
<b>iv.</b>	<b>Capital Expenditure (including net CWIP)</b>		
	Lending business	86.48	36.25
	BPO Services	24.83	4.88
	Unallocated	-	-
	<b>Total</b>	<b>111.31</b>	<b>41.13</b>
<b>v.</b>	<b>Depreciation</b>		
	Lending business	86.49	79.17
	BPO Services	25.35	19.77
	Unallocated	-	-
	<b>Total</b>	<b>111.84</b>	<b>98.94</b>
<b>vi.</b>	<b>Other non cash expenditure</b>		
	Lending business	1,330.40	2,465.73
	BPO Services	-	-
	Unallocated	-	-
	<b>Total</b>	<b>1,330.40</b>	<b>2,465.73</b>

Notes to the Consolidated Financial Statements  
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**a) Chief Operating Decision Maker**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director ('MD') of the Group has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

**b) Operating Segment**

**Primary Segment (Business Segment)**

The Group is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

**Secondary Segment (Geographical Segment)**

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

**c) Segment Revenue and Expense**

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

**d) Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

**e) Accounting Policies**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

**37 RELATED PARTY DISCLOSURES**

Name of the related Party and Nature of Relationship

**Holding Company :**

HDFC Bank Limited

**Enterprise under common control of Holding Company :**

HDFC Securities Limited.

**Key Management Personnel (KMP) :**

Arijit Basu (Chairman & Non Executive Director)

Arundhati Mech (Independent Director)

Smita Affinwalla (Independent Director)

Venkatraman Srinivasan (Independent Director)

Dr. Amla Samanta (Independent Director)

Adayapalam Viswanathan (Independent Director)

G Ramesh (Managing Director & CEO)

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
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**Other related parties :**

HDFC Ergo General Insurance Company Limited  
HDFC Life Insurance Company Limited  
HDFC Asset Management Company Limited  
HDBFS Employees Welfare Trust

**Details of Related Party Transactions for the Year:**

Related Party	Nature Of Transaction	March 31, 2023	March 31, 2022
HDFC Bank Limited	Bank charges	15.35	12.20
	Charges for back office support services received / recoverable	984.41	921.26
	Charges for sales support services received / recoverable	1,821.96	1,607.28
	Commission Expenses	-	1.71
	Corporate logo license fees	17.19	14.63
	Dividend paid	142.61	-
	Fixed deposits placed	-	17.77
	Interest paid on non-convertible debentures	301.45	185.85
	Interest paid on term loan and OD account	376.36	312.90
	Interest received on fixed deposits	2.71	5.47
	Investment banking fees paid	0.01	0.56
	IPA charges	0.00	-
	Reimbursement of IT expense, secondment charge & other common expenses	1.51	0.89
	Rent paid for premises taken on sub-lease	2.83	2.37
	Securities purchased during the year	-	1,310.00
	Term loan availed during the year	3,350.00	4,050.00
	Tele collection charges / field collection charges received / recoverable for collection services rendered	255.65	220.58
HDFC Securities Limited	Commission on sourcing of loans	0.01	-
	Rent income for premises given on sub-lease	0.10	0.07
	Recovery of expenses	0.01	-
Key Management Personnel	Director sitting fees and commission paid	1.40	1.25
	Salary including perquisites and allowances	5.36	4.53
	Stock Options#	0.37	0.48
HDFC Life Insurance Company Limited	Income from Insurance commission	7.45	6.19
HDFC Ergo General Insurance Company Limited	Income from Insurance commission	13.72	9.89
	Insurance Premium Expense (Car & Group policy)	0.55	1.86

# The intrinsic value of the stock options granted is Nil. However, the Group in compliance with Ind-AS 102 has been charged to the statement of profit and loss of ₹ 3.81 Crore (previous year ₹ 2.62 Crore) with a corresponding credit to the reserves.

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**Balances outstanding:**

Related Party	Nature Of Transaction	March 31, 2023	March 31, 2022
HDFC Bank Limited	Securitisation	53.71	454.03
	Balance in current accounts	327.51	409.00
	Balance receivable	16.50	95.95
	Balance payable	0.05	0.12
	Fixed deposit	47.73	88.51
	Security deposit paid	0.16	0.11
	Security deposit received	9.85	9.85
	Term loan outstanding	7,082.45	6,067.14
	Non convertible debentures issued	4,155.00	5,080.00
	WCDL Loan Outstanding	4.16	-
HDFC Securities Limited	Balance receivable	0.04	-
HDFC Life Insurance Company Limited**	Balance payable - Securities	1,156.60	920.00
	Balance payable - Expenses	-	0.01
	Balance receivable	2.24	0.72
HDFC Asset Management Company Limited	Balance payable	640.00	346.00
HDFC Ergo General Insurance Company Limited**	Balance payable	70.00	120.00
	Balance receivable	1.98	1.36

\*\* excludes amounts pertaining to insurance premiums payable that are in the nature of pass through.

### 38 EMPLOYEE BENEFITS

#### A) Defined contribution plan

The contribution made to various statutory funds is recognised as expense and included in Note 30 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss.

#### B) Defined benefit plan (Gratuity)

The Group contributes to the group gratuity fund based on the actuarial valuation determined as at the year-end through the HDFC Life Insurance Group ('HDFC Life') Limited and Life Insurance Corporation of India Limited (LIC). HDFC Life and LIC have certified the Fair Value of the Plan Assets .

#### Details of Actuarial Valuation as at March 31, 2023.

Particulars	March 31, 2023	March 31, 2022
<b>A. Change in defined benefit obligation</b>		
1 Defined benefit obligation at beginning of period	166.90	149.09
2 Service cost		
a. Current service cost	19.16	17.17
b. Past service cost	-	1.49
c. (Gain) / loss on settlements	-	-
3 Interest expenses	7.96	5.75
4 Cash flows		
a. Benefit payments from plan	(33.07)	(19.88)
b. Benefit payments from employer	-	-
c. Settlement payments from plan	-	-
d. Settlement payments from employer	-	-

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

Particulars	March 31, 2023	March 31, 2022
5 Remeasurements		
a. Effect of changes in demographic assumptions	(5.91)	2.51
b. Effect of changes in financial assumptions	(4.03)	(3.08)
c. Effect of experience adjustments	13.70	13.85
6 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
7 Defined benefit obligation at end of period	164.71	166.90
<b>B. Change in fair value of plan assets</b>		
1 Fair value of plan assets at beginning of period	95.57	81.51
2 Interest income	4.56	3.15
3 Cash flows		
a. Total employer contributions		
(i) Employer contributions	21.36	30.66
(ii) Employer direct benefit payments	-	-
(iii) Employer direct settlement payments	-	-
b. Participant contributions	-	-
c. Benefit payments from plan assets	(33.07)	(19.88)
d. Benefit payments from employer	-	-
e. Settlement payments from plan assets	-	-
f. Settlement payments from employer	-	-
4 Remeasurements		
a. Return on plan assets (excluding interest income)	(1.73)	0.13
5 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
6 Fair value of plan assets at end of period	86.68	95.57
<b>C. Amounts recognised in the Balance Sheet</b>		
1 Defined benefit obligation	164.71	166.90
2 Fair value of plan assets	(86.68)	(95.57)
3 Funded status	78.03	71.33
4 Effect of asset ceiling	-	-
5 Net defined benefit liability (asset)	78.03	71.33
<b>D. Components of defined benefit cost</b>		
1 Service cost		
a. Current service cost	19.16	17.17
b. Past service cost	-	1.49
c. (Gain) / loss on settlements	-	-
d. Total service cost	19.16	18.66

Notes to the Consolidated Financial Statements  
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(Currency : Indian Rupees in Crore)

Particulars	March 31, 2023	March 31, 2022
2 Net interest cost		
a. Interest expense on DBO	7.96	5.75
b. Interest (income) on plan assets	4.56	3.15
c. Interest expense on effect of (asset ceiling)	-	-
d. Total net interest cost	3.40	2.60
3 Remeasurements (recognised in OCI / Retained Earnings)		
a. Effect of changes in demographic assumptions	(5.91)	2.51
b. Effect of changes in financial assumptions	(4.03)	(3.08)
c. Effect of experience adjustments	13.70	13.85
d. Return on plan assets (excluding interest income)	(1.73)	0.13
e. Changes in asset ceiling (excluding interest income)	-	-
f. Total remeasurements included in OCI / Retained Earnings	5.48	13.15
4 Total defined benefit cost recognised in P&L and OCI	28.04	34.41
<b>E. Re-measurement</b>		
a. Actuarial Loss/(Gain) on DBO	3.75	13.28
b. Returns above Interest Income	1.73	(0.13)
c. Change in Asset ceiling	-	-
Total Re-measurements (OCI / Retained Earnings)	5.48	13.15
<b>F. Employer Expense (P&amp;L)</b>		
a. Current Service Cost	19.16	17.17
b. Interest Cost on net DBO	3.40	2.60
c. Past Service Cost	-	1.49
d. Total P&L Expenses	22.56	21.26
<b>G. Net defined benefit liability (asset) reconciliation</b>		
1 Net defined benefit liability (asset)	71.33	67.58
2 Defined benefit cost included in P&L	22.56	21.26
3 Total remeasurements included in OCI / Retained Earnings	5.48	13.15
4 a. Employer contributions	(21.36)	(30.66)
b. Employer direct benefit payments	-	-
c. Employer direct settlement payments	-	-
5 Net transfer	-	-
6 Net defined benefit liability (asset) as of end of period	78.02	71.33
<b>H. Reconciliation of OCI (Re-measurement)</b>		
1 Recognised in OCI at the beginning of period	70.26	57.11
2 Recognised in OCI during the period	5.48	13.15
3 Recognised in OCI / Retained Earnings at the end of the period	75.74	70.26

Notes to the Consolidated Financial Statements  
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Particulars	March 31, 2023	March 31, 2022
<b>I. Sensitivity analysis - DBO end of Period</b>		
1 Discount rate +100 basis points	(3.19)	(4.38)
2 Discount rate -100 basis points	3.43	4.77
3 Salary Increase Rate +1%	3.36	4.57
4 Salary Increase Rate -1%	(3.18)	(4.29)
5 Attrition Rate +1%	(0.66)	(1.34)
6 Attrition Rate -1%	0.69	1.42
<b>J. Significant actuarial assumptions</b>		
1 Discount rate Current Year (p.a.)	7.42%	4.77%
2 Discount rate Previous Year (p.a.)	4.77%	3.86%
3 Salary increase rate (p.a.)	3.00% - 10.00%	6.00% - 11.00%
4 Attrition Rate (%)	9.00% - 71.00%	9.00% - 74.00%
5 Retirement Age (years)	60	60
6 Pre-retirement mortality	IALM (FY 2012-14) Urban	IALM (FY 2012-14) Urban
7 Disability	Nil	Nil
<b>K. Data</b>		
1 No.	1,15,137	1,15,490
2 Average age (yrs.)	29.11	28.99
3 Average past service (yrs.)	2.47	2.42
4 Average salary monthly (₹)	9,159.64	9,046.16
5 Future service (yrs.)	30.89	31.01
6 Weighted average duration of DBO	3.00	4.00
<b>L. Expected cash flows for following year</b>		
1 Expected contributions / Addl. Provision Next Year	36.85	29.61
2 Expected total benefit payments		
Year 1	64.60	51.64
Year 2	37.29	33.72
Year 3	22.65	24.02
Year 4	15.34	16.99
Year 5	11.09	12.79
Next 5 years	27.97	32.29
<b>Category of Plan assets</b>	<b>% of Fair value to total planned assets (as at March 31, 2023)</b>	
Government securities and corporate bonds/debentures	8.48%	
Money market instruments and fixed deposits	92.62%	
Net current assets and other approved security	(1.10%)	
<b>Total</b>	<b>100.00%</b>	

The Group's gratuity plan obligation is determined by actuarial valuation and is funded by investments in government securities. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Group's gratuity obligation would rise faster in future periods and an increase in market yields



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

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of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Group monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

### C) Compensated absences

The Group neither has a policy of encashment of unavailed leaves for its employees nor allow the leaves to be carry forward to next year.

- D) The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Group towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Group will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

## 39 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Sr No.	Particulars	March 31, 2023	March 31, 2022
1	Claims against the Company not acknowledged as debt (Refer Note 39.1)	99.53	90.59
2	Estimated amount of contracts remaining to be executed on capital account and not provided for: (Net of Advances amounting to ₹ 9.02 Crore, previous year ₹0.43 Crore)	45.00	13.27
3	Undrawn committed sanctions to borrowers	134.31	59.40

### 39.1 Claims against the Group not acknowledged as debt

Particulars	March 31, 2023	March 31, 2022
Suit filed by borrowers	13.88	5.25
<b>Other contingent liabilities in respect of :</b>		
1. Provident Fund matter - (see (a) below)	50.14	50.14
2. Payment of Bonus (Amendment) Act, 2015 - (see (b) below)	34.88	34.88
3. Payment of Labour Welfare Fund	0.32	0.32
4. Maharashtra Professional Tax Assessment	0.31	-
<b>Total</b>	<b>99.53</b>	<b>90.59</b>

#### a) Provident Fund matter

The Group has received a notice of demand from the Provident Fund department amounting to ₹ 50.14 Crore. The Group had filed an appeal challenging the Provident Fund Commissioner's order before the Provident Fund Appellate Tribunal, wherein the Group had received a favourable outcome. However, a sum of ₹ 1 Crore has been deposited under protest with the Provident Fund Appellate Authority. This amount is shown under Other financial assets.

The Provident Fund department has challenged order of the appellate authority in the High Court. The management of the Group is of the view that no material losses will arise in respect of the legal claim and accordingly the same has been disclosed as a contingent liability. In the eventuality of any claim arising out of this case, the same will be billed to the customer in the year the claim is final and accordingly no provision has been made.

#### b) Payment of Bonus (Amendment) Act, 2015

As per the amendment to the Payment of Bonus (Amendment) Act, 2015 vide notification number DL-(N)04/70007/2003-16 issued on January 01, 2016 by Government of India, the Group would be required to pay statutory bonus to all eligible employees as per the amendments specified thereunder, with effect from April 01, 2014. However, various High Courts have granted a stay on retrospective effect of Payment of Bonus (Amendment) Act, 2015 from financial year 2014-15. In light of the above, the Group has decided to disclose such bonus amounting to ₹ 34.88 Crore as a contingent liability.



Notes to the Consolidated Financial Statements  
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**39.2** The Group's pending litigations comprise of claims against the Group by the customers and proceedings pending with other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**39.3** The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

#### 40 MATURITY ANALYSIS OF ASSETS & LIABILITIES

Particulars	March 31, 2023		March 31, 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents (CCE)	395.90	-	477.20	-
(b) Bank balances other than CCE	257.92	-	176.19	30.58
(c) Derivative financial instruments	165.34	-	-	132.44
(d) Trade receivables	65.76	-	141.82	-
(e) Loans	24,418.76	41,963.91	21,299.76	35,862.69
(f) Investments	1,185.31	57.94	2,144.02	89.49
(g) Other financial assets	-	34.87	-	32.91
	26,488.99	42,056.72	24,238.99	36,148.11
<b>Non-financial Assets</b>				
(a) Current tax assets (Net)	25.11	-	13.34	-
(b) Deferred tax assets (Net)	-	1,000.87	-	1,051.17
(c) Property, plant and equipment	-	122.37	-	78.14
(d) Capital work-in-progress	-	-	-	-
(e) Other intangible assets	-	20.41	-	12.01
(f) Right of Use Assets	54.03	190.24	49.00	153.49
(g) Other non-financial assets	50.40	41.25	58.99	222.70
	129.54	1,375.14	121.33	1,517.51
<b>TOTAL ASSETS</b>	26,618.53	43,431.86	24,360.32	37,665.62
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Derivative financial instruments	-	-	-	-
(b) Trade payables	291.84	-	246.91	-
(c) Debt securities	9,620.89	17,475.52	8,003.83	17,328.48
(d) Borrowings other than debt securities	9,663.25	14,564.55	8,752.04	10,749.68
(e) Subordinated liabilities	229.42	3,311.68	599.23	3,539.82
(f) Other financial liabilities	2,310.87	467.57	2,344.47	364.25
	22,116.27	35,819.32	19,946.48	31,982.23
<b>Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)	41.97	-	59.73	-
(b) Provisions	314.34	54.62	264.61	50.14
(c) Other non-financial liabilities	266.91	-	183.02	-
	623.22	54.62	507.36	50.14
<b>TOTAL LIABILITIES</b>	22,739.49	35,873.94	20,453.84	32,032.37
<b>NET</b>	3,879.04	7,557.92	3,906.48	5,633.25

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#### 41 CORPORATE SOCIAL RESPONSIBILITY

The average profit before tax of the Group for last three financial years was ₹ 1,107.64 Crore, basis which the Group's Prescribed CSR Budget for FY 2022-23 was ₹ 22.15 Crore. In FY 2021-22 an excess amount of ₹ 1.13 Crore was spent against the Prescribed CSR Budget for FY 2021-22, hence after adjusting the excess spend, the Group's CSR Obligation for FY 2022-23 was ₹ 21.02 Crore.

a) Amount spent during the year on:

Particulars	March 31, 2023			March 31, 2022		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than above	21.78	Not Applicable	21.78	25.83	Not Applicable	25.83

b) In case of Section 135(5) unspent amount:

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Not Applicable				

c) In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
(1.13)	22.15	21.78	(0.76)

Note:

₹ 0.76 Crore was spent over and above the CSR Obligation of ₹ 21.02 Crore for the financial year 2022-23.

d) In case of Section 135(6) Details of ongoing projects

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent Account
(1.13)	2.28	22.15	21.78	2.28	(0.76)	-

e) Nature of CSR activities

CSR activities conducted during the year was focused on promoting healthcare, enhancing employability skills for unemployed individuals, supporting restoration of waterbodies and other water conservation activities, among other interventions.

Notes to the Consolidated Financial Statements  
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#### 42 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

As per the confirmation received from the parties following is the status of MSME parties.

Particulars	As at March 31, 2023	As at March 31, 2022
The Principal amount remaining unpaid at the end of the year	-	-
The Interest Amount remaining unpaid at the end of the year	-	-
Interest paid along with amount of payment made to the supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day	-	-
Amount of interest accrued and remaining unpaid	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Balance of MSME parties at the end of the year	-	-

**Note** - The above is based on the information available with the Group which has been relied upon by the auditors.

#### 43 FAIR VALUE MEASUREMENT

##### a) Valuation principles

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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

##### b) Total financial assets measured at fair value on a recurring basis :

The following tables show an analysis of the fair value of financial assets by level of the fair value hierarchy.

Particulars	Category	Fair value hierarchy	Fair value	
			March 31, 2023	March 31, 2022
Mutual fund units	FVTPL	Level 1	411.65	946.45
Unquoted equity shares	FVTPL	Level 3	1.95	1.45
Treasury bills	FVTPL	Level 1	773.66	1,197.57
Securities receipt of ARC	FVTPL	Level 2	55.99	88.04
Derivative financial instruments	FVTPL	Level 2	165.34	132.44

##### Level 1:

Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Treasury bills are valued based on market quotes.

##### Level 2:

Fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data.

##### Level 3:

Fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Unquoted equity shares are measured at fair value using suitable valuation models viz., net asset value technique.

Notes to the Consolidated Financial Statements  
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- c) The table below presents information pertaining to the fair values and carrying values of the Group's financial assets and liabilities.

Particulars	Category	Fair value hierarchy	March 31, 2023		March 31, 2022	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>						
(a) Cash and cash equivalents (CCE)	Amortised cost		395.90	395.90	477.20	477.20
(b) Bank balances other than CCE	Amortised cost		257.92	257.92	206.77	206.77
(c) Derivative financial instruments	FVTPL	Level 2	165.34	165.34	132.44	132.44
(d) Trade receivables	Amortised cost		65.76	65.76	141.82	141.82
(e) Loans	Amortised cost	Level 3	66,382.67	63,647.52	57,162.45	54,511.90
(f) Investments - Mutual funds and Treasury bills	FVTPL	Level 1	1,185.31	1,185.31	2,144.02	2,144.02
Investments - In Security Receipts	FVTPL	Level 2	55.99	55.99	88.04	88.04
Investments - Unquoted equity shares	FVTPL	Level 3	1.95	1.95	1.45	1.45
(g) Other financial assets	Amortised cost		34.87	34.87	314.60	314.60
			68,545.71	65,810.56	60,668.79	58,018.24
<b>Financial Liabilities</b>						
(a) Derivative financial instruments	FVTPL	Level 2	-	-	-	-
(b) Trade payables	Amortised cost		291.84	291.84	246.91	246.91
(c) Debt securities	Amortised cost	Level 2	27,096.41	27,322.07	25,332.31	26,356.46
(d) Borrowings other than Securitisation	Amortised cost	Level 2	23,856.94	23,087.21	18,296.08	17,976.30
Borrowings under Securitisation	Amortised cost	Level 2	370.86	364.45	1,205.64	1,193.88
(e) Subordinated liabilities	Amortised cost	Level 2	3,541.10	3,623.40	4,139.05	4,429.21
(f) Other financial liabilities	Amortised cost		2,778.42	2,778.42	2,708.72	2,708.72
			57,935.57	57,467.39	51,928.71	52,911.47

(i) **Short-term and other financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

(ii) **Loans**

These financial assets are recorded at amortised cost, the fair values of which are estimated at portfolio level using a discounted cash flow model based on contractual cash flows discounted using market rates incorporating the counterparties' credit risk.

(iii) **Debt securities, borrowings and subordinated liabilities**

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the Group's own credit risk or based on market-observable data such as secondary market prices for its traded debt, as relevant.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

### 44 CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Group ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Group comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

### 45 RISK MANAGEMENT

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.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

#### a) Credit risk

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and industry concentrations, and by monitoring exposures in relation to such limits.

##### Financial assets measured on a collective basis

The Group splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured / unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

##### Significant increase in credit risk

The Group considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

##### Impairment assessment

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e. borrower becomes 0 days past due on its contractual payments.

##### Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

##### Loss given default

The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The Group uses data obtained from third party sources and combines such data with inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios.

Notes to the Consolidated Financial Statements  
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**Credit quality of assets**

- a) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	March 31, 2023	March 31, 2022
Stage 1	66,793.73	56,142.18
Stage 2	1,322.12	2,125.38
Stage 3	1,914.85	3,058.76
<b>Total</b>	<b>70,030.70</b>	<b>61,326.32</b>

- b) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	56,142.18	2,125.38	3,058.76	61,326.32
Originated or new	44,483.31	210.59	107.86	44,801.76
Matured or repaid	(31,096.12)	(1,099.72)	(2,059.75)	(34,255.59)
Transfers to Stage 1	875.26	(572.33)	(302.93)	-
Transfers to Stage 2	(1,346.94)	1,407.22	(60.28)	-
Transfers to Stage 3	(2,264.67)	(748.31)	3,012.98	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Gross carrying amount - closing balance	66,793.02	1,322.83	1,914.85	70,030.70

	March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	55,263.27	3,300.87	2,760.86	61,325.00
Originated or new	28,624.70	251.85	156.66	29,033.21
Matured or repaid	(24,958.69)	(1,099.41)	(1,818.27)	(27,876.37)
Transfers to Stage 1	1,964.69	(1,394.17)	(570.52)	-
Transfers to Stage 2	(2,016.03)	2,097.54	(81.51)	-
Transfers to Stage 3	(2,735.76)	(1,031.30)	3,767.06	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Gross carrying amount - closing balance	56,142.18	2,125.38	3,058.76	61,326.32

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	1,996.81	511.25	1,655.81	4,163.87
Originated or new	711.35	74.53	86.91	872.79
Increase / (decrease) in provision on existing financial assets (Net of recovery)	(489.95)	(0.68)	943.79	453.16
Transfers to Stage 1	200.90	(102.26)	(98.64)	-
Transfers to Stage 2	(102.61)	122.39	(19.78)	-
Transfers to Stage 3	(287.57)	(232.73)	520.30	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Impairment loss allowance - closing balance	2,028.93	372.50	1,246.60	3,648.03

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	March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	1,306.11	542.71	874.74	2,723.56
Originated or new	362.16	50.74	82.96	495.86
Increase / (decrease) in provision on existing financial assets (Net of recovery)	333.52	202.97	1,563.48	2,099.97
Transfers to Stage 1	335.24	(176.84)	(158.40)	-
Transfers to Stage 2	(108.83)	133.96	(25.13)	-
Transfers to Stage 3	(231.39)	(242.29)	473.68	-
Amounts written off (net of recovery)	-	-	(1,155.52)	(1,155.52)
Impairment loss allowance - closing balance	<b>1,996.81</b>	<b>511.25</b>	<b>1,655.81</b>	<b>4,163.87</b>

**c) Modified financial assets**

The Group renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as Stage 3. Such accounts are upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets	March 31, 2023	March 31, 2022
Gross carrying amount	<b>2,384.91</b>	5,100.35
Impairment allowance	<b>1,091.00</b>	1,975.22
Net carrying amount	<b>1,293.91</b>	3,125.13

**Analysis of risk concentration**

The following table shows risk concentration of the Group's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

	March 31, 2023	March 31, 2022
Carrying value of Loans	<b>66,382.67</b>	57,162.44
Mortgage backed loans	<b>17,676.86</b>	16,404.30
Other assets backed loans	<b>28,669.31</b>	24,290.68
Personal loans	<b>15,828.13</b>	13,143.46
Others	<b>4,208.37</b>	3,324.00
<b>Total</b>	<b>66,382.67</b>	<b>57,162.44</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

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### Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees
- For retail lending, mortgages over residential properties

The Group also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

### Collateral coverage - credit impaired loans

Loan to Value (LTV) range	March 31, 2023	March 31, 2022
Upto 50 % Coverage	659.53	1,259.26
51-75 % Coverage	8.58	139.87
76-100 % Coverage	0.02	3.75
Above 100% Coverage	-	0.07
<b>Total</b>	<b>668.13</b>	<b>1,402.95</b>

### b) Liquidity risk and funding management

Liquidity risk arises because of the possibility that the Group 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. 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.

### Maturity profile of financial liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31.

March 31, 2023	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	291.84	-	-	-	291.84
Debt securities	11,287.03	15,700.20	3,220.45	1,393.20	31,600.88
Borrowings	10,257.28	13,961.22	2,628.58	41.07	26,888.15
Borrowings under Securitisation	293.82	86.99	-	-	380.81
Subordinated liabilities	545.86	1,036.75	1,125.54	2,490.14	5,198.29
<b>Total</b>	<b>22,675.83</b>	<b>30,785.16</b>	<b>6,974.57</b>	<b>3,924.41</b>	<b>64,359.97</b>

March 31, 2022	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	246.91	-	-	-	246.91
Debt securities	9,999.33	16,693.39	1,684.16	1,117.35	29,494.22
Borrowings	8,182.18	10,532.33	932.43	12.56	19,659.50
Borrowings under Securitisation	774.09	408.48	11.31	-	1,193.88
Subordinated liabilities	975.04	1,338.21	878.57	2,981.50	6,173.32
<b>Total</b>	<b>20,177.55</b>	<b>28,972.40</b>	<b>3,506.47</b>	<b>4,111.41</b>	<b>56,767.84</b>



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**c) Market risk**

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

**i) Interest rate risk**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss.

	% Increase/decrease in rate		Increase/decrease in profit	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Borrowings that are re-priced	0.25%	0.25%	48.75	31.69
Loans that are re-priced	0.25%	0.25%	41.78	35.63

**ii) Foreign Currency Risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arise majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

**d) Operational risk**

Operational risk is the risk of loss arising from systems failure, human error, fraud or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Group's readiness.

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#### 46 IMPACT OF HEDGING ACTIVITIES

a) Disclosure of effects of hedge accounting on financial position:

March 31, 2023								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	1,889.91		165.34		June 18, 2023	33.73	33.73	Borrowings

March 31, 2022								
Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Foreign exchange forward contracts (Cross currency interest rate swaps)	4,017.00		132.44		October 30, 2022, November 29, 2020, December 10, 2022 & June 18, 2023	175.17	175.17	Borrowings

b) Disclosure of effects of hedge accounting on financial performance

March 31, 2023				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk and interest rate risk	33.73	-	(14.13)	Finance cost

March 31, 2022				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk and interest rate risk	175.17	-	(142.17)	Finance cost

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#### 47 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	April 01, 2022	Cash flows	Exchange Difference	Other	March 31, 2023
Debt securities	25,332.31	1,738.71	-	25.39	27,096.41
Borrowings other than debt securities	18,296.08	5,534.35	-	26.51	23,856.94
Borrowings under Securitisation	1,205.64	(834.78)	-	-	370.86
Subordinated liabilities	4,139.05	(608.90)	-	10.95	3,541.10
<b>Total</b>	<b>48,973.08</b>	<b>5,829.38</b>	<b>-</b>	<b>62.85</b>	<b>54,865.31</b>

Particulars	April 01, 2021	Cash flows	Exchange Difference	Other	March 31, 2022
Debt securities	23,802.07	1,555.63	-	(25.39)	25,332.31
Borrowings other than debt securities	20,532.66	(2,248.95)	-	12.37	18,296.08
Borrowings under Securitisation	2,036.41	(830.77)	-	-	1,205.64
Subordinated liabilities	3,987.61	140.49	-	10.95	4,139.05
<b>Total</b>	<b>50,358.75</b>	<b>(1,383.60)</b>	<b>-</b>	<b>(2.07)</b>	<b>48,973.08</b>

- (i) Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.  
(ii) Total Liabilities comprises of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

#### 48 EXPENDITURE / REMITTANCES IN FOREIGN CURRENCIES

##### a) Expenditure in Foreign Currencies

Particulars	March 31, 2023	March 31, 2022
Professional charges	0.05	0.14
Annual software application fee	4.16	0.20

##### b) There is no dividend paid in foreign currency.

#### 49 EVENT AFTER REPORTING DATE

Subsequent events are tracked and evaluated by the Group. Necessary adjustments / disclosures have been provided in the financial statements for significant subsequent events.

#### 50 TRANSFER OF FINANCIAL ASSETS

##### 50.1 Transferred financial assets that are not derecognised in their entirety

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

##### A) Securitisation

The Group has transferred certain pools of fixed rate loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) sponsored by commercial banks for consideration received in cash at the inception of the transaction.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

(Currency : Indian Rupees in Crore)

The Group, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Group to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs etc. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Group is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Group has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 18.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	March 31, 2023	March 31, 2022
Carrying amount of transferred assets measured at amortised cost	356.14	1,211.85
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	370.86	1,205.64
Fair value of assets	337.98	1,154.16
Fair value of associated liabilities	364.45	1,193.88
Net position at Fair Value	(26.47)	(39.72)

### B) Assignment

The Group has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	March 31, 2023	March 31, 2022
Carrying amount of de-recognised financial asset	55.84	117.98
Carrying amount of retained assets at amortised cost*	6.09	13.41
Gain on sale of the de-recognised financial asset	Nil	Nil

\*excludes Excess Interest Spread (EIS) on de-recognised financial assets

### 50.2 Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**51 RELATIONSHIP WITH STRUCK OFF COMPANIES ON THE BASIS OF AVAILABLE DATA ON THE DATE OF REPORTING**

Sr No.	Name of Struck off Company	Nature of transactions	As at March 31, 2023 (Amt in Crore)	As at March 31, 2022 (Amt in Crore)	Relation ship with the struck off company, if any, to be disclosed
1	Goldman Venture Private limited	Shareholder	*	*	Shareholder
2	Anish Projects Developers (I) Private Limited	Loan	-	0.06	Borrower
3	Foxmind Connect Private Limited	Loan	-	0.69	Borrower
4	Galaxy Park Hospitality Private Limited	Loan	0.48	0.55	Borrower
5	Glamoroso Family Saloon And Spa Private Limited	Loan	0.28	0.32	Borrower
6	Gravitee Concepts Private Limited	Loan	-	0.01	Borrower
7	GVK Alliance Networks Private Limited	Loan	0.53	0.58	Borrower
8	Onus Labs Private Limited	Loan	0.30	0.35	Borrower
9	Peesscon India Reality Private Limited	Loan	0.13	0.16	Borrower
10	Satkar Security Provider Private Limited	Loan	-	(0.00)	Borrower
11	Shanti Sarup And Sons Private Limited	Loan	0.70	0.78	Borrower
12	Shiv Bhole India Travels Private Limited	Loan	-	0.51	Borrower
13	Sunrise Build Structure Private Limited	Loan	-	0.24	Borrower
14	Tapobhumi Real Estate & Marketing Private Limited	Loan	-	0.15	Borrower
15	Arun Electrochemical Systems Private Limited	Loan	0.19	0.25	Borrower
16	Rushi Herbal Private Limited	Loan	(0.02)	1.27	Borrower
17	A S P Appliances P Limited	Loan	1.01	-	Borrower
18	Natkhat Agro Foods Private Limited	Loan	0.20	-	Borrower
19	Jeevan Jyothi General And Maternity Hospital Private Limited	Loan	0.69	-	Borrower
20	Deli Carrier Pack And Move Private Limited	Loan	0.21	-	Borrower
21	DRS Enterprises Private Limited	Loan	0.15	-	Borrower
22	NMG Food And Beverages Private Limited	Loan	0.05	-	Borrower
23	R S Vegetable Exporters India Private Limited	Loan	0.09	-	Borrower
24	Brand X Zone Private Limited	Loan	0.04	-	Borrower
25	Prarabdh Bharti Bhawan Opc Private Limited	Loan	0.03	-	Borrower
26	Shri Ganesha Global Gulal Private Limited	Loan	0.15	-	Borrower
27	Royal Friends Enterprises Private Limited	Loan	(0.00)	-	Borrower
28	Raj Kumar And Sons Ornaments Private Limited	Loan	(0.01)	-	Borrower
29	Grahalaya Constructions Private Limited	Loan	(0.00)	-	Borrower
30	Indonex Services Private Limited	Loan	(0.00)	-	Borrower
31	Trilogy Krikos Private Limited	Loan	-	(0.00)	Borrower

**Note:-** In the absence of purchase price of share held by Goldman Venture Private Limited face value is considered for reporting purpose.

\* Less than ₹ 1,000/-.

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

**52 DISCLOSURE PURSUANT TO REGULATION 53(F) READ WITH SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Sr. No	Particulars	March 31, 2023	March 31, 2022
a)	Loans and advances in the nature of loans to subsidiaries	-	-
	Name of the Company	-	-
	Amount	-	-
b)	Loans and advances in the nature of loans to associates	-	-
	Name of the Company	-	-
	Amount	-	-
c)	Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-
	Name of the Company	-	-
	Amount	-	-
d)	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-

**53 DISCLOSURE PURSUANT TO REGULATION 54 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Debentures are secured by way of a first and pari passu mortgage in favour of the Security Trustee on the Company's Office no 319, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and/or further secured by way of hypothecation of receivables under financing activity with a minimum requirement of asset cover of 1.1 times. Assets cover as on March 31, 2023 is 1.1 times.

**54 DETAILS OF REVENUE FROM INSURANCE SEGMENT**

Particulars	As at March 31, 2023	As at March 31, 2022
Commission Income	40.89	24.70

**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**

- The Company has not traded or invested in crypto currency or virtual currency during the financial year
- There are no undisclosed transaction which have not been recorded in the books.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- The Company has not entered into any scheme of arrangement
- No Registration or satisfaction of charges are pending to be filed with ROC.

Notes to the Consolidated Financial Statements  
for the year ended March 31, 2023 (Contd.)  
(Currency : Indian Rupees in Crore)

- 56 a) 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.
- b) 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.
- 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.

#### 58 DIVIDEND DISTRIBUTED TO EQUITY SHAREHOLDERS

The Company has paid an interim dividend of ₹ 0.90 per equity share during the year. Further, the Board has proposed a final dividend of ₹ 1.10 per equity share for financial year ended March 31, 2023 in the Board of Directors meeting held on April 15, 2023.

Accounting Period	Net Profit for the accounting period (₹ in Crore)	Rate of dividend (%)	Amount of Dividend (₹ in Crore)	Dividend Payout ratio (%)
<b>FY 2022-23</b>	<b>1,959.35</b>	<b>20%</b>	<b>158.26</b>	<b>8.08%</b>
<b>FY 2021-22</b>	<b>1,011.40</b>	<b>10%</b>	<b>79.04</b>	<b>7.82%</b>

#### 59 STANDARDS ISSUED BUT NOT YET EFFECTIVE

On March 31, 2023, the Ministry of Corporate Affairs ('MCA') through a notification, The amendments rules the Companies (Indian Accounting Standards) Amendment Rules, 2023 are applicable from April 01, 2023 (Financial Year 2023-24).

As per our report of even date attached

For **B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration No: 105102W

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

Place: Mumbai  
Date: April 15, 2023

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration No:  
105146W/W-100621

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Arijit Basu**  
Chairman and Non-Executive  
Director  
DIN: 06907779

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

## Notes



## Notes

## Notes

## Indian Map indicating HDBFS Branches as on 31st March 2023.



Disclaimer : All efforts have been made to make this image accurate. However, the Company and it's Directors do not own the responsibility for the correctness or the authenticity of the same.

# CORPORATE INFORMATION

## Key Managerial Personnel

**Mr. Ramesh G.,**  
Managing Director & Chief Executive Officer

**Mr. Jaykumar P. Shah,**  
Chief Financial Officer

**Ms. Dipti Khandelwal,**  
Company Secretary & Head - Legal

## Joint Statutory Auditors

**M/s. KKC & Associates LLP**  
(formerly Khimji Kunverji & Co LLP)  
(ICAI Reg. no. 105146W/W100621)

**M/s. B. K. Khare & Co**  
(ICAI Reg. no. 105102W)

## Secretarial Auditors

**M/s. Mehta & Mehta, Company Secretaries**  
(ICSI Unique Code P1996MH007500)

## Registered Office

Radhika, 2nd Floor, Law Garden Road,  
Navrangpura, Ahmedabad - 380 009  
Tel No.: +91 7045054829  
Website: [www.hdbfs.com](http://www.hdbfs.com)  
Email: [compliance@hdbfs.com](mailto:compliance@hdbfs.com)

## Corporate Identification Number

U65993GJ2007PLC051028

## Corporate Office

Ground Floor, Zenith House, Keshavrao Khadye  
Marg, Mahalaxmi, Mumbai - 400 034  
Tel No.: +91 22 49116300  
Fax: +91 22 49116666

## Bankers

\* Axis Bank \* Bank of Baroda \* Bank of India  
\* BNP Paribas \* Canara Bank  
\* Central Bank of India  
\* Citibank NA \* CSB Bank \* CTBC Bank  
\* Deutsche Bank \* Dhanlaxmi Bank  
\* Federal Bank \* HDFC Bank  
\* HSBC Bank \* ICICI Bank \* IDBI Bank  
\* Indian Bank \* IndusInd Bank  
\* J P Morgan Chase Bank  
\* Jammu & Kashmir Bank \* Karnataka Bank  
\* Karur Vysya Bank \* Kotak Mahindra Bank  
\* Punjab National Bank \* State Bank of India  
\* Union Bank of India

## Registrar and Share Transfer Agent

**M/s. Link Intime India Private Limited**  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400 083

## Debenture Trustees

**M/s. IDBI Trusteeship Services Limited**  
Universal Insurance Building,  
Ground Floor, Sir P.M. Road,  
Fort, Mumbai - 400 001  
Tel.: +91 22 40807000  
Fax: +91 22 66311776  
Email: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)

**M/s. Axis Trustee Services Limited**  
Axis House, Wadia International Centre,  
Pandurang Budhkar Marg, Worli,  
Mumbai - 400 025  
Tel.: +91 22 62300446  
Fax: +91 22 62300700  
Email: [debenturetrustee@axistrustee.in](mailto:debenturetrustee@axistrustee.in)



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EXPANDING HORIZONS.  
**EMPOWERING LIVES.**



# ACROSS THE PAGES



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to navigate investor-related information

## Disclaimer:

This document contains statements about expected future events and financials of HDB Financial Services Limited ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



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# ABOUT THE REPORT

## **Basis of Reporting**

This report offers a comprehensive evaluation of both the financial and non-financial performance of the Company. Additionally, it highlights the significant initiatives undertaken to meet the needs of the wider community.

## **Approach to Reporting**

Through this report, the Company aims to offer stakeholders a comprehensive view of the business' value-creation ability, competitive advantages, operating context, performance highlights, future prospects, risks, opportunities, governance structure, and approach towards long-term sustainability.

## **Reporting Period, Scope, and Boundary**

The reporting period for this Annual Report is April 1, 2023 to March 31, 2024. It provides an overview of the Company's operations and business development activities. The content of this report has been reviewed by the senior management of the Company and reviewed and approved by the Board of Directors to ensure accuracy, completeness, and relevance of the information presented.

## **Management Assurance**

The Board of Directors provides assurance to stakeholders regarding the accuracy and reliability of the information presented in this Annual Report. With a commitment to transparency and accountability, the management affirms that the report reflects the Company's performance, financial position, and strategic endeavours faithfully.









*HDBFS's strategic approach is driven by both purpose and profit, paving the way for greater access to credit and technological advancements. This empowers individuals and communities, catalysing a thriving and inclusive future.* 

# EXPANDING HORIZONS. EMPOWERING LIVES.

---

In today's interconnected world, financial institutions go beyond offering traditional banking services. They have the power to drive positive change while expanding their market reach by embracing principles of sustainability and social responsibility. This not only enhances their reputation but also fosters long-term trust and loyalty among stakeholders. By aligning profit motives with societal and environmental well-being, financial institutions can play a major role in shaping a more sustainable future and enabling inclusive growth.

HDBFS's theme for this year 'Expanding Horizons. Empowering Lives.', focuses on broadening the Company's geographical footprint and tapping into new market segments, while ensuring consistent profitability and robust asset quality.

Central to this mission is the empowerment of individuals and businesses through financial inclusion. By enhancing customer experiences and leveraging technology, HDBFS extends credit access to a broader audience, fostering economic and social impact. This approach aligns the Company's growth with its commitment to inclusive development.

## A SNAPSHOT OF **OUR BUSINESS**

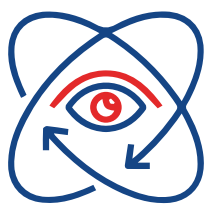


HDB Financial Services ('HDBFS' or 'Company') is a prominent Non-Banking Financial Company (NBFC) in India. Established in 2007, HDBFS has emerged as a leading entity in the non-banking financial sector. The Company is renowned for its proficiency in loan origination, underwriting, and a broad product range. It offers diverse financial products and services, including enterprise lending, asset financing, consumer loans, fee-based products, and business process outsourcing (BPO) services. With a strong financial foundation, the Company is proud to hold the 'CARE AAA/Stable' rating by CARE Ratings Limited and 'CRISIL AAA/Stable' rating by CRISIL Ratings Limited for Long-Term Debt, Bank Facilities, Subordinated Debt and Perpetual Bonds.



## Commitment to Inclusive Financial Solutions

- ④ 1,682 branches to cater to underbanked and unbanked populations across the Country
- ④ Goes beyond traditional lending practices to enhance customer experience
- ④ Leverages data and analytics for personalised loan offerings
- ④ Values diversity, creating an inclusive work environment for employee growth
- ④ Emphasis on transparency and ethics as the core values solidifying HDB's reputation as a trusted player in the financial sector



## VISION

To be India's most admired NBFC; through great execution, driving simplicity, and developing humility



## MISSION

To deliver innovative products and services to cater to the growing needs of an aspirational India, serving both individual and business clients



## VALUES



### Integrity

We ensure that the highest standard of professional conduct is embedded in every corner of the organisation. It defines how we go about our business and treat our people, customers and stakeholders

- ② We are transparent and ethical in the way we conduct ourselves
- ② We are honest and fair and base our conclusions on facts
- ② We have a strong moral code and take responsibility of our actions



### Respect

As we continue to increase our reach in every corner of the country, we value those who work with us and the contributions that they make to our business

- ② We respect our people's individuality and diversity
- ② We conduct ourselves in a manner that reflects the spirit of inclusion and humility
- ② We treat all our customers, employees and stakeholders with respect and empathy



### Excellence

In our journey of becoming India's most admired NBFC, we want to excel and set high standards in every aspect

- ② We aim to execute flawlessly and deliver the highest quality of service and value through simple, relevant solutions
- ② We challenge ourselves to meet our goals and pursue excellence
- ② We consistently strive to exceed the expectations of our customers, colleagues and stakeholders



### Simplicity

We keep our customers, employees, and stakeholders at the heart of everything we do

- ② We focus on removing complexities
- ② We deliver solutions that are simple and relevant
- ② Our communication, policies and processes are simple to understand and easy to follow





### Collaboration

We believe that success is achieved not by any one individual but by teams that work together

- We operate in a spirit of collaboration and teamwork
- We support and encourage people to use their expertise and experience to solve everyday challenges
- We embrace a mindset of openness and trust that helps in breaking silos



### Agility

We proactively respond to the changing market environment and evolving needs of our customers

- We strive to deliver the highest sustainable standards through efficient and timely execution
- Our speed of action reflects our readiness to continuously improve and our openness to change and discovery
- We are flexible and constantly look for ways to enhance efficiencies

# 1,682

Branches

# 1,148

Branch Locations

# AAA/Stable

CARE and CRISIL Ratings for Long-Term Debt and Bank Facilities

# A1+

CARE and CRISIL Rating for Commercial Papers

# ₹ 90,235

 Crore

Total AUM

# 15.5

 Mn

Customers

## MESSAGE FROM THE CHAIRMAN

We are confident that our strategic initiatives, combined with the dedication of our exceptional team, will enable us to scale new heights and continue delivering value to all our stakeholders.

### Dear Stakeholders,

I am happy to communicate with each of you through our annual report for FY 2023-24. Your continued support and collaboration are invaluable as we navigate another year of growth and opportunities.

### Macroeconomic View

With inflation levels moderating worldwide, recovery and optimism have been the central themes defining the year gone by. The global economy is projected to expand at 3.2% in CY 2024 and CY 2025, in line with the same growth levels recorded in CY 2023. However, moderating inflation is likely to boost real wages and consumption. As the world resumes its pre-pandemic trajectory, businesses operating in heavily impacted discretionary sectors are positioned to be the key beneficiaries. The global economic landscape in CY 2023 had been characterised by a gradual recovery from the pandemic's impact, albeit with persistent challenges. Geopolitical tensions, supply chain disruptions, and inflationary pressures have tested the resilience of industries worldwide. However, many sectors have demonstrated remarkable adaptability, leveraging technology and innovation to navigate these uncertainties.

### Vast Opportunity in the Indian Market

India's economy continues to remain a silver lining in the global economic context. Despite global headwinds, the country's GDP growth rate has consistently exceeded 7% since FY 2021-22, with projections indicating similar growth for FY 2024-25. Conservative estimates by the International Monetary Fund (IMF) suggest that India will emerge as the world's third-largest economy by 2027. The country is





likely to surpass Japan and Germany with its GDP exceeding US\$ 5 trillion. Striving to achieve the status of a developed economy by 2047, India has adopted various initiatives within the dynamic framework of 'Viksit Bharat.' Micro, small and medium enterprises (MSMEs) are expected to play a crucial role in fostering jobs, income, capabilities, and ecosystems. MSMEs contribute around 30% to all-India GDP. Additionally, they account for 36% of all-India manufacturing output. MSME-related product exports make up about 45% of all-India exports as of February 2024. Concurrently, the visionary Digital India programme has transformed India from a technology consumer to a global producer. This transformation has fostered innovation and diversification, making India the fastest-growing digital economy in the world, accounting for 11% of the total GDP as of February 2024.

### The Role of NBFCs in Today's Landscape

A rapidly growing nation demands a robust financial infrastructure. NBFCs have emerged as one of the key propellers of India's rising aspirations, adding immense value to the country's growing financial landscape. India is one among the few countries in the world with a significant population belonging to lower and middle-income groups. NBFCs, with their unique blend of physical and digitally empowered business models, have extended their reach to the under penetrated regions of the country, empowering many to achieve their aspirations. NBFCs have played a crucial role in extending financial inclusion, bridging the gap between financial institutions and the diverse needs of India's growing population. As of March 2024, the NBFC sector has reached an impressive size of US\$ 326 Bn and now have a material share in MSME Loans, Auto Loans, Housing Loans and Gold Loans. NBFCs have thus demonstrated their capacity to compete with larger institutions for customer retention, whilst complementing them in expanding the financial landscape through the country. NBFCs have achieved this through their reach and by adopting digitalisation to increase customer acquisition and engagement whilst enhancing operational efficiency and asset quality.

### Achievements in FY 2023-24

Today's rapidly evolving financial services landscape is characterised by increasing financialisation, accelerating digitalisation and shifting demographic patterns. HDBFS has strategically positioned itself to capitalise on these mega trends for sustained growth with profitability, whilst maintaining robust asset quality, customer engagement and operational effectiveness. The focus on digitalisation is towards a twin fold objective, enhancing customer engagement through seamless digital platforms, self-service channels and lifecycle analytics to make insight-driven decisions. It addresses evolving customer needs amidst demographic shifts through product innovation

and strategic partnerships, whilst maintaining optimal risk-adjusted returns and regulatory compliance through a sound risk management framework.

Our mobile app, 'HDB on the Go', which enables digital loan journeys and a host of self-service options, has so far seen 8 million downloads. We have also undertaken an initiative called the 'Customer Service Week' to raise awareness among our customers about the Company's self-service tools for managing loan accounts, digital payment options and grievance redressal mechanisms.

The year gone by is a testament to HDBFS's dedication and exceptional performance. We expanded our branch network to over 1,682 branches, enhancing our reach and accessibility to customers across 31 states /UTs. We achieved a healthy 28.75% growth in AUM, a clear indication of the trust and confidence the customers have in our offerings. We maintained our strong credit ratings of AAA/Stable from CRISIL and CARE. This reflects the Company's robust financial position, sound risk management strategies and commitment to maintaining a healthy balance sheet.

At HDBFS, we remain ahead in the pursuit of sustainable growth, driven by our core values of integrity, transparency, and customer-centricity. We are confident that our strategic initiatives, combined with the dedication of our exceptional team, will enable us to scale new heights and continue delivering value to all our stakeholders.

### Note of Gratitude

As we bring the curtain down on another remarkable year, I extend my heartfelt appreciation to the regulatory authorities including RBI, IRDAI and SEBI for their invaluable guidance and support. I am also grateful for the dedication, hard work, and commitment of our exceptional team. Their efforts have been instrumental in propelling the evolution and success of the Company. Looking ahead, I am excited about the opportunities and challenges that the future holds for us. With the collective efforts and determination of our team, I am confident that we will continue to expand our horizons and empower more lives, while achieving greater milestones. Thank you all for your dedication, support and continued partnership.

Warm Regards,

**Arijit Basu**  
Chairman



## MESSAGE FROM THE MD & CEO

HDBFS is inspired by the vibrant spirit of India. We are motivated by the pursuit of fulfilling the financial aspirations of our valued customers. It is a privilege to be a part of their journey, contributing to their dreams and aspirations

### Dear Stakeholders,

In a year marked by global economic and geo-political uncertainties, India emerged as a shining example of resilience and adaptability.

### Global and Indian Economic View

The global economy witnessed a gradual recovery from the pandemic's aftershock in CY 2023. This was despite some persistent challenges such as rising inflation, geopolitical tensions and supply chain disruptions. Central banks worldwide implemented monetary policy measures to rein in inflation impacting consumer demand and business sentiments. However, the resilience and adaptability of industries paved the way for cautious optimism. On the domestic front, India emerged as a bright spot, exhibiting robust economic growth. This can be attributed to strong domestic demand, policy reforms and an investor-friendly climate. The Government's focus on infrastructure development, manufacturing, and digitalisation further bolstered the country's economic prospects.

### Key Financial and Operational Developments during the Year

At HDBFS, FY 2023-24 was a testament to our commitment to excellence. We navigated the year with agility while achieving milestones across our financial and operational landscapes thus strengthening our position as a leading player in the NBFC sector. Our Assets Under Management (AUM) witnessed a healthy growth of 28.75%, reflecting the trust and confidence of customers in our offerings. We expanded our branch network to 1,682 branches across 31 states/UTs, enhancing our reach and accessibility to cater to the growing demand for our financial services in underserved areas.

Our asset quality remained robust, with a gross non-performing asset (GNPA) ratio of 1.90% and a net non-performing asset (NNPA) ratio of 0.63% as at March 31, 2024. This is an improvement from 2.73% GNPA and 0.95% NNPA as at March 31, 2023, testament to our robust credit risk management practices, including 360-degree





credit assessment and hybrid underwriting approach. We also maintained our strong credit ratings from reputed agencies, which is a reaffirmation of our financial stability and prudent risk management practices. Our capital adequacy ratio stood at 19.25%, well above the regulatory requirements, providing a solid foundation for future growth and expansion plans.

Our total revenue grew by 14.26% from ₹ 12,403 Crore in FY 2022-23 to ₹ 14,171 Crore, driven by a healthy increase in our loan book, which can be attributed to our focused efforts on diversified offerings and broadening the customer funnel. This coupled with efficient liability management through optimised borrowing strategies and cost rationalisation aided an increase in operating profit by 25.78% to ₹ 3,305 crore. Profit after tax rose by 25.59% to ₹ 2,461 Crore, compared to ₹ 1,959 Crore in FY 2022-23.

This demonstrates our commitment to delivering sustainable shareholder value, driven by our robust risk management practices, continuous operational improvements, and customer-centric approach. All this further fosters trust and loyalty, positioning us for continued growth and leadership in the NBFC sector.

#### Technological Integration to Enhance Operating Efficiency

Embracing digital transformation is pivotal for enhancing every aspect of our business value chain - from analytics and customer insight to loan origination and servicing. Digitalisation is central to our strategy and underpins our commitment for better customer engagement and efficient business processes in driving sustainable growth with profitability. This enables us to provide seamless experience and operational efficiency throughout the customer journey. Our ongoing investments in technology have forged a robust digital framework that provides analytical insights enabling tailored financial solutions, efficient loan processing, servicing, and collections.

Understanding the growing preference for mobile based financial solutions, we have rolled out an improved 'HDB on-the-go' mobile app for better customer experience. Till date, over 8 million customers have used the HDB On-The-Go mobile app. Our digital channels, including the WhatsApp bot and Chatbot, handles approximately 50,000 customer queries every month. Our CRM implementation has enabled efficient serving of customer needs. We recognise that customers expect seamless experiences across all touchpoints and by integrating our digital and physical channels, we ensure consistency and continuity in customer engagement. Digitalisation has also enabled us to streamline processes, enhance operational efficiency and drive cost optimisation. We firmly believe that digital transformation

is not just about adopting new technologies but also fostering a culture of innovation and customer-centricity throughout the organisation.

#### Strategic Imperatives

Amidst the volatilities in the current market and interest rate environment, our priorities remain focused on sustainable growth and profitability while maintaining asset quality. Our strategy involves leveraging our diverse product suite and broad geographic presence to expand our customer funnel. Further, by diversifying our borrowing mix and exploring alternative funding sources, we aim to minimise impacts on interest margins while maintaining a healthy capital adequacy ratio. Key business enablers, such as digital transformation will continue to play an important role in analytical insights, improving customer engagement and operational efficiency. A comprehensive risk management framework would continue to govern all aspects of our business.

#### Future Prospects

The untapped potential of the Indian economy has generated enthusiasm around unexplored possibilities. With a burgeoning middle-class, increasing urbanisation and the Government's thrust on financial inclusion, the demand for credit and financial services is poised to grow exponentially. As India continues its journey towards a thriving financial future, HDBFS is privileged to contribute to empowering the aspirations of a growing nation. Our collective efforts including our diverse offerings, an extensive network of digitally enabled branches across the country and customer-centric approach, help differentiate and position us for sustainable growth.

#### Concluding Thoughts

As we reflect on our eventful journey, I am filled with immense pride for how far we have come together as an organisation. The milestones achieved are a testament to the collective efforts of our dedicated team and continued support of our stakeholders. HDBFS is inspired by the vibrant spirit of India. We are motivated by the pursuit of fulfilling the financial aspirations of our valued customers. It is a privilege to be a part of their journey, contributing to their dreams and aspirations. As we look ahead, we are excited about the myriad opportunities that unfold before us. The dynamic landscape of the financial industry presents challenges and possibilities and we are eager to capitalise on these moments of growth and innovation.

Warm Regards,

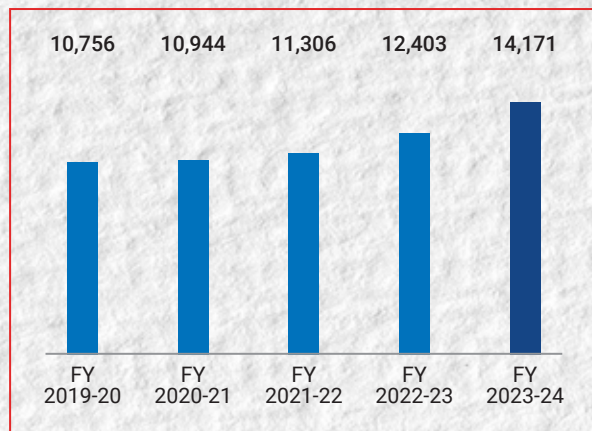
**Ramesh G.**  
MD & CEO

## EXPANDING HORIZONS OVER THE LAST FIVE YEARS

Over the years, HDBFS has navigated the ever-evolving financial landscape with consistent growth while maintaining profitability. This is a testament to its resilience and strategic acumen. The Company's focus on maintaining a robust asset quality has been a cornerstone of its success. It has helped provide stability and resilience to its operations. This commitment to excellence has also helped the Company establish itself as a trusted financial partner, poised for continued success and growth in the financial services sector.

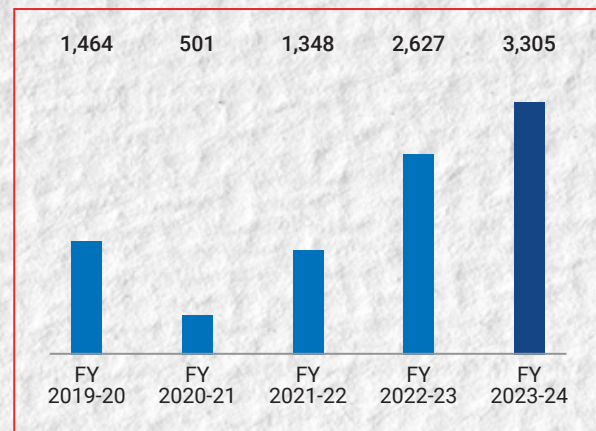
**TOTAL REVENUE**

(₹ in Crore)



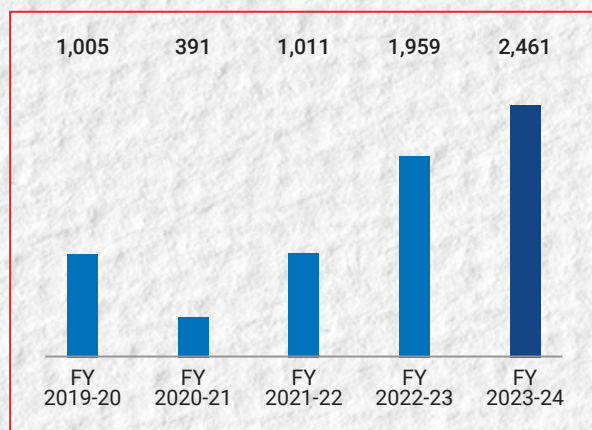
**PROFIT BEFORE TAX**

(₹ in Crore)



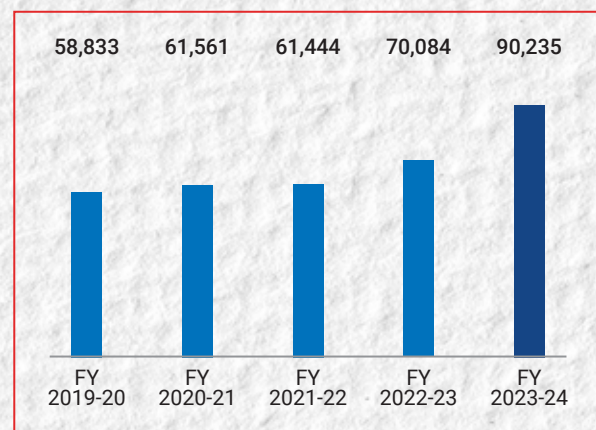
**PROFIT AFTER TAX**

(₹ in Crore)



**ASSETS UNDER MANAGEMENT**

(₹ in Crore)

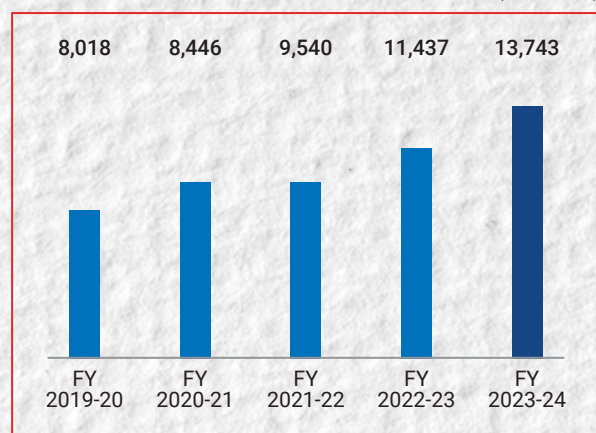






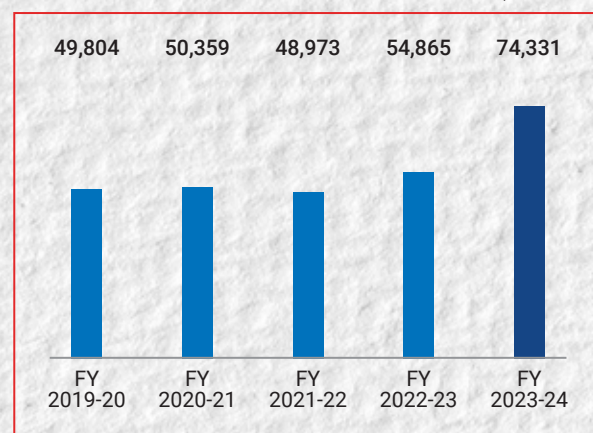
#### SHAREHOLDER'S FUNDS

(₹ in Crore)



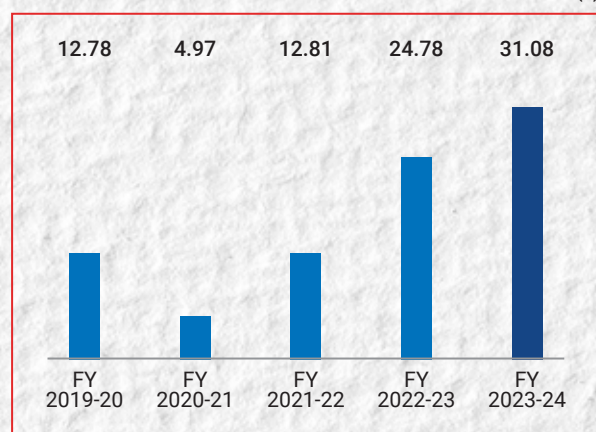
#### BORROWINGS

(₹ in Crore)



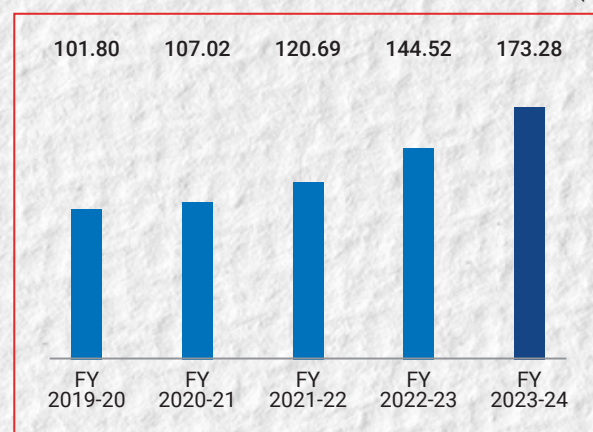
#### EARNINGS PER SHARE

(₹)



#### BOOK VALUE PER SHARE

(₹)



## EMPOWERING LIVES THROUGH DIVERSE **RANGE OF OFFERINGS**

As a leading financial institution, HDBFS is dedicated to understanding and meeting the diverse needs of its valued stakeholders. The Company is committed to providing tailored solutions to salaried and self-employed individuals, business owners and entrepreneurs and empower them to achieve their financial goals and aspirations. With a comprehensive range of services and expertise, HDBFS strives to support stakeholders at every stage of their financial journey. Focusing on transparency, integrity and customer-centricity, the Company strives to build long-lasting relationships based on trust and mutual respect.







## Consumer Loans

- ② Consumer Durable Loan
- ② Digital Product Loan
- ② Lifestyle Product Loan
- ② Personal Loan
- ② Auto Loan
- ② Two Wheeler Loan
- ② Gold Loan



## Enterprise Loans

- ② Unsecured Business Loan
- ② Enterprise Business Loan
- ② Loan Against Property
- ② Loan Against Lease Rental
- ② Loan Against Securities



## Asset Finance

- ② Commercial Vehicle Loan
- ② Construction Equipment Loan
- ② Tractor Loan



## Micro Lending



## Fee-Based Products/ Insurance Services



## BPO Services

- ② Collection Services
- ② Back Office and Sales Support

# CREATING VALUE FOR CUSTOMERS AND EMPOWERING LIVES

## INPUTS



### FINANCIAL CAPITAL

- ⊗ Strong Equity Capital
- ⊗ Robust Assets Base
- ⊗ Prudent Borrowings Portfolio
- ⊗ Diversified Lender Base to across Multiple Cities in India



### MANUFACTURED CAPITAL

- ⊗ Widespread Branch Network
- ⊗ Corporate Office



## VALUE CREATION PROCESS

HDBFS's Business Portfolio



Consumer Loan



Asset Finance



Fee-Based Products/Services



Enterprise Loan



Micro Lending



BPO Services

## OUTPUT

### Financial Capital

- ⊗ 28.75% AUM Growth
- ⊗ ₹ 2,461 Crores Net Profit
- ⊗ ₹ 31.08 EPS
- ⊗ 3.03% ROA
- ⊗ 19.55% ROE



### Manufactured Capital

- ⊗ 1,682 Branch Presence
- ⊗ 31 State/UTs Presence



HUMAN  
CAPITAL

- ⊗ Dedicated Employee Base
- ⊗ Employee Benefits
- ⊗ Learning and Development Opportunities
- ⊗ Employee Engagement Initiatives

SOCIAL AND  
RELATIONSHIP CAPITAL

- ⊗ Expanding Customer Base
- ⊗ CSR Beneficiaries
- ⊗ Strategic Partners
- ⊗ Investors/Lenders/Rating Agencies
- ⊗ Compliance with Regulatory Framework



## HDBFS's Values



Integrity



Excellence



Collaboration



Respect



Simplicity



Agility



## Human Capital

- ⊗ 9.75 per Person Hours Training
- ⊗ 21% of Women Employees
- ⊗ 32,45,570 ESOPs Granted



## Social and Relationship Capital

- ⊗ 1,34,000 CSR Beneficiaries
- ⊗ AAA/Stable  
(CARE and CRISIL Ratings for Long-Term Debt & Bank Facilities)
- ⊗ A1+  
(CARE and CRISIL Ratings for Commercial Papers)







## Operating Environment



# UNDERSTANDING THE OPERATING ENVIRONMENT FOR BETTER GROWTH

The financial sector's growth is influenced by various factors. These include demographic shifts, increased access to financial services, and supportive government policies. As HDBFS adapts to these changing dynamics, it faces a mix of challenges and opportunities in the external environment. Understanding these broad trends and aligning them with its strategic goals can help HDBFS leverage the sector's growth potential and contribute to India's economic progress.



## Growth and Stability in the NBFC Landscape

The Indian economy was amongst the fastest growing major economies in the world, with the economic indicators posting gradual improvements. Even as the twin deficits, namely current account and fiscal deficits, narrowed, the growth-inflation mix showed a positive and sustainable trend. Despite geopolitical tensions worldwide, India's economy is expected to grow by 7.6% in FY 2023-24. This can be attributed to robust domestic demand and strong growth in the manufacturing and services sectors. As the country progresses, demand for credit is likely to remain strong, especially among MSMEs and retail, projected to grow by 13.5-14.0%.

### HDBFS's Approach

As a prominent NBFC, we are positioned to support MSMEs, retail, and underserved populations. The Company's deep understanding of customers' diverse financial needs, vast reach and fast turnaround times enable us to cater to unique borrowing needs effectively. HDBFS strives to enhance service delivery and customer experience by embracing digital transformation and technological capabilities. The Company's mobile apps and online platforms provide seamless credit access promoting financial inclusion. It also ensures prudent lending and asset quality focus by strengthening risk management. The Company is also committed to supporting economic development through accessible financial solutions. HDBFS's customer-centric approach, technological advancements, and strong risk management practices make it a reliable partner for individuals, businesses and communities.

(Source: Economic Times, May 2024)



## Technological Prowess

NBFCs are embracing digitalisation to achieve better operational efficiency, provide better customer experience, reduce costs and be compliant to regulatory guidelines. They face tough competition from banks in areas such as customer acquisition. Despite this, NBFCs have been initiators of frugal innovation in digital initiatives and innovations. They have demonstrated the appetite and talent to compete with larger institutions for customer attention. NBFCs are also making use of cutting-edge technologies including cloud, low-code/no-code, data lake and GenAI for application modernisation, super apps, data transparency, and robust information security. All this helps them provide seamless customer and employee experience.

### HDBFS's Approach

HDBFS strives to elevate customer experience and operational efficiency through technology. The Company has rolled out an improved mobile app for seamless and personalised customer journey and implemented a robust CRM system to efficiently meet customer requirements. The Company is also driving higher technology adoption across processes through cloud computing, low-code/no-code platforms, and data analytics for streamlined operations and data-driven decisions. All this helps position HDBFS as a leader in delivering exceptional value to customers while driving sustainable growth and profitability.

(Source: KPMG Report on NBFC in India, February 2024)



## BPO Services Landscape

The BPO industry in India is poised for significant growth in FY 2023-24. It is estimated to record a 54% increase in revenue with the demand for Indian BPO services growing at an annual rate of 50%. The industry has been a major source of employment, providing jobs for many Indians. India's BPO industry maintains a competitive edge globally, offering cost savings of up to 60% compared to developed countries. The sector has leveraged technology to enhance its services. It is expected that the Government will provide infrastructural support, particularly in Tier 2 and 3 cities, to reach the untapped talent pool and drive economic development across the country.

### HDBFS's Approach

HDBFS offers a comprehensive suite of BPO services, including collection services, back-office operations and sales support services. For these services, the Company has a contract with HDFC Bank. HDBFS has established 18 call centres with a capacity of 5,500 seats across the country, employing on-call and field support teams. Additionally, HDBFS provides back office and sales support services to HDFC Bank, such as forms processing, document verification, finance and accounting operations and processing support. Through its nationwide presence and dedicated workforce, we offer cost-effective and efficient BPO services to its client.

(Source: <https://www.outsource2india.com/india/bpo-industry-india.asp>)



## Regulation and Policy Focus

In India, the regulations and policy support for NBFCs have evolved to address their significant role in the economy. The 'Scale Based Regulation' framework, effective from October 2022, categorises NBFCs into four layers based on asset size and risk. This framework aims to align regulations with the changing risk profile of NBFCs, ensuring systemic stability. While the Base Layer faces the least regulation, the Upper Layer is subject to requirements akin to banks. These changes are expected to benefit the sector in the long run.

### HDBFS's Approach

At HDBFS, we proactively embrace the evolving regulatory landscape for NBFCs in India. The Company has diligently aligned its operations and risk management practices by implementing robust measures to comply with the corresponding requirements for categorisation. The Company's commitment to adhering to regulatory changes and best practices in governance, risk management and compliance has given it a competitive edge, positioning it as a responsible and trustworthy NBFC.

(Source: KPMG Report on NBFC in India, February 2024)



## Opportunities in Aspirational India

As per Census 2011, India's population was approximately 12,500 Lakh, comprising nearly 2,450 Lakh households. CRISIL MI&A projects a 1.1% CAGR increase between CY 2011 and CY 2021, reaching 14,000 Lakhs and 15,200 Lakhs by CY 2031. The number of households is expected to reach approximately 3,760 Lakhs over the same period. In 2022, India had one of the largest young populations globally, with a median age of 28 years. CRISIL MI&A estimates that about 90% of Indians were below 60 years old in 2021, with 63% aged between 15 and 59 years. In comparison, in CY 2020, the United States (US), China and Brazil had 77%, 83%, and 86%, respectively, of their populations below 60 years old.

### HDBFS's Approach

The Company has established a strong presence in urban, semi-urban and rural areas of India, enabling it to understand and cater to the diverse needs of its customers. It offers a comprehensive range of tailored financial solutions designed to empower individuals and businesses to realise their potential. The Company's strategies include local outreach through branches, leveraging digital channels for seamless access, customised products, partner integration for innovative offerings. These initiatives aim to promote financial inclusion and empowerment, bridging the gap between institutions and underserved segments, unlocking vast opportunities across the nation.

(Source: CRISIL Report on Financialisation, December 2022)



## Improving Asset Quality

The non-performing assets (NPAs) of NBFCs have shown a positive trend, with a decrease across various sectors. Reports indicate that the asset quality of state-owned NBFCs was notably better than their private sector counterparts. The gross NPA ratio was 2.5% for state-owned NBFCs compared to a higher 6.1% for private sector NBFCs in H1 FY 2023-24. Additionally, the asset quality of private NBFCs' industrial advances remained high at 12.5%, constituting 21.6% of the overall gross NPAs for the sector. Furthermore, the overall GNPA ratio of NBFCs has shown improvement, declining from a peak of 7.2% during the second wave of the pandemic to 5.9% in September 2022, nearing pre-pandemic levels. This improvement in asset quality is significant and indicates a positive trend in managing NPAs within the NBFC sector. Moreover, a decline in Stage 3 loans, overdue for more than 90 days, has been observed in major NBFCs, ranging between 3% and 6% compared to higher levels in the past year.

### HDBFS's Approach

At HDBFS, there is a sharp focus on supported by stringent underwriting standards. The credit risk framework has played a pivotal role in mitigating risks. Advanced risk assessment models guide the Company's lending decisions. Its effective recovery efforts are driven by analytics embedded in its collection strategies. It remains committed to sustaining robust asset quality through continuous improvements in the credit risk framework, fostering a culture of responsible lending and risk management excellence.

(Source: KPMG Report on NBFC in India, February 2024)



## Competitive Strengths



# STRENGTHENING CAPABILITIES AND REACH THROUGH COMPETITIVE ADVANTAGES

NBFCs have emerged as a crucial source of finance for a large segment of the population, including SMEs and economically unserved and underserved people. It is imperative for the industry to continually strengthen its capabilities to cater to the needs of an expanding credit landscape. As one of India's leading NBFCs, HDBFS is aware of the dynamic landscape it operates in. The Company strives to differentiate itself through its unique competitive advantages.





# 84%

Distribution Beyond Top 20 Cities

## Strengthening Presence

HDBFS is proud to cater to the needs of aspirational India, making substantial endeavours to expand its reach in these areas. The Company's robust presence in semi-urban and rural regions allows it to comprehend and address the varied needs of its customers effectively. Through a comprehensive suite of solutions, HDBFS aims to empower individuals and businesses, offering them financial support and help them realise their full potential. These financial solutions play a pivotal role in providing the underserved segment with the means to unlock the abundant opportunities presented by our country.



## Diversified Product Portfolio

HDBFS stands out for delivering streamlined and effective financial solutions customised to address the distinct needs of its customers and various stakeholders. The Company's extensive range of offerings caters to the diverse requirements of both households and enterprises across India.



**360** degree  
Credit Assessment

## Technical Expertise

HDBFS has implemented automated loan application processes to facilitate informed credit decisions right from the initial stage with the help of tools such as CRM, Rule Engine and Bureau Integration. This approach has increased productivity, reduced overhead costs and expedited processes, ensuring a smooth journey for the customer.



**88,824**  
Employees

## Highly Skilled and Committed Workforce

HDBFS's highly skilled and committed workforce is the driving force behind the business. The continuous upskilling initiatives and domain expertise of its employees across functions like credit underwriting, risk management and collections have played a major role in the Company's journey. HDBFS highly values the contributions of its workforce and is dedicated to offering them a supportive and enabling work environment.

**1.90%**

Gross NPA

**0.63%**

Net NPA

**66.82%**

PCR

## Robust Asset Quality

HDBFS focuses on maintaining robust asset quality, underpinned by its prudent risk management practices and stringent credit evaluation processes. This encompasses a comprehensive 360-degree analysis of borrowers' creditworthiness for effective risk mitigation and informed decision-making. This, coupled with the Company's diversified product portfolio and well-distributed geographic presence across urban, semi-urban, and rural regions, contributes to the overall resilience of HDBFS's asset quality. Moreover, the Company's dedicated team of experienced professionals, complemented by analytical insights and monitoring mechanisms, ensures proactive identification and management of potential risks, safeguarding the quality of its loan portfolio.



## Marketing Initiatives

HDBFS is focusing on enhancing customer experience. The Company is leveraging data-driven marketing techniques such as personalised campaigns based on customer segments and predictive analytics. Its brand building efforts encompass building visibility around its CSR activities aimed at boosting brand perception, PR campaigns showcasing growth strategies, customer newsletters as well as increased visibility via outdoor and in-store branding. The Company is focused on delivering a seamless, unified omni-channel experience across all platforms, whether online, mobile or in physical branches. Collectively, these multi-pronged marketing initiatives aim to expand HDBFS's customer base, increase market share, drive customer satisfaction and foster long-term loyalty in the highly competitive financial services sector.



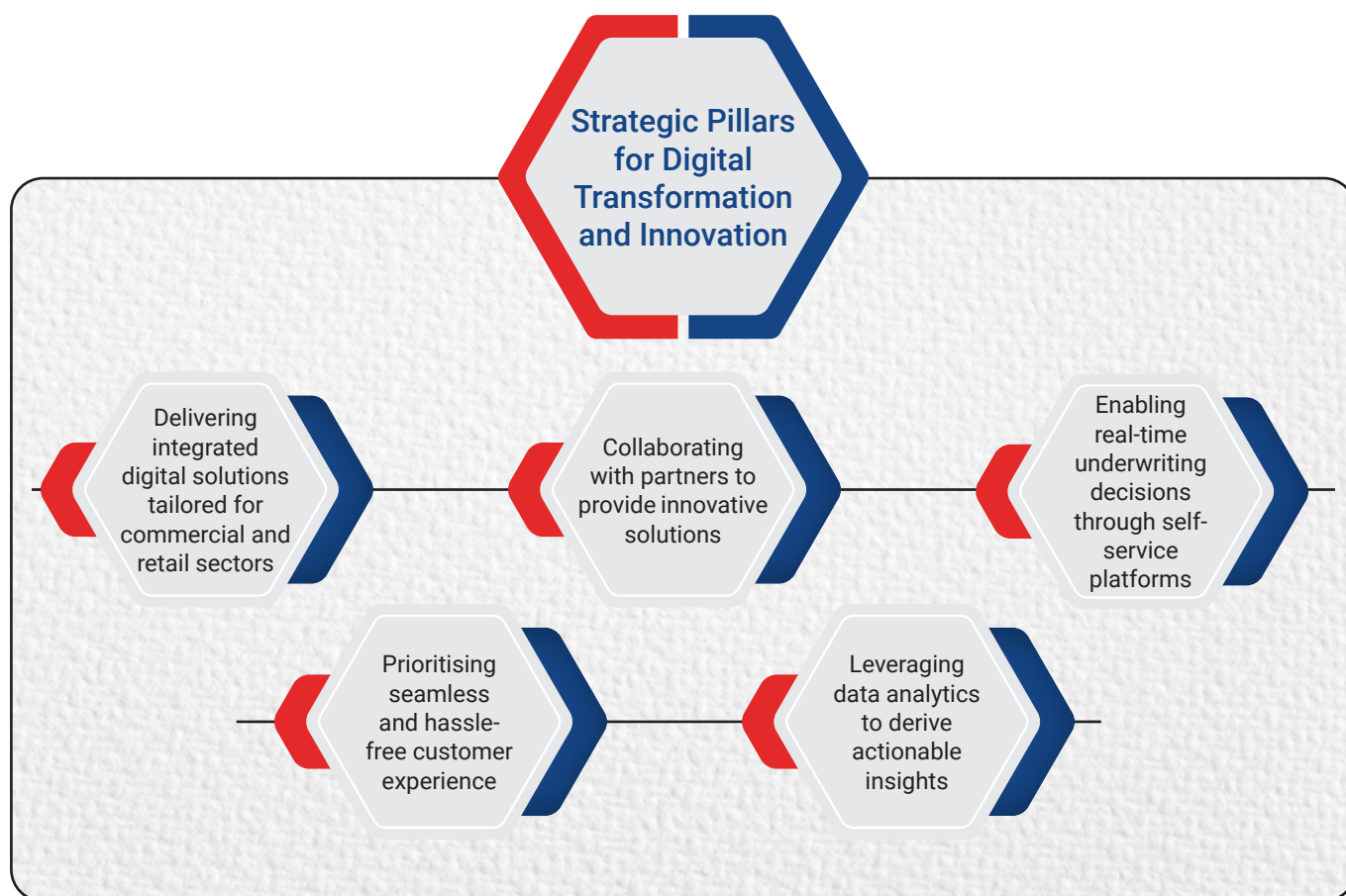


## Digital Transformation



# ADDRESSING CUSTOMER NEEDS THROUGH A DIGITAL RENAISSANCE

HDBFS aims to continually evolve as an organisation, utilising cutting-edge technology to efficiently address customer needs. The emergence of digital banking has not only broadened the Company's reach but also empowered it to serve its customer base with enhanced quality and efficiency. The Company remains committed to delivering innovative solutions and has capitalised on technology to improve its offerings across multiple areas.



## Key Initiatives

To meet the new and constantly evolving financial credit needs of tech-savvy customers, the Company has invested in digitalising its lending services and solutions. This allows HDBFS to connect and cater to customers in a personalised manner. Several digital offerings have been launched for commercial and retail segments to provide integrated solutions and simplify the borrowing process. These digital offerings include:





**97%**

Of Applications Processed Digitally

## Digital Loans

To offer convenience to the customers, HDBFS has introduced a digital 'Sales App' where a customer can get instant loan approval and quick disbursement. This process also aids in uploading and authenticating documents on real time basis.



## HDB On-The-Go App

- ④ View & manage loan accounts and transaction details
- ④ Instant customer support
- ④ Apply for a new loan
- ④ Real-time tracking of loan application
- ④ Pre-approved loans
- ④ Locate nearest HDBFS branches
- ④ Exclusive hot offers



## Relationship Managers

Relationship Managers (RM) play a vital role at HDBFS. They are responsible for building and maintaining relationships with select customers, generating new business, managing customer accounts, upselling and cross-selling products and services and providing customer support.



## Partner Integration

HDBFS has forged strategic partnerships with various players to offer innovative digital solutions and services. These collaborations have enhanced customer experience by providing convenient digital KYC processes, quick application approvals, and faster disbursement of funds.

## Digital Sign and Mandate arrangement

The implementation of digital tools for signing the loan agreement has ensured that customer has a seamless experience that is paperless, fewer errors and quicker disbursements. In addition, customer also gets a copy of loan agreement instantly. All the documents are digitally signed by customers through Aadhaar-based authentication.

In addition to digital signing of loan agreement, customer has option to provide the e-Mandate for repayment of loan. Customer can provide e-Mandate through multiple choices including Aadhaar-based authentication and UPI Mandate.



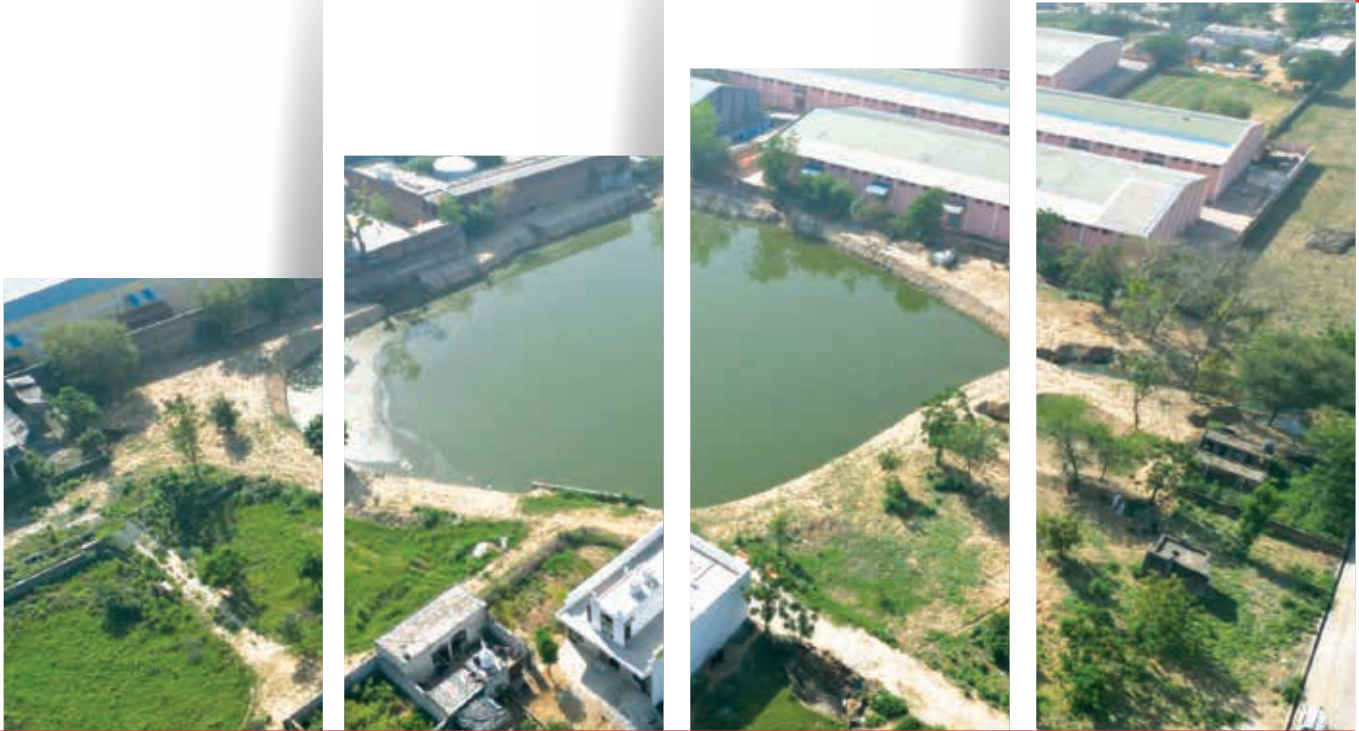
## WhatsApp & Chatbot

The Company's WhatsApp bot and chatbot, #AskPriya, assists customers with loan-related information and the latest offers. Both the bots provide quick and accurate responses to customer queries, thereby enhancing service efficiency. WhatsApp bot and chatbot handle approximately 50,000 customer queries each month.





## Environment Stewardship



# ENSURING SUSTAINABLE OPERATIONS AND ENVIRONMENTAL STEWARDSHIP

As a responsible corporate citizen, HDBFS is deeply committed to environmental stewardship through a holistic and sustainable approach. Through its operations, the Company prioritises eco-friendly practices, with the aim of minimising its environmental footprint and paving the way for a greener future. Towards this end, HDBFS undertakes multifaceted efforts from implementing energy-efficient lighting systems and comprehensive waste management initiatives. All this underscores the Company's dedication to fostering an environmentally conscious society for future generations.



### Increasing Energy Efficiency

HDBFS is deeply committed to energy efficiency in its operations. To achieve this, LED lights are extensively used across all offices and light sensors are strategically placed to save energy. Moreover, control over power factor is maintained at all premises to minimise energy loss, demonstrating HDBFS's dedication to reducing its environmental impact and promoting sustainable practices. Additionally, the Company periodically replaces assets like air conditioners with more energy-efficient models.



### Adhering to Efficient Waste and E-Waste Management Practices

Efficient waste and e-waste management are key priorities for HDBFS. The organisation ensures proper handling of end-of-life electronics, protecting them from the elements and storing them in covered containers. The Company has empanelled an authorised recycler to collect and safely dispose of the e-waste as per the E-Waste Management Rules. These efforts not only prevent pollution but also enhance occupational health and safety management, demonstrating HDBFS's commitment to sustainable practices.







## Corporate Social Responsibility

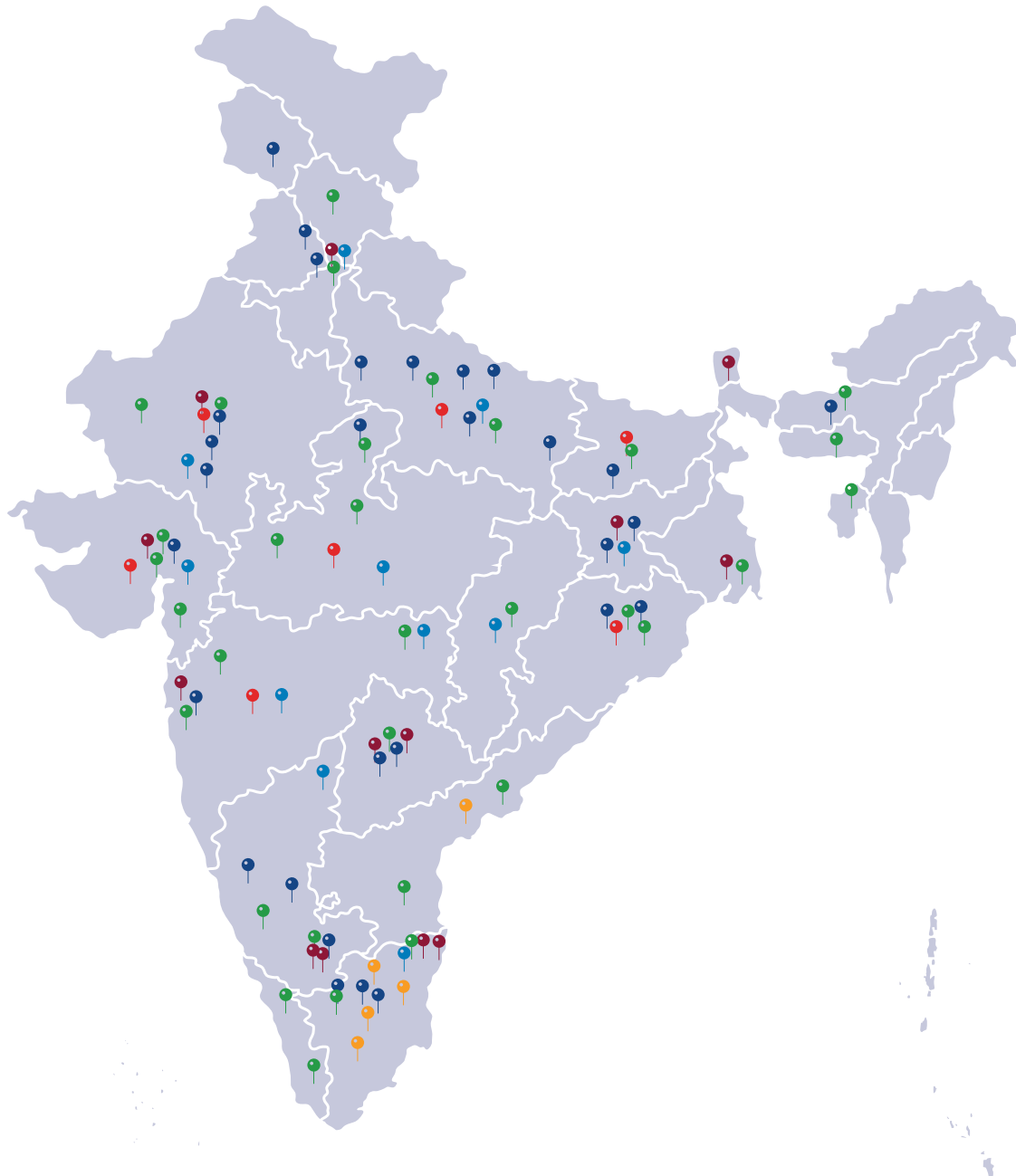


# EMPOWERING SOCIETY AS CATALYSTS FOR CHANGE THROUGH CSR

HDBFS is committed to fostering positive change and recognises the important role of businesses in shaping the societal landscape. The Company firmly believes that the true measure of success goes beyond profits. Success is also about contributing meaningfully to the well-being of the communities the Company serves. Through purpose-driven initiatives, HDBFS aims to honour its obligation to the society and achieve prosperity in a sustainable and responsible manner.



In FY 2023-24, HDBFS was engaged in a range of CSR initiatives with the objective of contributing towards building a better India.

**Transport Aarogyam Kendra**

offering physiotherapy to truck drivers through camps & static clinics

**Project SNEHA**

reducing prevalence of nutritional anaemia among women and children

**Skill Development Center**

imparting vocational training to urban / rural youth and adults

**WASH Initiative**

providing safe sanitation facilities in schools and communities

**Water Conservation**

ensuring water security through conservation efforts

**Mission Million Trees**

planting trees for a healthier environment

**Disclaimer:** This map is a generalised illustration only for the ease of the reader to understand the locations and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection to its accuracy or completeness.



₹ **31.3** Crore

Investments Towards CSR Programmes

**1,34,000**

Lives Touched

HDBFS's initiatives were rolled out across 129 districts spanning 22 states and 2 union territories, in partnership with credible CSR partners. These partners are known for their outstanding track record in addressing local community needs. Each CSR initiative is designed with a focus on outcomes. The project performance is closely and rigorously monitored for effectively tackling the challenges and optimising social impact. Highlighted below are the key outcomes of HDBFS's CSR programmes, showcasing the positive changes they have brought to the lives of aspirational citizens.

## Transport Aarogyam Kendra Initiative

The Company focussed its initiatives on the welfare of India's truck drivers, prioritising their well-being through its flagship programme Transport Aarogyam Kendras. These dedicated physiotherapy counselling and treatment facilities are tailored to the needs of the trucking community. HDBFS takes pride in pioneering this groundbreaking initiative as the first full-time physiotherapy programme in India explicitly designed to address the unique health concerns of truck drivers.

- Transport Aarogyam Kendras were established in four major transport hubs across the country: Delhi, Namakkal (Tamil Nadu), Kalamboli (Maharashtra) and Ranchi (Jharkhand). During the year, the Company introduced these centres in two new locations namely Ludhiana and Gandhidham to advance its efforts of serving India's highway heroes.
- Through collaborative efforts HDBFS successfully organised week-long physiotherapy camps at major transport hubs in Tier II and III cities. The Company offered these services to truck drivers at zero cost. This impactful initiative was made possible through the combined contributions of transporters, industry associations and NGOs, uniting to support the well-being of our highway heroes.



**30,000+**

Stakeholders Benefitted

**90+**

Physio-Camps Held

**6**

Transport Aarogyam Kendras

**SDGs Impacted**





## Healthcare Initiatives and Community Support

Through FY 2023-24, the Company sustained its partnerships with diverse healthcare organisations to provide accessible healthcare services. It also aimed to contribute to India's initiatives towards strengthening healthcare capacity and infrastructure.

- HDBFS launched Project Sneha, a pioneering initiative aimed at improving the health and nutritional indicators of women in the reproductive age-group in Gujarat and Madhya Pradesh. SNEHA adopts a continuum of care approach to reduce the high prevalence of undernourishment and anaemia cases in these areas.

**15,000+** Women Treated for Nutritional Anaemia;  
Prevalence of Anaemia Reduced in **52** Villages

- HDBFS works closely with local health bodies and village champions. Together, with them, the Company raises awareness about nutritional anaemia by conducting diagnostic camps. These are followed by consultative sessions on dietary habits, with the aim of creating a positive, multi-dimensional impact on the lives of women and their children.

**21,000+** Women Across  
**250** Villages Sensitised

### SDGs Impacted



- HDBFS's support for the charitable dialysis centre and mobile health clinics ensures that indigent patients can access outpatient and inpatient services at affordable rates. This ongoing commitment provides vital healthcare support to those who need it the most.

**6,000** Individuals Availed OPD Services  
Through Mobile Clinics

**5,500+**  
Dialysis sessions supported

- In its efforts to promote hygiene among children and adults, the Company supported the development of sanitation facilities in rural schools. It also undertook the refurbishment of community sanitation blocks in urban slums.

**19,000+** Individuals have Access to Safe  
Sanitation in **34** Schools and **20** Communities



## Restoring Ecological Balance

The escalating concern of climate change has captured worldwide attention. It has prompted businesses globally to acknowledge the significance of sustainability and the urgent need to mitigate the adverse effects of climate change. Depleting water tables are compelling small and marginal farmer to over pump groundwater, exacerbating the situation. In this regard, HDBFS is dedicated to fostering positive change by proactively leading environmentally sustainable programmes.

HDBFS has been supporting the Integrated Watershed Management Programme for the past few years to mitigate these challenges. This programme aims to conserve soil and moisture in a systematic, scientific and sustained manner in rainfed but water-scarce blocks of rural India.

**349** Water Harvesting Structures Developed,  
**1,000+** Acres of Land Treated

The Company developed and rejuvenated various harvesting structures such as check dams, percolation tanks, farm ponds, bunds and water tanks across farmlands and common lands. These structures are vital for channelising the flow of rainwater, enhancing the recharging process, improving groundwater levels and creating water storage capacity at the surface level.

**28** Lakes Restored; **140** Mn Litres of  
Water Storage Capacity Created

HDBFS has started Mission Million Trees, an afforestation initiative that aims to maintain ecological balance through scientific plantation of saplings. These are carefully chosen to serve as mini carbon sinks in the region. The Company planted these saplings on farmlands of small and marginal farmers, ensuring they are adequately watered and nurtured until maturity.

**1,00,000**  
Trees Planted

**~91K** tCO<sub>2</sub>e Levels can be Potentially  
Absorbed Over a Period of **25** Years



## SDGs Impacted







## Literacy and Livelihood Interventions

HDBFS's Livelihoods Initiatives aim to bridge the skill gap between job seekers/wage earners and the industry. They deliver well-curated training programmes in colleges and communities for youth seeking career opportunities in service industries such as beauty and wellness, BFSI, ITeS, FMCG and retail. Through a range of initiatives concentrating on youth training, development, and the creation of nano and micro-enterprises, HDBFS strives to make a positive impact on society.

**7,500+**

Youth Trained

**72%** Secured Employment  
through the Programme

HDBFS's Village Enterprise Development Programme upskills artisans such as potters, bamboo weavers and tailors, equipping them to establish nano/microenterprises. The programme trains artisans on newer designs, techniques and product pricing, ensuring their art remains relevant and they receive fair prices for their artwork.

**450+** Artisans  
were Upskilled



## Financial Literacy Clinics

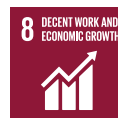
HDBFS runs Community Awareness on Financial Education (HDB CAFE). It is an initiative aimed at enhancing financial literacy and empowering individuals of all age groups to make well-informed financial decisions.

The Company launched 'Sochna Kendras' for people seeking support with respect to change in KYC documents, availing benefits of social security schemes and improved understanding of digital banking products. These are physical spaces where workshops are conducted on a wide range of topics such as digital banking, reporting cybercrime cases, financial planning, insurance, savings, credit and investments.

Financial Literacy Clinics (FLCs) are an extension of the HDB CAFÉ initiative. They are currently implemented in select pockets of Ahmedabad, Gujarat.

**1,500+** Individuals Availed the Benefit of  
Services Offered by the FLCs in Just 3 Months

## SDGs Impacted



## Celebrating the Nation's Heroes

In FY 2023-24, HDBFS maintained its tradition of commemorating Republic Day in collaboration with the soldiers of the Indian Army and their families. This annual event, organised by the Sri Shanmukhananda Fine Arts and Sangeetha Sabha, brought together Wounded Warriors in the presence of senior dignitaries from both the Indian army and civil society.

With immense gratitude, HDBFS contributed towards the programme, honouring **25 wounded** soldiers for their heroic contributions in protecting our borders in difficult terrains and harsh weather conditions.



## Acts of Simple Kindness

Acts of Simple Kindness (ASK) is as an organisation-wide employee volunteering programme meticulously planned and executed by HDBians. Through this initiative, employees warmly embrace the new year with gratitude in their hearts, engaging in voluntary acts of kindness.

The ASK program serves as a platform for employees to express their appreciation and extend a helping hand to various segments of society, encompassing frontline workers, senior citizens, children, adults, animals and even the natural environment. Through this initiative, employees have the opportunity to make a positive impact and foster a sense of unity within the community. HDBians willingly and generously contribute to various ASK activities, such as distributing essential items like blankets, cooked meals, rations, masks, sanitisers, clothing, books, stationery kits, water purifiers and other necessary utilities for those in need.

# 896

Branches Participated

# 23,000+

Employees participated

# 255

Institutions/NGOs Engaged

# 27,000+

Lives Touched

## SDGs Impacted



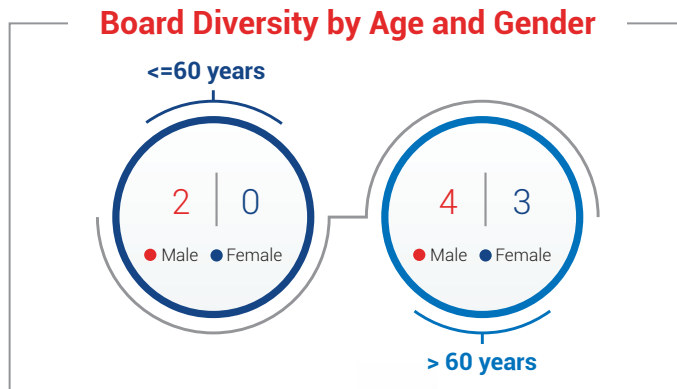




# BOARD OF DIRECTORS

HDBFS prioritises the implementation of robust governance practices. The Company is dedicated to maintaining high standards of excellence in internal protocols. In the dynamic and tightly regulated financial services sector, effective governance is paramount for fostering trust and assurance among stakeholders.

The Company benefits from a distinguished Board of Directors who offer invaluable guidance, enabling it to navigate diverse challenges and capitalise on opportunities for growth.



## MR. ARIJIT BASU

*Part Time Non-Executive Chairman and Independent Director*



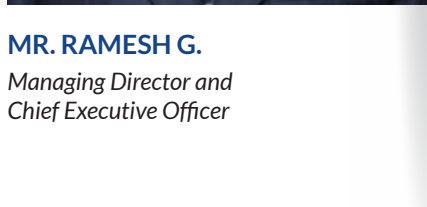
## MR. VENKATRAMAN SRINIVASAN

*Independent Director*



## MR. RAMESH G.

*Managing Director and Chief Executive Officer*







**MR. JIMMY TATA**

*Non-Executive Director  
(Non-Independent)*



**MR. ADAYAPALAM  
VISWANATHAN**

*Independent Director*

**MR. JAYESH CHAKRAVARTHI**

*Independent Director*



**3**

**WOMEN DIRECTORS  
ON BOARD**

**MS. SMITA AFFINWALLA**

*Independent Director*



**DR. AMLA SAMANTA**

*Independent Director*

**MS. ARUNDHATI MECH**

*Independent Director*





## SENIOR MANAGEMENT TEAM

**MR. RAMESH G.**

*Managing Director and  
Chief Executive Officer*



**MR. KARTHIK  
SRINIVASAN**

*Chief Business Officer*



**MR. SARABJEET  
SINGH**

*Chief Business Officer*



**MR. ROHIT  
PATWARDHAN**

*Chief Credit Officer*



**MR. MANISH TIWARI**

*Head - CE and  
Micro Lending*



**MR. VENKATA SWAMY**

*Chief Digital and  
Marketing Officer*



**MR. JAYKUMAR SHAH**

*Chief Financial Officer*



**MR. ASHISH  
GHATNEKAR**

*Chief - People & Operations*



**MR. MATHEW PANAT**

*Chief Technology Officer*





**MR. HARISH  
VENUGOPAL**

*Chief Risk Officer*



**MR. PREMAL  
BRAHMBHATT**

*Head - Internal Audit*



**MR. ARJUN DUTTA**

*Chief Compliance Officer*



**MS. DIPTI KHANDELWAL**

*Head Legal & Company  
Secretary*



## AWARDS AND ACCOLADES

Over the years, HDBFS has navigated the ever-evolving financial landscape with consistent growth while maintaining profitability. This is a testament to its resilience and strategic acumen. The Company's focus on maintaining a robust asset quality has been a cornerstone of its success. It has helped provide stability and resilience to its operations. This commitment to excellence has also helped the Company establish itself as a trusted financial partner, poised for continued success and growth in the financial services sector.



### Great Place To Work Certification - Jan'24-Jan'25

HDBFS was certified as a Great Place to Work in January 2024. This certification recognises organisations that excel in creating a positive and supportive work environment for their employees.



### Featured in India's Best Workplaces in BFSI 2024

HDBFS has been recognised as India's Best Workplaces in BFSI. The cumulative score of Trust Index and Culture Audit determined our inclusion in India's Best Workplaces in BFSI 2024.



### Ambition Box Employee Choice Award 2024

For the third consecutive year, HDBFS has been honoured with the ABECA 2024 – Ambition Box Employee Choice Award as one of the Top Rated Financial Services Companies.





# Notice

## HDB FINANCIAL SERVICES LIMITED

**Corporate Identity Number:** U65993GJ2007PLC051028

**Registered Office:** Radhika, 2<sup>nd</sup> Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 009

**Corporate Office:** Ground Floor, Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai - 400 034

**Tel:** +91 22 49116300; **Fax:** +91 22 49116666, **Website:** [www.hdbfs.com](http://www.hdbfs.com) **Email:** [compliance@hdbfs.com](mailto:compliance@hdbfs.com)

### NOTICE OF 17<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE is hereby given that the Seventeenth Annual General Meeting of HDB Financial Services Limited will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on Thursday, 27<sup>th</sup> day of June, 2024 at 12:00 noon to transact the following business:**

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the Report of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the Report of the Auditors thereon.
3. To declare final dividend @10% i.e. Re. 1/- (One Rupee only) on each Equity Share for the financial year ended March 31, 2024.
4. To appoint a director in place of Mr. Jimmy Tata (DIN: 06888364), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Joint Statutory Auditors of the Company and to fix their overall audit fees and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Circular issued by Reserve Bank of India vide no. RBI/2021-22/25 Ref. No.Dos.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ('RBI Guidelines'), and any other applicable laws issued from time to time, including any amendments, modifications, variations or re-enactments thereof M/s. Kalyaniwala & Mistry LLP (ICAI Firm Registration No.10467W/ LLP W100166) and M/s. G D Apte & Co. (ICAI Firm Registration No. 100515W) who have

offered themselves for appointment and have confirmed their eligibility to be appointed as joint statutory auditors in terms of Section 141 of the Companies Act, 2013 and applicable rules thereunder and RBI guidelines, be and are hereby appointed as Joint Statutory Auditors of the Company, to act as the Joint Statutory Auditors of the Company in terms of the RBI guidelines, to hold office for a continuous period of three years until the conclusion of 20<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027;

**RESOLVED FURTHER THAT** the Board and Audit Committee thereof, be and are hereby severally authorised to decide and finalise the terms and conditions of appointment, including the overall audit fees of the Joint Statutory Auditors;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Audit Committee of the Board or any other person(s) authorised by the Board or the Audit Committee in this regard), be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution including but not limited to determination of roles and responsibilities/ scope of work of the respective Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company."

#### SPECIAL BUSINESS:

6. To approve the re-appointment of Mr. Adayapalam Kumaraswamy (AK) Viswanathan (DIN: 08518003) as an Independent Director of the Company, and in this regard, to consider and if thought fit, to pass the following



## Notice (Contd.)

resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable rules made thereunder as amended (collectively referred to as the "Companies Act"), Regulation 17, Regulation 25(2A) and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), relevant circulars issued by the Reserve Bank of India ("RBI") from time to time, including any amendments, modifications, variations or re-enactments thereof, pursuant to the provisions of the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company ("Board"), Mr. A K Viswanathan (DIN: 08518003), whose term of office as an Independent Director is expiring on July 23, 2024 and who has provided his consent in Form DIR - 2 for re-appointment as an Independent Director of the Company and submitted a declaration that he satisfies the criteria for appointment as an Independent Director under the Companies Act and SEBI Listing Regulations, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and who is eligible for re-appointment as an Independent Director of the Company, be and is hereby re-appointed as an Independent (Non-Executive) Director of the Company for a period of 3 (three) consecutive years commencing from July 24, 2024 up to July 23, 2027 (both days inclusive) AND THAT he shall not be liable to retire by rotation and that he will be entitled to sitting fees for attending Board and Committee meetings of the Company, reimbursement of expenses for attending Board and Committee meetings as applicable and profit related commission;

**RESOLVED FURTHER THAT** the Board (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers

conferred herein to any Director(s) and/ or Officer(s) of the Company to give effect to this resolution."

7. To approve selling, assignment, securitisation of receivables/ book debts of the Company upto ₹ 9,000 Crore, and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a), all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder (including any statutory amendments, modifications, variations or re-enactments thereof for the time being in force) and the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include any Committee constituted/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to sell / assign / securitise substantial assets including present and /or future receivables / book debts of the Company in favour of banks / financial institutions, other investing agencies, asset reconstruction companies and trustees for the holders of Debentures /Bonds /Pass Through Certificates / Security Receipts and other instruments and also to issue covenants for negative pledges /negative liens in respect of the said assets and properties in such form and manner as the Board may deem fit and for the said purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and also to execute the required documents including power of attorney in favour of all or any of the persons, firms, bodies corporate, banks, financial institutions, trustees etc., from time to time, provided that the aggregate amount of such transactions shall not exceed ₹ 9,000 Crore (Rupees Nine Thousand Crore Only);

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to negotiate, finalise and execute with the Lender(s)/ Debenture Trustee(s)/ Financial Institution(s)/ Asset Reconstruction Companies such documents/ agreements/ undertakings/ indemnities/ guarantees as may be required and to propose/ accept any modifications to the terms and conditions thereto and to do all such acts, deeds and things as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole

**Notice (Contd.)**

and absolute discretion deem fit and to delegate all or any of their powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this resolution.”

8. Authority to issue redeemable non-convertible debentures and/ or other debt instruments on private placement basis, and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any of the Companies Act, 2013 (“Act”), read with the Companies (Share Capital and Debentures) Rules, 2014, and Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction - Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023 (“RBI Master Direction”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with the Securities and Exchange Board of India’s Master Circular for Issue and Listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, any other laws, rules, guidelines, regulations for the time being in force and any other circulars, notifications and /or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force) and subject to such terms, conditions and modifications as may be considered necessary and proper by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee of the Board constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by

this resolution), the consent of the Members be and is hereby accorded to the Board to offer and/or invite for issue of non-convertible securities whether secured or unsecured, listed / unlisted, fixed rate or market / benchmark linked and /or any other debt instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital under the provisions of the RBI Master Directions, on a private placement basis (collectively “Debentures”/“Instruments”), in one or more tranches /series, with the consent being valid for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium /discount, tenor etc., as may be determined by the Board (or any other person so authorised by the Board), based on the prevailing market condition;

**RESOLVED FURTHER THAT** the aggregate amount to be raised through the issuance of Debentures /Instruments pursuant to the authority under this Resolution shall be aggregating up to ₹ 38,372.72 Crore (Rupees Thirty Eight Thousand Three Hundred Seventy Two Crores and Seventy Two Lakhs Only) under one or more general information document(s) read with the relevant key information document(s) and private placement offer letter(s) as may be issued by the Company and in one or more tranches /series as the Board may decide;

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to do all such acts, deeds, matters and things and to negotiate, finalise, amend, execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of their powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this Resolution.”

By order of the Board  
For **HDB Financial Services Limited**

**Registered Office:**

Radhika, 2<sup>nd</sup> Floor,  
Law Garden Road, Navrangpura,  
Ahmedabad - 380 009

Place: Mumbai

Date: May 17, 2024

Sd/-  
**Dipti Khandelwal**  
Company Secretary  
FCS No.: F11340

## Notice (Contd.)

### Notes:

1. The Explanatory Statements pursuant to the provisions of Section 102 of the Companies Act, 2013 ("Act"), as amended, read with the relevant rules made thereunder, the Secretarial Standard No. 2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India, setting out the material facts and reasons, in respect of Item Nos. 6 to 8 of this Notice are annexed herewith. Additional Information, pursuant to SS-2 issued, in respect of re-appointment of Director at the 17<sup>th</sup> Annual General Meeting ("AGM") is also annexed herewith.
2. In accordance with the Ministry of Corporate Affairs, Government of India vide General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 9/2023 dated September 25, 2023 ("MCA Circulars"), electronic copies of the Annual Report for Financial Year ("FY") 2023-24 and AGM Notice, inter-alia, indicating the process and manner of e-Voting along with instructions to attend the AGM through Video-Conferencing / Other Audio-Visual means ("VC/OAVM") are being sent by email to those members, trustees for the debenture-holder of any debentures issued by the Company, holders of Non-Convertible Securities and to all other persons so entitled whose email IDs have been made available to the Company / Registrar and Transfer Agent ("RTA") i.e. Link Intime India Private Limited or with Depository Participants ("DP") unless the Member has specifically requested for a hard copy of the Annual Report. Members may note that the Annual Report for the FY 2023-24 and the AGM Notice will also be available on the Company's website at <https://www.hdbfs.com/investors> and on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The Notice is also available on the website of the e-Voting service provider engaged by the Company viz. National Securities Depository Limited ("NSDL") at <https://www.evoting.nsdl.com>.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate Members are required to send a duly certified copy of their Board Resolution authorising their representatives to attend the AGM by email to [mitesh@mjshah.com](mailto:mitesh@mjshah.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com)
5. In case of joint holders, only such joint holder who is first in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM provided the votes are not already cast by remote e-Voting by the first holder.
6. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to submit their questions in advance from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number via email at [compliance@hdbfs.com](mailto:compliance@hdbfs.com), on or before Tuesday, June 25, 2024. The same will be replied by the Company suitably.
7. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum for the AGM under Section 103 of the Act.
8. The venue of the AGM shall be deemed to be the Corporate Office of the Company at Ground Floor, Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034.
9. The Members desiring to inspect the documents referred to in this Notice and other statutory registers are requested to send an email to [dipti.khandelwal@hdbfs.com](mailto:dipti.khandelwal@hdbfs.com) with a copy marked to [compliance@hdbfs.com](mailto:compliance@hdbfs.com) mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card. An extract of such documents would be sent to the Members on their registered email address.
10. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
11. **Dividend Related Information**  
The record date for determining the names of Members eligible for dividend on Equity Shares, if declared at the AGM, is **Thursday, June 20, 2024.**

**Notice (Contd.)**

The final dividend, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Friday, June 28, 2024 to the Members, after deduction of Tax Deduction at Source (TDS), as applicable. In respect of the shares held in dematerialised mode, the dividend will be paid on the basis of beneficial ownership details to be received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for this purpose.

Members holding shares in dematerialised form are requested to intimate any change in their address or bank account details (including 9 digit MICR no., 11 digit IFSC code and core banking account number) to their respective Depository Participants with whom they are maintaining demat accounts on or before Thursday, June 20, 2024.

In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by post.

Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 01, 2020, shall be taxable in the hands of the Members and the Company shall be required to deduct TDS at the prescribed rates from the dividend to be paid to Members, subject to approval of dividend by the Members in the ensuing AGM. The TDS rate would vary depending on the residential status of the Member and the documents submitted by them and accepted by the Company. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

- a. **For Resident Shareholders,** TDS is required to be deducted at the rate of 10% under Section 194 of the IT Act on the amount of dividend declared and paid by the Company in the FY 2024-25 provided valid PAN is registered by the Members. If the valid PAN is not registered or linked to Aadhar, the TDS is required to be deducted at the rate of 20% under Section 206AA of the IT Act.

However, no tax shall be deducted on the dividend paid to resident individuals if aggregate dividend distributed

or likely to be distributed during the FY 2024-25 does not exceed ₹ 5,000. Even in the cases where the members provide valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted.

NIL / lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration as listed below:

- i. **Insurance companies:** Declaration by shareholder qualifying as Insurer as per section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN card;
- ii. **Mutual Funds:** Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the IT Act along with self-attested copies of registration documents and PAN card;
- iii. **Alternative Investment Fund (AIF) established in India:** Declaration that the shareholder is eligible for exemption under section 10(23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of self-attested registration documents and PAN card should be provided.
- iv. **New Pension System Trust:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
- v. **Other shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
- vi. Shareholders who have provided a valid certificate issued under Section 197 of the IT Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.

**For Non-Resident Shareholders,** (including Foreign Portfolio Investors) Tax is required to be withheld in accordance with the provisions of Section 195 and Section 196D of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per



## Notice (Contd.)

Section 90 of the Act, a Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:

- a) Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
- b) Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident;
- c) Self-declaration in Form 10F, needs to be submitted online on the income tax portal as required in terms of Notification No 03/2022. Form 10F submitted online along with the acknowledgment generated from the income tax portal shall be submitted. Forms submitted in any other format will be considered as invalid;
- d) Self-declaration by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having Permanent Establishment ("PE") in India would need to comply with provisions of section 206AB of the IT Act);
- e) In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate;
- f) In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Accordingly, in order to enable the Company to determine the appropriate TDS / withholding tax rate applicable, we request the members to provide these details and documents as mentioned above on or before Thursday, June 20, 2024.

The Company shall arrange to email the soft copy of TDS certificate at the registered email ID of Members post payment of the dividend.

### Section 206AB of the IT Act:

Rate of TDS @10% u/s 194 of the IT Act is subject to provisions of section 206AB of IT Act (effective from July 01, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

- A person who has not filed the income tax return for previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the IT Act has expired; and
- The aggregate of TDS and TCS in his case is ₹ 50,000 or more in previous year.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

Members are requested to inform us well in advance and before cut-off date if you are covered under the definition of 'specified person' as provided in section 206AB of the IT Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

Members are requested to upload the relevant documents on the link: <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before Thursday, June 20, 2024. in order to enable the

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Company to determine and deduct TDS at applicable rates. Failure to do so, will attract higher TDS rates as mentioned in the above paragraphs. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction received after Thursday, June 20, 2024 shall be considered for payment of dividend for FY 2023-24, if approved, at the ensuing AGM.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the members, there would still be an option available with members to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and SS-2 issued by the Institute of Company Secretaries of India, the Company is providing remote e-Voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronics means and business may be transacted through the e-Voting services. For this purpose, the Company has engaged services of NSDL for providing e-Voting services.

- Remote e-Voting facility will be available from 09:00 a.m. on Monday, June 24, 2024 and ends at 05:00 p.m. on Wednesday, June 26, 2024, after which the facility will be disabled by NSDL and remote e-Voting shall not be allowed beyond the said date and time. During this period Members of the Company, holding shares in dematerialised form, as on the cut-off date i.e. Thursday, June 20, 2024 may cast their vote electronically.
- Instructions for e-Voting are given at point no.15.

- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, June 20, 2024.

The facility for voting, through electronic voting system shall also be made available at the AGM for Members who have not already cast their vote prior to the AGM by remote e-Voting.

13. The Members, who have cast their vote prior to the AGM by remote e-Voting may also attend the AGM but shall not be entitled to vote again at the meeting. Once a vote is cast by a Member, he shall not be allowed to alter it subsequently.
14. **Procedure for registration of email address:** The Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
  - i. Members who have not registered their email IDs, are requested to kindly register the same on the website of the Company's R&T agent at the link [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) as physical copies of AGM Notice as well as the other documents will not be sent to them in physical mode and will be sent only by email, in accordance with the MCA Circulars. Post successful registration of the email, the Member would get soft copy of the AGM Notice and the procedure for e-Voting along with the User ID and Password to enable e-Voting for this AGM. In case of any queries, Member may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
  - ii. It is clarified that for permanent registration of email address, the members are requested to register their email address, by contacting Depository Participants and registering email ID and mobile number in demat account, as per the process advised by the Depository Participants.

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### 15. Instructions for Voting through electronic means ('e-Voting'):





The details of the process and manner for remote e-Voting are explained herein below:

**Step 1: Access to NSDL e-Voting system**

**Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.**

Details on Step 1 are mentioned below:

#### A. Login method for remote e-Voting and joining virtual meeting for Individual Members holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>

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Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL <a href="http://www.cdslindia.com">website www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<b>Individual Shareholders (holding securities in demat mode) can login through their depository participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

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### B. Login method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode

How to Log-in to NSDL e-Voting website?

- 1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- 2) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholders / Member" section.
- 3) A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.
- 4) Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
- 5) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

- 6) Your password details are given below:
  - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c. How to retrieve your 'initial password'?
    - i. If your email address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email address. Trace the email sent to you from NSDL in your mailbox from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned above in this notice.
- 7) If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - b) If you are still unable to get the password by aforesaid option, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number, your PAN, your name and your registered address.
  - c) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.

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- 8) After entering your password, click on Agree to “Terms and Conditions” by selecting on the check box.
- 9) Now, you will have to click on “Login” button.
- 10) After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 are mentioned below:****How to cast your vote electronically on NSDL e-Voting system and join Annual General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.
2. Select the EVEN for the Company which is 128711. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those Members whose email address are not registered with the depositories for procuring User ID and password and registration of email address for e-Voting for the resolutions set out in this notice:**

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to

[compliance@hdbfs.com](mailto:compliance@hdbfs.com). If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 i.e. Login method for e-Voting for Individual Members holding securities in demat mode.

2. Alternatively, Members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring User ID and password for e-Voting by providing above mentioned documents.

**General Guidelines for shareholders**

1. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are required to upload their Board Resolution / Power of Attorney / Authority Letter by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab or send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by email to [mitesh@mishra.com](mailto:mitesh@mishra.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password” option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any queries relating to e-Voting you may refer to the Frequently Asked Questions (“FAQs”) for Shareholders and e-Voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com).
4. In case of any grievances connected with facility for e-Voting, please contact Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: [evoting@nsdl.com](mailto:evoting@nsdl.com) 022 - 4886 7000 and 022 - 2499 7000.



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5. In case of any other queries shareholder can contact: M/s. Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083, Tel No: +91 22 49186000, Fax No: +91 22 49186060, Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
16. **Instructions for members for attending the AGM through VC / OAVM are as under:**
  1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" tab. You are requested to click on VC/OAVM link placed under Join Meeting tab.
  2. The link for VC/ OAVM will be available in "shareholders/ members" login where the EVEN of Company will be displayed.
  3. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
  4. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. Further, a facility will be provided to the Members attending the meeting through VC/OAVM whereby they can pose questions concurrently, during the preceding of the meeting.
  5. Please note that Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Members are also encouraged to join the meeting through Laptops for better experience.
  6. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) 022 - 4886 7000 and 022 - 2499 7000 or contact Mr. Amit Vishal, Assistant Vice President or Mr. Abhijeet Gunjal, Assistant Manager - NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com) 022 - 4886 7000 and 022 - 2499 7000.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by sending their request from their registered email address mentioning their name, DP ID and Client ID, PAN, mobile number at [compliance@hdbfs.com](mailto:compliance@hdbfs.com) from Monday, June 17, 2024 (09:00 a.m. IST) to Saturday, June 22, 2024 (05:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
17. **Instruction for e-Voting during the AGM**  
The members present, who have not cast their vote on resolutions through remote e-Voting can cast their vote through e-Voting during the AGM by following the instruction as mentioned in point 15 above. The e-Voting facility will be enabled during the AGM on Thursday, June 27, 2024 at 12:00 noon till the conclusion of the AGM.
18. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, June 20, 2024, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
19. The Board of Directors of the Company has appointed Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, Mumbai, to act as the Scrutiniser to scrutinise the e-Voting process in a fair and transparent manner.
20. The Scrutinisers shall submit a consolidated report of the total votes cast in favour or against, if any, on each of the resolutions set out in this Notice, not later than three days from the conclusion of the AGM to the Chairman. The result of the voting will be announced within three days after the conclusion of the AGM at the Company's website at [www.hdbfs.com](http://www.hdbfs.com).

**Notice (Contd.)****ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 6**

The Board of Directors of the Company, based on recommendation of Nomination and remuneration Committee Meeting, had approved the appointment of Mr. A K Viswanathan as an Independent Director of the Company with effect from July 24, 2019. His appointment was approved by the Members at their meeting held on June 30, 2020 for 5 (Five) consecutive years for a term up to July 23, 2024. The tenure of Mr. A K Viswanathan is due to expire on July 23, 2024.

Further, Nomination and Remuneration Committee in its meeting held on May 17, 2024 had undertaken the due diligence process and based on the report of performance evaluation, recommended re-appointment of Mr. A K Viswanathan as an Independent Director of the Company. The Board of Directors of the Company at its meeting held on May 17, 2024, on recommendation of the Nomination and Remuneration Committee, had approved the re-appointment of Mr. A K Viswanathan as an Independent Director of the Company to hold office for a further period of three (3) consecutive years commencing from July 24, 2024 to July 23, 2027 (both days inclusive) subject to approval of the Members at the ensuing Annual General Meeting. Pursuant to the provisions of Section 149 of Companies Act, 2013 and pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Independent Director can be appointed for second term by passing a Special Resolution.

The Company has received declaration from Mr. A K Viswanathan to the effect that he continue to fulfils all criteria for independence under the Companies Act, 2013 and rules

made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and in the opinion of the Board of Directors of the Company, Mr. A K Viswanathan is independent of the management of the Company and fulfils the conditions specified in the Companies Act, 2013, the rules made thereunder and SEBI Listing Regulations for re-appointment as an Independent Director. Further, the Board of Directors of the Company is of the opinion that Mr. A K Viswanathan is a person of integrity and has relevant experience and expertise to be re-appointed as an Independent Director of the Company for the period of three consecutive years. Mr. A K Viswanathan satisfies the fit and proper criteria as prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. A K Viswanathan for re-appointment as an Independent Director of the Company.

**Brief Profile of Mr. A K Viswanathan:**

Mr. A K Viswanathan is a Retired Partner of Deloitte Touche Tohmatsu India LLP. He holds a bachelor degree in commerce. He is a member of Institute of Chartered Accountants of India (ICAI), American Institute of Certified Public Accountants (AICPA) and Information Systems Audit & Controls Association (ISACA). He has experience of over 43 years. At Deloitte, he led relationship for Risk advisory services for Tata Group, Cyber Security Services for Financial Service Industry (FSI) in India and India relationship for Barclays India. He is a Certified Coach in Marshall Goldsmith Stakeholders Centered Coaching, Member of Institute of Directors, India and Governing Council Member, Learning & Organisation Development Roundtable.



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Additional Information of Director as required under Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) is given hereunder:

Name of Director	<b>Mr. Adayapalam Kumaraswamy Viswanathan</b>
DIN	<b>08518003</b>
Age	<b>66 years</b>
A brief resume, Qualification(s), Experience, Skills, Capabilities and Expertise in specific functional areas, Recognition or awards	<b>As mentioned in explanatory statement above</b>
Terms and conditions of appointment/ re-appointment	<b>As mentioned in explanatory statement above</b>
Remuneration last drawn and sought to be paid	<b>Sitting fees for attending Board and Committee meetings of the Company, reimbursement of expenses for attending Board and Committee meetings as applicable and profit related commission</b>
Date of first appointment on the Board	<b>July 24, 2019</b>
Shareholding in the Company	<b>Nil</b>
Relationship with other Directors, Manager and other Key Managerial Personnel	<b>None</b>
The number of Meetings of the Board attended during financial year 2023-24	<b>During the year, seven meetings of the Board were held and he attended six of them.</b>
Other Directorships (excluding HDB Financial Services Limited)	<b>Nil</b>
Membership / Chairmanship of Committees of other Board	<b>Nil</b>

Accordingly, the approval of the Members is being sought for the re-appointment of Mr. A K Viswanathan as an Independent Director of the Company for a period of 3 (three) consecutive years commencing from July 24, 2024 up to July 23, 2027 (both days inclusive), pursuant to the provisions of Sections 149, 152 and Schedule IV of the Companies Act 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable rules and shall not be liable to retire by rotation.

The Board recommends the resolution as set out at Item No. 6 of the accompanying Notice for the approval of the Members.

Except Mr. A K Viswanathan, being an appointee and his relatives, to the extent of their shareholding interest, if any, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

### Item No. 7

The Members of the Company at the 16<sup>th</sup> Annual General Meeting held on June 30, 2023 had granted their approval by way of Special Resolution to the Board of Directors of

the Company to sell /assign /securitise substantial assets including present and /or future receivables /book debts of the Company to the holders of Debentures/Bonds/ Pass Through Certificates and other instruments for an aggregate amount not exceeding ₹ 7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only).

Members of the Company are requested to note that Company may raise funds by way of sell/ direct assignment/ securitisation of the present and /or future receivables/ book debts of the Company to any Bank or Financial Institution or Asset Reconstruction Companies as per the terms approved by the Board of Directors.

The sell/ assignment/ securitisation of the present and /or future receivables /book debts of the Company may result into disposal of undertaking as defined in the explanation to Section 180(1)(a) of the Companies Act, 2013. As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall not sell, assign or securitise the receivables/ book debts of the Company without the consent of the Members of the Company, accorded at the Annual General Meeting by means of a Special Resolution.

**Notice (Contd.)**

In view of the aforesaid, the Board of Directors at its meeting held on May 17, 2024 has, subject to the approval of the Members, approved to sell /assign /securitise present and / or future receivables/ book debts of the Company within overall limits as approved by the Members of the Company pursuant to Section 180(1)(a) of the Act.

Accordingly, the approval of the Members is being sought by way of Special Resolution, authorising the Board of Directors to sell /assign /securitise substantial assets including present and /or future receivables /book debts of the Company, to the holders of Debentures /Bonds /Pass Through Certificates / Security Receipts and other instruments for an aggregate amount not exceeding ₹ 9,000 Crore (Rupees Nine Thousand Crore Only).

The Board recommends the resolution as set out at Item No. 7 of the accompanying Notice for the approval of the Members.

Save and except for the shareholding interest, if any, held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

**Item No. 8**

The Company has been raising funds by offer and/or invite for issuing non-convertible debentures, secured or unsecured, listed/unlisted, fixed rate or market /bench mark linked and /or any other debt instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital (hereinafter referred to as "Debt Securities") on private placement basis, from time to time.

In terms of Section 71 which deals with the issue of debentures read with Section 42 of the Companies Act, 2013, which deals with the offer or invitation for subscription of debentures of the Company on private placement basis read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make private placement of its debentures only after receipt of prior approval of its Members 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 the debentures to be issued during a year and such a special resolution is required to be passed every year.

Accordingly, the shareholders at the 16<sup>th</sup> Annual General Meeting held on June 30, 2023 and vide postal ballot dated February 28, 2024 had accorded their approval to the Company for issuance of Debt Securities as mentioned below:

- A. Non-Convertible Debentures (NCDs) up to a limit of ₹ 30,697.22 Crore (Rupees Thirty Thousand Six Hundred and Ninety Seven Crore and Twenty Two Lakhs Only). During the year ended March 31, 2024, the Company had raised NCDs of ₹ 16,324.50 Crore (Rupees Sixteen Thousand Three Hundred and Twenty Four Crore and Fifty Lakhs Only) and the unutilised limit of ₹ 14,372.72 Crore (Rupees Fourteen Thousand Three Hundred and Seventy Two Crore and Seventy Two Lakhs Only) is available for issuance of NCDs.
- B. Subordinated Bonds (Sub Debts) up to a limit of ₹ 3,500 Crore (Rupees Three Thousand and Five Hundred Crore Only) which included existing limit of ₹ 500 Crore (Rupees Five Hundred Crore Only) and new limit of ₹ 3,000 Crore (Rupees Three Thousand Crore Only) (which was approved vide postal ballot on February 28, 2024). During the year ended March 31, 2024 the Company had raised Sub Debts of ₹ 2,000 Crore (Rupees Two Thousand Crore Only). The unutilised limit of ₹ 1,500 Crore (Rupees Fifteen Hundred Crore Only) is available for issuance of Sub Debts.
- C. Perpetual Debt Instruments (PDIs) up to a limit of ₹ 850 Crore (Rupees Eight Hundred and Fifty Crore Only) which included existing limit of ₹ 350 Crore (Rupees Three Hundred and Fifty Crore Only) and new limit of ₹ 500 Crore (Rupees Five Hundred Crore Only) (which was approved vide postal ballot on February 28, 2024). During the year ended March 31, 2024 the Company had raised PDIs of ₹ 350 Crore (Rupees Three Hundred and Fifty Crore Only). The unutilised limit of ₹ 500 Crore (Rupees Five Hundred Crore Only) is available for issuance of PDIs.

The Board, at its meeting held on April 16, 2024, has approved issuance of NCDs, Sub Debts and PDIs from the above unutilised limit of Debt Securities and in addition to the above limit, has also approved new limit for issuance of NCDs of ₹ 10,000 Crores, subject to the approval of the

## Notice (Contd.)

Members. Further, the Board at its meeting held on May 17, 2024 has approved additional new limit for issuance of NCDs of ₹ 12,000 Crore (in addition to the new limit of ₹ 10,000 crores approved in April 16, 2024, the revised new limit would sum up to ₹ 22,000 crores) within the overall limit of borrowing as approved by the members pursuant to Section 180 (1)(c) of the Companies Act, 2013, from time to time, on the date of issue. Thus, the approved limit of NCDs, Sub Debts and PDIs for Issuance is ₹ 36,372.72 Crores, ₹ 1,500 Crores and ₹ 500 Crores respectively.

In terms of the requirements of Resource Planning Policy of the Company and business planning for the FY 2024-25, it is expected that the Company will issue Debt Securities which shall not exceed the aforesaid limit. The Debt Securities proposed to be issued by the Company will be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

Pursuant Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 certain disclosures are required to be made in the explanatory statement annexed to the notice for Members approval under Section 42 of the Companies Act, 2013.

The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out herein below:

- a) Particulars of the offer including date of passing of board resolution: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1(one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time;
- b) Kinds of securities offered and price at which security is being offered: This special resolution is restricted to the private placement issuance of Debt Securities, with the terms of each issuance being determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time, for each issuance;

- c) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable at this stage. This will be determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time, for each issuance;
- d) Name and address of valuer who performed valuation: Not applicable;
- e) Amount which the Company intends to raise by way of such securities: As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013 of up to ₹ 38,372.72 Crore (Rupees Thirty Eight Thousand Three Hundred Seventy Two Crores and Seventy Two Lakhs Only);
- f) Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for a period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time and shall be specified in the relevant transaction documents.

In view of the aforesaid, the Board of Directors at their meetings held on April 16, 2024 and May 17, 2024, has approved issuance of Debt securities in one or more tranches, on private placement basis and within the overall borrowing limit of ₹ 1,25,000 Crore (Rupees One Lakh Twenty Five Thousand Crore Only).

Accordingly, the approval of the Members is being sought by way of special resolution as set out at Item No. 8 of this Notice authorising the Board to issue Debt Securities and /or any other debt instruments (not in the nature of equity Shares) which may or may not be classified as being Tier I or Tier II capital under the provisions of the RBI



## Notice (Contd.)

Master Directions, for an aggregate amount not exceeding ₹ 38,372.72 Crore (Rupees Thirty Eight Thousand Three Hundred Seventy Two Crores and Seventy Two Lakhs Only) on a private placement basis during a period of one year from the date of passing of the resolution.

The Board, accordingly, recommends the passing of the Special Resolution as set out at Item No. 8 of this Notice, for the approval of the Members.

None of the Directors and / or Key Managerial Personnel and / or their relatives are in any way concerned or interested, financially or otherwise in the said resolution, except to the extent of Debt Securities that may be subscribed by companies/firms in which they are interested.

### Registered Office:

Radhika, 2<sup>nd</sup> Floor,  
Law Garden Road, Navrangpura,  
Ahmedabad - 380 009

Place: Mumbai

Date: May 17, 2024

By order of the Board  
For **HDB Financial Services Limited**

Sd/-  
**Dipti Khandelwal**  
Company Secretary  
FCS No.: F11340

# Directors' Report

Dear Members,

Your Directors take pleasure in presenting the Seventeenth Annual Report on the business and financial operations of your Company together with the audited accounts for the financial year ended March 31, 2024.

## SUMMARY OF FINANCIAL PERFORMANCE

(₹ in Crore)

Particulars	FY 2023-24	FY 2022-23
Total Income	14,171.12	12,402.88
Total Expenditure (excluding depreciation)	10,721.31	9,663.64
Profit/(Loss) before Depreciation & Tax	3,449.81	2,739.24
Less: Depreciation	145.14	111.84
Profit before Tax	3,304.67	2,627.40
Tax Expense	843.83	668.05
Profit after Tax	2,460.84	1,959.35
Other Comprehensive Income (net of tax)	(36.40)	10.56
Total Comprehensive Income after tax	2,424.44	1,969.91
<b>Appropriations from Profit after Tax:</b>		
Transfer to Reserve Fund under Section 45-IC of the RBI Act, 1934	492.17	391.87
Dividend Paid	245.38	150.24
Dividend Tax thereon	0.00	0.00
Balance carried forward to Balance Sheet	1,723.29	1,417.24

Your Company posted total income and net profit of ₹ 14,171.12 Crore and ₹ 2,460.84 Crore, respectively, for the financial year ended March 31, 2024, as against ₹ 12,402.88 Crore and ₹ 1,959.35 Crore respectively, in the previous financial year. Your Company has transferred an amount of ₹ 492.17 Crore to Reserve Fund under Section 45-IC of the RBI Act, 1934.

## DIVIDEND & DIVIDEND DISTRIBUTION POLICY

The Board of Directors of the Company, at its meeting held on April 16, 2024, has recommended a final dividend of ₹ 1/- (Rupee One only) per equity share i.e. 10% (Ten percent) on each equity share of face value of ₹ 10 (Rupees Ten only) entailing a total payout of ₹ 79.31 Crore. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) to be held on June 27, 2024. During the year, the Company has paid an Interim Dividend of ₹ 2/- (Rupees Two Only) per equity share i.e. 20% on each equity share of face value of ₹ 10 (Rupees Ten only), aggregating to ₹ 158.33 Crore.

The Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution framework to the Stakeholders of the Company. The policy

sets out various internal and external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company and can be accessed at <https://www.hdbfs.com/investors>.

**Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report**

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 to which the financial statements relate and the date of this Report.

## CAPITAL STRUCTURE

As at March 31, 2024, the issued, subscribed and paid-up share capital of your Company was ₹ 7,93,07,45,660 (Rupees Seven Hundred Ninety-Three Crore Seven Lakhs Forty-Five Thousand Six Hundred Sixty Only) comprising of 79,30,74,566 (Seventy-Nine Crore Thirty Lakhs Seventy-Four Thousand Five Hundred Sixty-Six) equity shares of ₹ 10 each.

**Directors' Report (Contd.)**

During the year, your Company has issued 16,75,483 equity shares. The details of which are provided below:

No. of fully paid up equity shares	Date of allotment	Purpose
2,51,984	July 27, 2023	Shares were issued to employees under the Employees Stock Option Scheme
6,06,877	December 07, 2023	Shares were issued to employees under the Employees Stock Option Scheme
8,16,622	February 21, 2024	Shares were issued to employees under the Employees Stock Option Scheme

**CAPITAL ADEQUACY**

Capital adequacy as at March 31, 2024 under Ind-AS stood at 19.25% which is well above the minimum regulatory norms for non-deposit accepting NBFCs.

**RATINGS**

The CARE Ratings Limited (CARE) and CRISIL Ratings Limited (CRISIL) have reaffirmed highest ratings for the various facilities availed by the Company, details of which are given below:

Facility	CARE	Amount (₹ in Crore)	CRISIL	Amount (₹ in Crore)
Bank Facilities	CARE AAA; Stable	40,000.00	CRISIL AAA/Stable	40,000.00
Short Term Debt Program	CARE A1+	5,000.00	CRISIL A1+	5,000.00
Non-Convertible Debentures	CARE AAA; Stable	52,500.00	CRISIL AAA/Stable	49,036.82
Market Linked Debentures*	CARE PP-MLD AAA; Stable	Nil	CRISIL PP-MLD AAA/Stable	Nil
Subordinated Bonds	CARE AAA; Stable	5,900.00	CRISIL AAA/Stable	5,250.00
Perpetual Bonds	CARE AAA; Stable	1,500.00	CRISIL AAA/Stable	1,500.00

\*During the year Market Linked Debentures redeemed fully and ratings are withdrawn.

All of the above ratings indicate a high degree of safety with regard to timely payment of interest and principal amount.

**BORROWINGS**

Your Company has diversified funding sources from Public Sector, Private Sector, Foreign Banks, Mutual Funds, Insurance Companies, Pension Funds, Financial Institutions etc. Funds were raised in line with Company's Resource Planning Policy through Term Loans, Non-Convertible Debentures ("NCDs"), Subordinated Bonds, Perpetual Bonds and Commercial Papers Instruments. The details of funds raised during the year are as below:

#	Borrowings / Security type	Credit rating		Amount raised (₹ In Crore)
		CARE	CRISIL	
1	Term Loans from Banks and Financial Institutions*	CARE AAA; Stable	CRISIL AAA/Stable	20,494.50
2	Secured Redeemable Non-Convertible Debentures	CARE AAA; Stable	CRISIL AAA/Stable	16,324.50
3	Commercial Paper	CARE A1+	CRISIL A1+	6,250
4	Market Linked Debentures	CARE PP-MLD AAA; Stable	CRISIL PP-MLD AAA/Stable	Nil
5	Subordinated Bonds	CARE AAA; Stable	CRISIL AAA/Stable	2,000
6	Perpetual Bonds	CARE AAA; Stable	CRISIL AAA/Stable	350
	<b>Grand Total</b>			<b>45,420</b>

\*Includes ECB and excludes WCDL/CC



## Directors' Report (Contd.)

No interest payment or principal repayment of the Term Loans was due and unpaid as on March 31, 2024. The assets of the Company which are available by way of security are sufficient to discharge the claims of the banks and financial institutions as and when they become due.

Secured Redeemable Non-Convertible Debentures, Unsecured Redeemable Subordinated Bonds, Unsecured Perpetual Debt Instruments are issued by your Company on private placement basis and the rating for various facilities indicates the highest degree of safety with regard to timely servicing of financial obligations.

Perpetual Debt Securities are 8.06% of Tier I capital of the Company. An amount of ₹ 1,000 Crore are outstanding as on March 31, 2024. During the year Company had raised ₹ 350 Crore through Perpetual Debt Securities.

NCDs were issued with maturity period ranging from 15 to 75 months. The interest payable on all the debt securities is either annually or quarterly or on maturity. No interest was due and unpaid as on March 31, 2024. The Company had received one grievance from the debt security holder on tax deduction on payment of interest, the same was resolved within the regulatory timelines. The assets of the Company which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

The above mentioned Debt securities are listed on Wholesale Debt Market (WDM) segment of the BSE Limited and Commercial Papers were listed on National Stock Exchanges of India Limited.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes that CSR is a way of creating shared value and contributing to social and environmental good.

### BOARD OF DIRECTORS

As on March 31, 2024, the Board comprised of nine members consisting of one Executive Director, one Part-Time Non-Executive Chairman & Independent Director, one Non-Executive Director and six Non-Executive Independent Directors including three Women Directors. Changes in Directors during the financial year 2023-24 are given below:

Name of the Director/ KMP	Nature of change	With effect from
Mr. Arijit Basu (DIN: 06907779)	Cessation from the position of Chairman and Non-Executive Director (Non-Independent)	May 31, 2023
Mr. Arijit Basu (DIN: 06907779)	Appointment as a Part-Time Non-Executive Chairman and Independent Director for a period of three years	May 31, 2023
Mr. Jimmy Tata (DIN: 06888364)	Appointment as a Non-Executive Director (Non-Independent) for a period of three years	July 15, 2023
Mr. Jayesh Chakravarthy (DIN: 08345495)	Appointment as a Non-Executive Independent Director for a period of three years	January 25, 2024
Dr. Amla Samanta (DIN: 00758883)	Re-appointment as an Non-Executive Independent Director for a period of three years	May 01, 2024

Our endeavor is to mainstream economically, physically and socially challenged groups and to draw them into the cycle of growth, development and empowerment. To achieve this, your Company collaborates with development-focused NGOs, involves local communities in the development process and works with systems & frontline staff to achieve desirable social outcomes in a sustainable manner.

The Company's CSR interventions are designed to strengthen the healthcare infrastructure & services, empower youth through skill development and education initiatives, and support environmentally sustainable programs. All CSR initiatives are implemented in accordance with the Schedule VII of the Companies Act, 2013 ("Act").

The brief outline of CSR Policy, including overview of the program proposed to be undertaken, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of amount spent on CSR activities during the financial year have been disclosed in "Annexure A" to this report, as mandated under the said Rules. Further, the Corporate Social Responsibility Policy of the Company as approved by the Board has been hosted on the website of the Company at <https://www.hdbfs.com/investors>.

As per Section 135 of the Act, the Company was required to spend an amount of ₹ 29.97 Crore equivalent to 2% of the 'average net profits' of the last three (3) financial years. After adjusting the excess spend of ₹ 0.76 Crores for FY 2022-23, the total CSR obligation of the Company was ₹ 29.21 Crore. During the FY 2023-24, the Company has disbursed and utilised an amount of ₹ 31.30 Crore on CSR activities as against total CSR obligation of ₹ 29.21 Crore.





## Directors' Report (Contd.)

Board at its meeting held on May 17, 2024 approved re-appointment of Mr. A K Viswanathan (DIN: 08518003) as an Independent Director, for a further period of three consecutive years commencing from July 24, 2024 till July 23, 2027 (both days inclusive) subject to approval of the Members of the Company.

### KEY MANAGERIAL PERSONNEL

Mr. Ramesh G, Managing Director & Chief Executive Officer; Mr. Jaykumar Shah, Chief Financial Officer and Ms. Dipti Khandelwal, Company Secretary are 'Key Managerial Personnel' of the Company under the provisions of Section 203 of the Companies Act, 2013. No change in Key Managerial Personnel took place during the year under review.

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations/disclosures from each Independent Director of the Company under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have also confirmed compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

Further, based on these disclosures and confirmations, the Board is of the opinion that the Directors of the Company are distinguished persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as the Director of the Company.

### DIRECTORS & OFFICERS LIABILITY INSURANCE

The Company has taken Directors & Officers Liability Insurance for all its Board of Directors and members of Senior Management for such quantum and risks as determined by the Board.

### MEETINGS

During the year, seven Board Meetings were convened and held, the details of which are given in the report on Corporate Governance, which is forming a part of this Directors' Report. The intervening gap between the said Board Meetings was within the period prescribed under the Act. The details of the Board and Committee Meetings, and the attendance of Directors thereat, forms part of the Corporate Governance Report, which is annexed to this Directors' Report.

### BOARD COMMITTEES

Your Company has seven Board Level Committees - Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility & ESG Committee, Risk Management Committee, Information Technology Strategy Committee and Customer Service Review Committee.

The details of the role and composition of these Committees, including the number of Meetings held during the financial year and attendance at these Meetings are provided in the Corporate Governance Section of the Annual Report. Further, the functions, roles & responsibilities and terms of reference of these committees are included in the Corporate Governance Code available on the Company's website at <https://www.hdbfs.com/investors>

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Annual Performance Evaluation of the Board, its Committees and each Director has been carried out for the year under review. The details of evaluation process of the Board, its Committees and individual Directors have been disclosed in the Corporate Governance Report forming part of this Annual Report.

The evaluations of the Individual Performance of Directors (including Independent Directors), the Board, the Committees and the Chairman of the Board were undertaken through circulation of seven questionnaires each for the Individual Performance of Directors, the Board, the Committees and the Chairman of the Board. The performance of the Board was assessed on selected parameters related to Board Composition & Quality, Board Meetings and Procedures, Board Development, Board Strategy and Risk Management, Board and Management Relations, Stakeholder value and responsibility. The evaluation criteria for the Individual Performance of Directors were based on their Knowledge,

## Directors' Report (Contd.)

Diligence & Participation, Leadership, Personal Attributes etc. The evaluation criteria for the Committees related to its Function and Duties, Management Relations, Committee Meetings and Procedures. The evaluation criteria for the Chairman of the Board besides the general criteria adopted for assessment of all Directors, Participation at Board/ Committee Meetings, Managing Relationship, Knowledge and Skill, Personal Attributes, Independence and Leadership. The evaluation criteria for the Managing Director was based on Leadership, Strategy Formulation and execution, Financial planning/ performance, Relationships with the Board, External Relations, Human Resource Management/Relations, Succession and Product/Service Knowledge.

### COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

### DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

- i. that in preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2024 and of the profits of the Company for the said year;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis;
- v. that the Company had laid down internal financial controls to be followed and that such internal financial controls are adequate and were operating effectively; and

- vi. that systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### VIGIL MECHANISM/ WHISTLE BLOWER POLICY

As per the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company is required to establish an effective Vigil Mechanism for Directors and employees to report genuine concerns. The Company as part of the 'vigil mechanism' has in place a Board approved 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website of the Company and can be accessed at <https://www.hdbfs.com/investors>.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimisation of employees and directors and also provides direct access to the Chairman of the Audit Committee in exceptional circumstances. The whistle blower complaints are reviewed by the Audit Committee on a quarterly basis.

During the year under review, one complaint was received by the Company. The said complaint was investigated and addressed as per the policy and there was no outstanding complaint as on March 31, 2024. One pending complaint as on March 31, 2023 was closed during the FY 2023-24. None of the personnel of your Company were denied access to the Audit Committee.

### DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and Rules framed thereunder. The said policy is uploaded on the website of the Company which can be accessed at <https://www.hdbfs.com/policies>. Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has received Thirty-Nine complaints of which Twenty-Eight complaints were investigated and addressed as per the policy and Eleven complaints were under investigation as on March 31, 2024. All Five open complaints during the previous year ending March



## Directors' Report (Contd.)

31, 2023 were closed in the reporting year. These Complaints are reviewed by the Board of Directors on quarterly basis.

### STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Sections 139 and 141 of the Act and Rules made thereunder, the Shareholders in the 15<sup>th</sup> Annual General Meeting had ratified the appointment of M/s. KKC & Associates LLP (formerly Khimji Kunverji & Co. LLP) and M/s. B. K. Khare & Co. Chartered Accountants as the Joint Statutory Auditors of the Company, to hold office for a continuous period of three years until the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company.

Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for FY 2023-24 is disclosed in the Financial Statements forming part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the year under review.

One instance of fraud (identified by Company) in terms of the provisions of section 143(12) of the Act have been reported by the Statutory Auditors in their report for the FY 2023-24.

The Board of Directors in its meeting held on April 16, 2024 recommended the appointment of M/s. Kalyaniwalla & Mistry LLP (ICAI Firm Registration No. 104607W/ W100166) and M/s. G D Apte & Co. (ICAI Firm Registration No. 100515W) as Joint Statutory Auditors of the Company, in terms of the RBI guidelines, to hold office for a continuous period of three years until the conclusion of 20<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027, to the shareholders for approval.

### SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Act and Rules thereunder and Regulation 24A of the SEBI Listing Regulations, M/s. Mehta & Mehta, Practicing Company Secretaries were appointed as the Secretarial Auditor of the Company, to conduct Secretarial Audit for FY 2023-24.

The Report of the Secretarial Auditor in Form MR-3 is annexed as 'Annexure B'. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in its Report for the year under review.

### MAINTENANCE OF COST RECORDS

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the

Act are not applicable for the business activities carried out by the Company as the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for the services rendered by the Company.

### NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Board has formulated Nomination and Remuneration Policy of the Company which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors, identification of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management. The Nomination and Remuneration Policy also covers the Remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Nomination and Remuneration Policy is available on the website of the Company at <https://www.hdbfs.com/investors>.

### EMPLOYEES STOCK OPTION SCHEME (ESOS)

The information pertaining to ESOS in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given in 'Annexure C'.

### STATUTORY DISCLOSURES

- i. Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Act and Regulation 62(1)(k) of the SEBI Listing Regulations, the Annual Return of the Company as on March 31, 2024 in the prescribed Form MGT-7 is available on the website of the Company at <https://www.hdbfs.com/investors>.
- ii. Disclosures in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in 'Annexure D'. Further, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Act, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

## Directors' Report (Contd.)

- iii. There has been no change in the nature of business of the Company during the year under review.

### RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. Pursuant to the provisions of Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed as '**Annexure E**'. The Related Party Transactions Policy has been hosted on the website of the Company at <https://www.hdbfs.com/investors>.

### CORPORATE GOVERNANCE REPORT

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance of the Company forms part of the Annual Report.

All Board members and senior management personnel have affirmed compliance with the Company's code of conduct for FY 2023-24. A declaration to this effect signed by the Managing Director is included in Corporate Governance Report forming part of this Annual Report.

A certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed as '**Annexure F**' to this Report.

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to section 186(11) of the Act, the provisions related to loans made, guarantees given and securities provided do not apply to the Company.

As regards investments made by the Company, the details of the same are provided in note no. 9 to the financial statements of the Company for the year ended March 31, 2024.

### SUBSIDIARIES, JOINT VENTURES, ASSOCIATE COMPANIES

During the year under review, your Company had no subsidiary, joint venture or associate company. Also, the Company did not become a part of any joint venture during the year.

Accordingly, as at the end of the year under review and also as on the date of this Report, your Company does not have any subsidiary or associate Company and your Company is not a part of any joint venture.

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

Your Company has been increasingly using information technology in its operations and promotes conservation of resources. The details of foreign exchange earnings and foreign exchange expenditures are as below:

(₹ in Crore)

#	Particulars	FY 2023-24	FY 2022-23
1	Foreign exchange earnings	Nil	Nil
2	Foreign exchange expenditures	5.85	4.21

### FIXED DEPOSITS

Your Company is a non-deposit taking Company. The Company has not accepted any fixed deposit during the FY 2023-24.

### RBI GUIDELINES

Reserve Bank of India ("RBI") granted the Certificate of Registration to the Company in December 2007 vide Registration No. N.01.00477, to commence the business of a Non-Banking Financial Institution without accepting deposits. Your Company is a Non-Banking Financial Company - Upper Layer (NBFC - UL). Your Company has complied with and continues to comply with RBI Scale Based Regulations and other applicable regulations.

**Directors' Report (Contd.)****Management Discussion and Analysis****GLOBAL ECONOMIC OVERVIEW**

In Calendar Year (CY) 2023, the global economy showcased remarkable resilience, with projections indicating continued stability. Global growth is expected to remain at 3.2% in CY 2024, and to be stable in CY 2024 & CY 2025. This upturn is propelled by robust government and private expenditures, buoyed by real disposable income gains, lowering fuel prices and fading supply chain pressures.

The US Federal Reserve, through the Federal Open Market Committee (FOMC), announced its interest rate decision in March 2024, opting to maintain the interest rates unchanged at 5.25-5.50% for the fifth consecutive time. Since March 2022, the US Central Bank has increased rates 11 times, aiming to mitigate the fastest inflation rate seen in decades.

Global headline inflation is expected to decline to 5.8% in CY 2024, followed by a further drop to 4.4% in 2025, a downward revision from previous forecasts. This decline is attributed to the alleviation of supply-side constraints and the implementation of restrictive monetary policies, leading to a faster-than-anticipated recession in most regions. However, economic activity is being impeded by elevated central bank rates and diminished government spending due to high debt levels. Despite these challenges, many economists remain optimistic about the prospects for economic recovery. High-frequency activity indicators generally suggest a continuation of recent moderate growth. India shows clear signs of strong near-term momentum, while Europe exhibits relative weakness, and most other major economies indicate mild near-term growth.

The latter part of CY 2023 witnessed economic expansion surpassing expectations, particularly in the United States and several key emerging markets and developing economies. Growth in advanced economies stood at 1.6 % in CY 2023 and is anticipated to marginally increase at 1.7% in CY 2024, further improving to 1.8% in CY 2025. Additionally, emerging and developing markets are anticipated to remain stable at 4.2% in CY 2024 and CY 2025.

*(Source: OECD Economic Outlook, Interim Report April 2024)*

**World Economic Outlook Growth Projections**

GDP (In %)

	Year-on-Year		
	Estimate	Projections	
	2023	2024	2025
World	3.2%	3.2%	3.2%
Advanced Economies	1.6%	1.7%	1.8%
Emerging Market and Developing Economies	4.3%	4.2%	4.2%

*(Source: World Economic Outlook, International Monetary Fund, April 2024)*

**INDIAN ECONOMY**

According to the International Monetary Fund (IMF), India's growth forecast has been revised upwards due to better-than-expected resilience in its domestic demand. As per the WEO Report published in April 2024, the IMF expects India's GDP to grow by 7.8% in FY 2023-24, up from the 6.3% forecast made on October 31, 2023. Resilience in domestic demand, government initiatives, and structural reforms is driving growth in India, with its GDP projected to remain strong at 6.5% in both FY 2023-24 and FY 2024-25.

The RBI's Monetary Policy Committee (RBI MPC) in April 2024 opted for a cautious approach, keeping the repo rate unchanged at 6.5% for the seventh consecutive time. This decision came after a period of tightening in early 2023. Prior to that, the RBI had been actively raising rates, implementing a series of hikes totalling 250 basis points between May 2022 and February 2023. This latest decision suggests the MPC is carefully evaluating the impact of previous rate adjustments before potentially considering further action.

The RBI's decision was influenced by the strengthening of domestic economic activity, with real gross domestic product (GDP) expected to grow by 7.3% year-on-year in FY 2023-24, supported by robust investment activity. Gross value added (GVA) expanded by 6.9% in FY 2023-24, driven by the manufacturing and services sectors. Looking ahead,



## Directors' Report (Contd.)

the outlook is positive, supported by expectations of a healthy Rabi harvest, sustained manufacturing profitability, and a resilient service sector. Household consumption is anticipated to rise, and prospects for fixed investment are strong, driven by an upturn in private capital expenditure, improved business sentiment, healthy bank and corporate balance sheets, and the Government's emphasis on capital expenditure. Improvements in global trade and increased integration in the global supply chain are also expected to bolster economic activity further in FY 2024-25.

*(Source: International Monetary Fund, RBI, Department of Economic Affairs Report on Monthly Economy Review, January 2024)*

### OUTLOOK

The global economic outlook for CY 2024 and CY 2025 presents a mixed picture. While growth is projected to remain stable, supported by government spending across the globe and lower fuel prices, there is a potential downside. Raising interest rates as a measure to combat inflation presents a complex situation. While it can help curb price increases, there is a risk of triggering recessions. Recent instances, such as the UK and Japan entering technical recessions in late 2023, exemplify this dilemma. The risk is further exacerbated by external factors like geopolitical tensions and volatility in energy prices. Additionally, unsustainable government debt and political instability can weaken economies, making them more vulnerable to downturns. This demonstrates the importance of adopting a nuanced approach to controlling inflation without inadvertently pushing economies into recession.

However, a bright spot emerges in India. The IMF has revised its growth forecast upwards to 7.8% for FY 2023-24, citing the country's resilient domestic demand. Additionally, the RBI's decision to sustain interest rates allows the Indian economy to maintain its strong momentum. While India's central bank acknowledges inflation concerns, it is taking a multifaceted approach – a combination of monetary and fiscal measures, including interest rate adjustments and export restrictions – to navigate these challenges and manage inflationary pressures effectively.

*(Source: RBI, India Today)*

### INDUSTRY OVERVIEW

India's NBFC sector has emerged as a powerful financial inclusion and economic growth driver. Key segments like housing finance, microfinance, and consumer finance have fuelled its impressive expansion to a US\$ 326 Bn industry by FY 2023-24. This growth can be attributed to a rising middle class, supportive Government policies that promote financial inclusion, and a stable macroeconomic environment.

Furthermore, NBFCs have leveraged digitalisation to offer faster, more efficient loan options, particularly to the underserved MSME sector. This digital transformation is a game-changer, and NBFCs are increasingly using super apps to reach and partner with customers, creating a superior customer experience. Technology, data, and analytics are poised to play an even greater role across the NBFC value chain, impacting credit assessment, collections, fraud management, and cyber security.

However, the sector's rapid growth has necessitated a stricter regulatory approach. Earlier, NBFCs were categorised as Systemically Important (SI) or Non-Systemically Important (NSI) based on the total risk and economic significance of their operations. According to the Master Direction, NBFCs with asset sizes up to ₹ 500 Crore were classified as NSI, while those with over ₹ 500 Crore were classified as SI.

Recognising the evolving risk profile, the RBI implemented a 'Scale Based Regulation'(SBR) framework in FY 2021-22. This framework categorises NBFCs into tiers based on size, activity, and risk, ensuring targeted regulations that maintain financial system stability.

RBI's digital lending guidelines, released on September 2, 2022, focused on customer protection, transparency in loan terms, and inclusive lending practices. These guidelines aim to promote innovation while safeguarding customer interests.

On June 8, 2023, RBI issued guidelines on Default Loss Guarantee in Digital Lending (DLG guidelines) to provide a framework for recognising NPAs and disclosing loan loss provisions. These measures aim to support fintech lending and expand formal credit to underserved segments, but they also require existing agreements to be re-evaluated and may lead to consolidation in the fintech sector.



## Directors' Report (Contd.)

India's robust domestic demand and strong manufacturing and service sectors are expected to propel the economy forward in the year ahead. This economic momentum translates to a continued strong demand for credit, especially among MSMEs and the retail segment. NBFCs are well positioned to meet these credit needs, having established themselves as a crucial source of financing for underserved populations. Their efficient reach, understanding of diverse financial needs, and swift turnaround times make them key players in financial inclusion.

The Government's commitment to strengthening the MSME and retail credit sectors through initiatives like the Pradhan Mantri Mudra Yojana (PMMY) and Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) further complements the role of NBFCs.

*(Source: RBI, KPMG report on NBFCs in India: Growth and stability, February 2024)*

### OPPORTUNITIES AND THREATS

The NBFC sector in India has been experiencing significant growth and transformation in recent years, driven by favourable regulatory policies and increasing demand for credit from underserved segments of the population. The Reserve Bank of India (RBI) has introduced various policies & framework to strengthen the supervision and governance of NBFCs. It provides a clear roadmap for the sector, it also presents challenges, such as increased compliance costs and operational challenges for NBFCs, especially smaller players. Additionally, the sector faces competition from traditional banks and new fintech players entering the market. To maintain their competitive edge, NBFCs will need to innovate and differentiate themselves.

Overall, while the NBFC sector in India presents significant opportunities for growth, it also faces challenges that need to be addressed. Effective risk management, innovation, and compliance with regulations will be key for NBFCs to capitalise on opportunities and navigate potential threats, ensuring their continued role as a vital source of financing for underserved populations and a driver of economic growth. Despite the challenges, the sector's ability to adapt and embrace change will be critical for its sustained success in the evolving financial landscape.

*(Source: RBI, KPMG report on NBFCs in India: Growth and stability, February 2024)*

### COMPANY OVERVIEW

HDB Financial Services ('HDBFS' or 'The Company') is a prominent Non-Banking Financial Company (NBFC) in India. Established in 2007, the Company offers a diverse range of financial products and services, encompassing enterprise lending, asset financing, and consumer loans. Building a strong financial foundation is paramount, and HDBFS is proud to hold the highest ratings from rating agencies for its debt programmes.

The Company's approach to customer-centricity goes beyond traditional lending practices, adopting a highly personalised strategy, by harnessing the power of data and analytics.

Rooted firmly in the principles of transparency and ethical behaviour, the Company is committed to offering a broad spectrum of financial services. Thus reinforcing HDBFS's position as a reputable and trusted player in the Indian financial services sector.

### PRODUCTS AND SERVICES

#### Loans

The Company offers a comprehensive bouquet of products and service offerings that are tailor-made to suit its customers' requirements, including first-time borrowers and the under-served segments. The Company is engaged in the business of Loans, Fee based products and BPO services.

#### Consumer Loans

The Company provides a diverse set of loan options to individuals to meet their personal or household short-to medium-term financial needs. The Consumer Loans portfolio of HDBFS includes:

- **Consumer Durable Loans:** These loans are designed to help individuals purchase consumer durables and household appliances such as air conditioners, washing machines, televisions, refrigerators, and more. These loans allow customers to make such purchases without straining their finances.
- **Digital Product Loans:** The Company provides loans for a wide range of digital products, encompassing everything from essential gadgets to premium devices. Through these loans, customers have the opportunity to buy smartphones, laptops, tablets, and various electronic gadgets. These loans empower individuals to access the newest technological advancements without the burden of significant upfront investment.



## Directors' Report (Contd.)

- **Lifestyle Product Loans:** The Company's lifestyle product loans provide its customers the opportunity to upgrade their lifestyle by purchasing high-end furniture, premium home appliances, luxury items, and more. These loans allow customers to enhance their living standards without compromising their financial goals.
- **Personal Loans:** The Company provides personal loans to salaried and self-employed individuals for various needs. Whether it is funding a wedding, taking an unplanned vacation, or renovating a home, these loans offer financial assistance for urgent/immediate needs. The amount of the loan, the duration for repayment, and the interest rates are tailored according to the borrower's financial situation.
- **Auto Loans:** The Company provides tailored auto loans that help customers make informed decisions when purchasing a new or used car. These loans cover a wide range of vehicles. The loan terms are flexible, with competitive interest rates and repayment options to suit the borrowers' budget.
- **Two-Wheeler Loans:** The Company provides loans for individuals looking to purchase two-wheelers. These loans offer a convenient and affordable way to own a bike or scooter, with flexible repayment options and competitive interest rates.
- **Gold Loans:** The Company offers quick loans against the security of gold jewellery. It gives borrowers the ability to fulfil their immediate financial needs by pledging their gold assets. These loans are processed quickly, with minimal documentation, making them ideal for emergencies or urgent financial requirements.
- **Enterprise Business Loan:** The Company offers enterprise business loans designed for self-employed individuals, professionals, private companies, and partnership firms. These loans are aimed at boosting business operations and facilitating growth. It provides the necessary funds for business expansion, equipment purchase, working capital, or any other business-related expenses. The loan terms are flexible, with competitive interest rates and repayment options.
- **Loan Against Property:** This loan allows businesses to leverage their property to obtain funds for expansion or working capital needs. The loan amount is determined based on the value of the property being pledged. The funds can be used for various purposes, including business expansion, debt consolidation, or meeting other financial obligations. These loans generally have interest rates lower than unsecured loans due to the collateral involved.
- **Loan Against Lease Rental:** Businesses can benefit from this loan by pledging their rental income from leased properties. The loan amount is determined based on the rental income and is provided to meet immediate financial needs. This type of loan offers businesses the flexibility to use their rental income to address cash flow challenges or fund business expansion plans.
- **Loan Against Securities:** This loan allows customers to meet their immediate cash requirements by pledging their investments or securities, such as insurance policies, debt instruments, and bonds, without having to liquidate them. The loan amount is determined based on the value of the securities pledged. This type of loan provides businesses with quick access to funds while allowing them to retain ownership of their investments.

### Enterprise Loans

The Company provides loans to Small and Micro Enterprises for their growth and working capital requirements. The various loan offered to Enterprises include :

- **Unsecured Business Loan:** This loan is tailored for small businesses and does not require any collateral. It helps businesses meet various financial needs, such as purchasing new machinery, stocking up inventory, procuring working capital, or renovating business premises. The loan amount and terms are customised based on the business's financial standing and requirements.

### Asset Finance

The Company provides specialised loans under Asset Finance to help customers acquire new and used vehicles and equipment, enhancing their income generation capabilities. These offerings include:

- **Commercial Vehicle Loans:** The Company offers financing solutions for purchasing new and used commercial vehicles. Customers can also opt for refinancing options to leverage their vehicles for working capital needs. These loans cater to businesses looking to expand their fleet or replace existing vehicles.



## Directors' Report (Contd.)

- **Construction Equipment Loans:** Designed for the construction industry, these loans facilitate the acquisition of new and used construction equipment. Customers can also opt for refinancing options for their existing equipment. This offering supports construction businesses in acquiring the necessary machinery for their projects.
- **Tractor Loans:** The Company provides customised loans to purchase tractors or tractor-related implements. These loans cater to agricultural and commercial needs, enabling customers to acquire essential equipment for their farming or commercial operations.

### Micro-Lending

The Company provides micro-loans to borrowers through the Joint Liability Groups (JLG) framework, aiming to empower and promote financial inclusion for sustainable development. These loans were initiated in 2019 and are currently available in seven states including Maharashtra, Bihar, Rajasthan, Gujarat, Madhya Pradesh, Uttar Pradesh and Odisha, covering 114 districts with more than 200 operational branches.

### Fee-Based Products/Insurance Services

The Company holds a license from the Insurance Regulatory & Development Authority of India (IRDAI) and is a registered Corporate Insurance Agent authorised to sell both Life and General (Non-Life) insurance products. The Company has tie-ups with HDFC Life Insurance Co. Limited and Aditya Birla Sun Life Insurance Co. Limited for life insurance products. For general insurance products, the Company has partnered with HDFC Ergo General Insurance Co. Limited and Tata AIG General Insurance Co. Limited.

### BPO Services

The Company provides a range of BPO services, including collection call centres, sales support services, back-office operations, and processing support services. Here's a detailed breakdown of its offerings:

- **Collection Services:** The Company runs collection call centres for HDFC Bank, providing collection services for the bank's entire range of retail lending products. These services are offered across 700 locations through on-call and field support teams. The Company has established 18 call centres with a capacity of 5,500 seats nationwide, ensuring comprehensive end-to-end collection services.

- **Back Office and Sales Support:** The Company offers sales support and back-office services to HDFC Bank. These include services such as forms processing, document verification, finance and accounting operations, and processing support. The services help HDFC Bank streamline its operations and enhance customer service.

### DIGITAL JOURNEY

The digital vision of HDBFS is to adopt a first principles thinking that has a fair overlay of theory of constraints, given the regulated environment that the Company operates in. Digital investments would be a way of:

- Ensuring that systems are built with customer centric propositions
- Operating significantly at higher efficiencies and scale with a strong security underpinning
- Driving continuous innovations that are agile and modular to deliver

Towards achieving this vision, the Company has following platform categorisation approach and necessary investments have been made on these enabling levers.

- **Systems of Innovation:** This is the layer where maximum investments been made over the past two years, as it is expected to become the backbone of the Company's differentiating strategy:
  - **Purpose-built LOS:** Ensuring that the Company has a best-in-class loan origination platform that is highly contextual to the product allows the Company to create business differentiators which could be taken to the market;
  - **CRM:** An industry standard CRM solution forms the omni-channel backbone for sales and customer service interactions with the leads, prospects & customers;
  - **Data Lake & Analytics:** Single repository of timely and consistent data for democratised data access basis allocated access rights for driving an information driven decision;
  - **Digital solutions:** New age technologies such as Low-Code/No-Code, and RPA that provide value added services such as CKYC, eNACH, UPI 2.0 are brought on-board as reusable components for organisation-wide usage;

## Directors' Report (Contd.)

- **Systems of Engagement:** This is the API layer where all channels (D2C and Assisted digital) engage with the Company's systems for acquisition and servicing needs. The channel layer is being built keeping in mind current models of engagement such as API, IVR, Contact Centre, Mobile Apps, Email, SMS, Web properties, ChatBots, Social Platforms, DSA, Aggregators, Fintechs, and possible future models of engagements like Generative AI.
- **Mobile App:** A reworked Flutter based native mobile app along with its PWA mechanism for customers, that becomes a super app equivalent for the Company's prospects, customers and alumni to avail its offerings;
- An Assisted Digital mobile app for Sales, Credit & Collection team to provide assisted journeys to HDBFS's customers
- **API Gateway:** A new-age API gateway with a developer and partner portal for self-service and an Open API philosophy is being put in place for faster on-boarding and secure API servicing;
- **DIY platform:** A new low-code platform has been put in place for on-boarding customers via an unassisted mechanism;
- **Account Aggregators:** A new regulatory approved mechanism to facilitate complete digital on boarding of customers is the account aggregator model. This will allow us to pre-populate customer/prospect data and credit decisions, leading to a frictionless customer journey;
- **Gateways:** Standardised EMAIL, SMS, WhatsApp, Contact Center, and BOT solutions that are hooked up to the CRM solution to provide an omni-channel experience;

### DIGITAL CUSTOMER SERVICE CHANNELS

The Company has implemented several digital channels to enhance customer service and provide a seamless experience for its customers:

- **HDB On-the-Go App:** The Company launched an updated version of its mobile app, HDB On-The-Go, equipped with enhanced features and an improved user interface for an optimal experience for both Android and iOS users.

Additionally, a web version of the app is available on the Company's website, offering customers convenient access to their loan account details and services;

- **WhatsApp Account Management:** Customers can now send a 'Hi' to the Company's WhatsApp number, 73049 26929, to receive real-time information about their loan account. This feature allows customers to conveniently access account details and updates through the popular messaging platform;
- **Customer Service Bot:** The Company's virtual assistant and chatbot, #AskPriya, assists customers with loan-related information and the latest offers. This AI-powered chatbot provides quick and accurate responses to customer queries, enhancing customer service efficiency;
- **Missed Call Service:** The Missed Call Service enables the customers to receive all their loan-related information via SMS. This can be done by giving a missed call from their registered mobile number to 044 4560 2401. This service provides customers with a simple and convenient way to access account information without internet connectivity;
- **Customer Portal:** The Company's customer portal allows customers to manage their loan accounts and access all loan-related information quickly and efficiently. This self-service portal empowers customers to perform various account management tasks, such as checking loan status, making payments, and updating personal information, at their convenience.

### OTHER KEY INITIATIVES

- **Customer Service Week:** The Company has launched an innovative initiative called 'Customer Service Week'. This initiative aims to create awareness among walk-in customers on HDBFS's various self-service tools that customers can use to manage their loan account or apply for a new loan, the digital payment options available, the grievance mechanism in place and RBI's Ombudsman Scheme. A customer feedback is also taken to gauge the quality of service provided and expected, bringing in continual improvement.
- **Relationship Management (RM) and Virtual Relationship Management (VRM):** HDBFS reaches out to select customers through relationship managers to address



## Directors' Report (Contd.)

their financial requirements and offer them additional products. For other customers, VRM is used to cater to their needs, providing personalised assistance and support.

- **Aabhaar Card (Loyalty Card):** The Company offers loyalty cards to provide customers with easy documentation, pre-approved loan eligibility, and a range of other benefits. These cards which are currently available in five variants enhance customer experience and loyalty.

### SEGMENT-WISE PERFORMANCE

Revenue from the lending business of the Company grew to ₹ 12,221.57 Crore in FY 2023-24 from ₹ 9,768.95 Crore in FY 2022-23. Revenue from the BPO services division declined to ₹ 1,949.55 Crore in FY 2023-24 from ₹ 2,633.93 Crore in FY 2022-23.

### GEOGRAPHICAL PRESENCE

The Company boasts a significant presence at the pan-India level, with a network of 1,682 branches (as of March 31, 2024) spread across 1,148 cities. This includes a strong focus on rural areas, with 80% of its distribution network lying beyond the top 20 cities. The Company's data centres are located in Bengaluru and Mumbai, while centralised operations are managed from Hyderabad, Chennai, and Noida. HDBFS has been taking proactive steps to enhance its internal processes by introducing a specialised quality management system designed

specifically for its centralised operations. This system aims to streamline processes, improve efficiency, and ensure consistent quality across all the branches.

### OUTLOOK

The Company with its diverse product suite, wide distribution and focus on enhancing its internal processes, is expected to drive continued growth. With a commitment to sound risk management practices and a comfortable capital structure, HDBFS is well positioned to navigate the evolving market landscape. With the economy projected to continue growing, the Company, with its diversified product portfolio, broad reach through its network of branches across the country, and its digital infrastructure, is cautiously optimistic in its outlook for FY 2024-25.

### RISK MANAGEMENT

Operating in the financial services sector, the Company faces various risks such as credit, operational, liquidity, digital lending, and information security risks. To manage these risks effectively, a robust risk management framework is in place. The Board of Directors oversees all risks and has established specific committees for focussed oversight. HDBFS constantly upgrades its security measures, including cyber security, to avoid and mitigate risks. Regular stress tests are conducted to ensure resilience and identify vulnerabilities. These tests provide valuable insights for the management to quantify potential risks and develop mitigating actions.

The Company's commitment to sound risk management practices has helped it navigate market turbulence in the past two years. As risk management remains a priority, HDBFS is confident in its ability to protect its financial strength, operations, and reputation.

RISK	MITIGATION
Credit Risk, including Credit Concentration Risk	The Company has implemented robust policies, procedures, and systems to manage credit risk effectively. It continuously monitors credit quality and mitigates losses from defaults by establishing and monitoring credit parameters and exposures against approved limits. Furthermore, the Company monitors credit concentration closely to prevent unacceptable risk concentrations.
Digital Lending Risk	The Company has automated its loan application process, leveraging tools like CRM, rule engines, and bureau integration. This automation aims to enhance productivity and create a seamless customer journey. Additionally, the Company has implemented controls and established analytics and reporting systems for collection and recovery, ensuring the maintenance of healthy asset quality.

## Directors' Report (Contd.)

RISK	MITIGATION
Business/Strategic Risk	The Company actively pursues diversification across products, customer segments, and geographies to mitigate business and strategic risks. This approach is complemented by a balanced growth strategy, ensuring a healthy asset-liability mix and adherence to prudent provisioning policies.
Reputation Risk	The Company manages reputation risk by enforcing a Code of Conduct for employees, implementing strong governance policies, and establishing a customer grievance mechanism. Regular engagement with stakeholders helps address their concerns and expectations.
Technology Risk	The Company uses technology to enhance customer experiences, increase productivity, and manage risks effectively. The Company continuously improves its processes and controls to mitigate cyber threats, employing a Cyber Resilience Framework and a cutting-edge Security Operations Centre. Its strong technology and cybersecurity architecture include Disaster Recovery and Business Continuity Plans and access control mechanisms, all regularly monitored through third-party assurance. To maintain readiness, all employees receive annual cybersecurity and compliance training and periodic simulation exercises to stay informed about evolving cybersecurity trends. This proactive approach enables the Company to continually strengthen its cybersecurity resilience.
Compliance Risk	The Company effectively manages and monitors compliance risks by implementing a Compliance Policy overseen by the Chief Compliance Officer and a dedicated team. This team regularly reviews products and processes to ensure compliance with regulations and updates internal policies to minimise legal or regulatory risks.
Liquidity Risk	The Company's Asset Liability Committee (ALCO) oversees liquidity risk management and ensures sufficient levels of liquidity and effective interest rate risk management. The Company monitors various metrics such as Net Interest Margins (NIM), maturity profiles, stock ratios, and asset-liability mix. The ALCO also ensures the availability of unencumbered High-Quality Liquid Assets (HQLA) to meet short-term obligations by monitoring the Liquidity Coverage Ratio (LCR) daily. Additionally, the Company has a robust liquidity risk framework monitored by both the ALCO and the Risk Management Committee.
Interest Rate Risk	The Company's Asset Liability Committee (ALCO) oversees the balance sheet planning for risk return and the strategic management of interest rate and liquidity risks. The Company uses traditional gap analysis to assess its sensitivity to interest rate movements, identifying and mitigating potential risks. The Advances Book and Funding strategy are structured to counterbalance the repricing of borrowings with the repricing of loans.
Operational Risk	Operational risk is the risk of financial loss due to inadequate internal processes, human resources, technology systems, or external events, excluding strategic and reputational risks. The Company has a robust operational risk framework overseen by the Board of Directors, the Risk Management Committee, and the Operational Risk Management Committee (ORMC). This framework includes a three-tiered defense mechanism involving business units, the operational risk team, and the internal audit team, supported by well-defined policies, procedures, and robust internal controls. The ORMC also evaluates the outsourcing policy and oversees outsourced activities.





## Directors' Report (Contd.)

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the Company's financial results and its controlled entities, forming the Group. Control over an entity is established when the Group can influence the returns from its involvement with the investee. The Group uses consistent accounting policies for similar transactions and events across all entities in the consolidation. If any entity within the Group applies different accounting policies, adjustments are made to ensure uniformity in the consolidated financial statements.

### INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT

The Company has established a robust internal control system to ensure efficient operations, legal compliance, and reliable financial reporting. The Internal Audit Department (IAD) plays a pivotal role in ensuring Governance, Risk and Compliance (GRC). Their independent and objective evaluations contribute to transparency, accountability, and trust within the organisation. The internal audit is undertaken based on a robust internal audit charter and a risk-based internal audit policy, outlining the audit purpose, role, structure, authority and responsibilities of the IAD.

The IAD adopts a risk-based approach to its evaluations. By prioritising areas with high and medium risk exposure, ensuring resources are allocated effectively to address potential vulnerabilities. The Risk-Based Internal Audit framework provides independent assurance to the Audit Committee of the Board. This framework is tailored to the business's size, scale, and complexity, with the audit plan based on activity risk profiles. The Audit Committee of the Board approves the plan annually and reviews the IAD's observations and performance. In order to improve audit quality, enhance efficiency and ensure maximum data coverage, the IAD uses a data analytics tool. Furthermore, in response to evolving industry dynamics, Information Systems (IS) audits have gained prominence within the IAD scope.

This holistic approach to auditing not only enhances risk management practices but also strengthens the organisation's resilience in the face of technological challenges.

### HUMAN RESOURCES

#### Our People:

At HDBFS, we recognise the contribution of our people in driving business growth and operational excellence. Our

constant endeavour is to create an enabling environment that encourages all employees to pursue their professional and personal goals. We are committed to building workspaces that are safe, inclusive and supportive and have the ability to inspire all employees to develop a positive and growth mind-set.

#### Our Culture:

At HDBFS, we strive to uphold our Core Values of Integrity, Collaboration, Agility, Respect, Excellence & Simplicity. These values form the foundation of everything we do, from how our people interact with each other within the organization as well as how we serve our customers, treat suppliers and other stakeholder groups. By fostering these Core Values among our people through regular workshops for existing staff and new recruits, we aspire to steadily move towards realising our Company's Vision of becoming "India's most admired NBFC".

#### Diversity and Inclusion:

The Company is committed to creating a working environment where all individuals and employees feel welcome, valued and respected regardless of their background and identities.

The Company fosters merit-based selection criteria based on skill sets, competency-level, years of work experience among other criteria. The Company's promotion and role elevation practices are transparent, based on performance and merit. Measures ensuring equal opportunity, equitable compensation and supportive people policies are some of our initiatives that have gone a long way in fostering an inclusive work environment.

The Company recruits differently-abled individuals in roles that enable them to be gainfully employed. These recruits are deployed in offices that are easy to access, conducive for their mobility and are given the required training support to perform and contribute positively to the roles that they have been hired for.

Lastly, employees are periodically educated on policies and processes that promote a respectful and inclusive work environment.

#### Building Future Leaders:

At HDBFS, our talent pool is one of our key success drivers. We continue to invest in our people by providing them with ample opportunities for development and growth through our

## Directors' Report (Contd.)

structured Learning & Development, Skill Building and Talent Management initiatives for people across roles and ranks.

Our instructor-led interventions and e-learning courses are designed to help our employees enrich their technical job knowledge, acquire new skills sets and stay up to date with Industry trends. Our Talent Management Programs prepare first line managers for destination roles.

Our Management Development Programs are highly customised and business contextualised and aimed at helping high performing individuals to adapt to changing business environment, explore new market opportunities to scale up business as well as enhance one's skill sets to deliver superior results.

The Leadership Development Programs help us identify and develop future leaders within the organisation through holistic development of our senior managers and leaders. Another intervention is Leadership Coaching which is a developmental journey focused on preparing the identified talent for critical roles. The program has been key in producing leaders to take over larger leadership roles swiftly and effectively.

Over 70% of our resources in middle management roles and above have grown internally. Holding to our philosophy, this has been one of the most differentiating factor for us in the NBFC sector. We understand that providing only vertical growth will limit us, hence our approach is also focussed in actively encouraging movements across functions, verticals and geographies.

### Employee Well-Being and Rewards & Recognition:

People are at the core of our business, and the Company recognises its responsibility towards ensuring the physical safety and emotional well-being of its employees.

Round the year, the Company organises several activities such as free health check-ups, yoga & meditation workshops, sports tournaments, talent shows, commemorative days and festival celebrations, community outreach activities and many other engaging sessions. These initiatives help boost productivity, uplift individual morale, promote work-life balance, improve teamwork and help enhance the employee happiness quotient.

Our Reward & Recognition Programs recognise extraordinary efforts of our people and encourages them to pursue excellence and consistent growth.

### Digital HR:

To meet the ever evolving requirements of our human capital and in anticipation of the organisation's future needs, our HR tech teams are continuously striving to enhance employee digital experience, automate existing HR processes and offer new, innovative, user-friendly digital solutions that enables our HR teams to focus more on high impact initiatives.

At HDBFS we rely on analytics to take informed data-backed decisions on policies and processes, draw out action plans and chalk out future strategies. While we continue to lay emphasis on building interpersonal relationships and nurturing human connect to feel the pulse of our employees, HR analytics allows us to allocate & optimize resources, manage talent, track and review performance and predict workforce requirements.

### Awards & Accolades:

We are proud to have been certified as 'Great Place to Work' and to have been honoured as 'India's Best Workplaces in BFSI 2024'. These recognitions are a testament to the incredible dedication and hard work that each of our employees bring to the organisation every day.

### CSR ACTIVITIES

As a responsible corporate citizen, HDBFS is dedicated to making a positive impact on the communities where it operates through comprehensive Corporate Social Responsibility (CSR) initiatives. Over the year, the Company has expanded its CSR footprint by investing in areas that promote affordable healthcare, safe hygiene, education, livelihoods, and environmental sustainability. It has disbursed ₹ 29.41 crore to CSR programmes and activities in underserved regions across 129 districts in 22 states and 2 union territories. Through 35 focussed interventions, implemented in collaboration with grassroots organisations, over 1,34,000 individuals have directly benefitted, driving transformative change and fostering a resilient society.

### ACKNOWLEDGEMENT

The Directors are grateful to the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI) and the Government of India (GOI) for their continued co-operation, support and advice. The Directors would also like to take this opportunity to express their sincere thanks to all





## Directors' Report (Contd.)

the customers, shareholders, employees, bankers and distributors for reposing their trust and confidence in the Company. The Directors also express their gratitude for the advice, guidance and support received from time to time, from the auditors and statutory authorities.

**For and on behalf of the Board of Directors**

**Sd/-**

**Arijit Basu**

Part Time Chairman and Independent Director

DIN: 06907779

Place: Mumbai

Date: May 17, 2024

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The CSR Policy of the Company is the guiding document to optimally allocate, manage and supervise prescribed CSR funds of the Company. The document spells out the Company's CSR mission of contributing towards social and economic development of the community, and the strategy to work towards its mission statement.

The Company has adopted seven development areas that are in line with Schedule VII, and further defines the nature of CSR initiatives to be undertaken. The policy document highlights the role of the CSR & ESG Committee members too. The CSR Policy of the Company is in line with Section 135 of the Companies Act, 2013, CSR Rules and Schedule VII of the Companies Act, 2013.

### 2. COMPOSITION OF THE CSR & ESG COMMITTEE

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1	Dr. Amla Samanta	Chairperson, Independent Director	2	2
2	Ms. Smita Affinwalla	Member, Independent Director	2	2
3	Mr. Venkatraman Srinivasan*	Member, Independent Director	-	-
4	Mr. Ramesh G.	Member, Managing Director & CEO	2	2

\*Mr. Venkatraman Srinivasan was inducted as a member of the Committee w.e.f. October 14, 2023

### 3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR & ESG COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

Composition of CSR & ESG Committee can be viewed at: <https://www.hdbfs.com/investors> CSR Policy can be accessed at: <https://www.hdbfs.com/sites/default/files/policies/Corporate-Social-Responsibility-Policy-23.pdf>

List of active CSR projects approved by the Board can be accessed at: <https://www.hdbfs.com/sites/default/files/hdbfs-pdf/CSR-Partners-Projects-For-Website.pdf>

### 4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH THE WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF 8, IF APPLICABLE.

The Company identified projects that were due for impact assessment in FY 2023-24. An independent agency was assigned to conduct impact assessment for projects with an outlay of ₹ 1 Crore and above. The assessment exercise has been conducted for eleven projects and detailed assessment reports have been presented to the CSR & ESG Committee and the Board of Directors of the Company.

The executive summary along with detailed assessment reports are uploaded on the Company website at: <https://www.hdbfs.com/corporate-social-responsibility>

### 5.

- Average net profit of the Company as per sub-section (5) of section 135 = ₹ 1,498.35 Crore
- Two percent of average net profit of the Company as per sub-section (5) of section 135 = ₹ 29.97 Crore
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years = NIL
- Amount required to be set off for the financial year, if any = ₹ 0.76 Crore
- Total CSR obligation for the financial year [(b)+(c)-(d)] = ₹ 29.21 Crore

**Directors' Report (Contd.)****6.**

- a. Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project) = ₹ 29.41 Crore
- b. Amount spent in Administrative Overheads = ₹ 1.56 Crore
- c. Amount spent on Impact Assessment, if applicable = ₹ 0.33 Crore
- d. Total amount spent for Financial Year 2023-24 [(a)+(b)+(c)] = ₹ 31.30 Crore
- e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Crore)	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 provision to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
31.30	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

- 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 section 135	29.97
(ii)	Total amount spent for the Financial Year	31.30
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	2.09
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	2.09

**Note:**

The Company had ₹ 0.76 Crore as amount available for set-off against prescribed CSR expenditure of ₹ 29.97 Crore for Financial Year 2023 - 24. During the year, the Company spent ₹ 31.30 Crore against the total CSR obligation of ₹ 29.21 Crore (₹ 29.97 Crore - 0.76 Crore) leading to an excess spend of ₹ 2.09 Crore towards approved CSR programmes.

**7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:**

Sr. 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 subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial year(s) (₹ in Crore)	Deficiency, if any
					Amount (₹ in Crore)	Date of transfer		
1.	2023-24	NIL	NIL	NIL	Not Applicable	Not Applicable	NIL	NIL
2.	2022-23	NIL	2.28	2.28	Not Applicable	Not Applicable	NIL	NIL
3.	2021-22	NIL	7.31	5.03	Not Applicable	Not Applicable	2.28	2.28

## Directors' Report (Contd.)

**8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No**

- If Yes, enter the number of Capital assets created/ acquired - NA
- Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year - NA

**9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5): Not Applicable**

Sd/-

**Amla Samanta**

Chairperson, CSR & ESG Committee

DIN - 00758883

Sd/-

**Ramesh G.**

Managing Director & CEO

DIN - 05291597

Place: Mumbai

Date: May 17, 2024



**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE YEAR ENDED MARCH 31, 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,  
**HDB FINANCIAL SERVICES LIMITED**  
Radhika, 2<sup>nd</sup> Floor, Law Garden Road,  
Navrangpura, Ahmedabad GJ 380009.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDB Financial Services Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024, according to the provisions 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under **(during the period under review not applicable to the company);**
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(during the period under review FEMA Regulations for Foreign Direct Investment and Overseas Direct Investment were not applicable to the company)**
- (v) 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 **(during the period under review not applicable to the company);**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(during the period under review not applicable to the company);**

## Directors' Report (Contd.)

- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(during the period under review not applicable to the Company);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**
- (i) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 2021;
- (vi) Non-Banking Financial Company – Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016 (up to the period it was effective);
- (vii) Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
- (viii) Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
- (ix) Master Direction – Information Technology Framework for the NBFC Sector;
- (x) Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016;
- (xi) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

We have examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc.

### We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the Directors. Meetings held at shorter notice are in compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company passed the following special / ordinary resolutions which are having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The members of the Company passed a resolution at its 16<sup>th</sup> Annual General Meeting to declare final dividend @ 11% i.e. ₹ 1.10/- on each equity share for the financial year ended March 31, 2023.

**Directors' Report (Contd.)**

- b. Appointment of Mr. Arijit Basu as a part time non-executive chairman and Independent Director of the company.
- c. Issuance of redeemable non-convertible debentures (NCDs) on private placement basis.
- d. Approval of selling, assignment, securitisation of receivables/book debts of the Company upto ₹ 7,500 Crore.
- e. Alteration of Articles of Association (AOA) of the Company.
- f. Approval of amendment in Employee Stock Option Scheme 2017 and Employee Stock Option Scheme 2022 for eligible employees of HDB Financial Services Limited.
- g. Issuance and Allotment of Subordinated Bonds on Private Placement basis.
- h. Issuance and allotment of Perpetual Debt Instruments on Private Placement basis.
- i. Approval of Material Related Party Transactions with HDFC Bank Limited for Financial Year 2024-25.
- j. Approval of Material Related Party Transactions with HDFC Life Insurance Company Limited for Financial Year 2024-25.
- k. Increase in borrowing limits of the company from ₹ 80,000 Crore to ₹ 1,25,000 Crore.
- l. Approval of increase in limits for creation of charge on the assets of the Company upto an amount of ₹ 1,25,000 Crore to secure its borrowings.
- m. Re-appointment of Dr. Amla Samanta (DIN: 00758883) as an Independent Director of the Company.
- n. Appointment of Mr. Jayesh Chakravarthi (DIN: 08345495) as an Independent Director of the Company.
- o. Appointment of Mr. Jimmy Tata (DIN: 06888364) as a Non-Executive Director of the Company.

**We further report that** during the audit period the Company has transacted the following activities through the approval of the Board / Committee resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The Company has under various Employee stock option scheme issued and allotted 16,75,483 (Sixteen Lakhs Seventy Five Thousand Four Hundred Eighty Three) Equity Shares of ₹ 10/- each to employees of the Company.
- b. The Company has issued and allotted ₹ 16,324.50 Crore (Rupees Sixteen Thousand Three Hundred Twenty Four Crore and Fifty Lakh Only) Secured Redeemable Non-Convertible Debentures of ₹ 10 Lakh each (Rupees Ten Lakh Only) & ₹ 1 Lakh each (Rupees One Lakh Only) in various tranches on private placement basis, which were duly listed on BSE Limited.
- c. The Company has issued and allotted ₹ 2,000 Crore (Rupees Two Thousand Crore Only) Unsecured Redeemable Non-Convertible Subordinated Bonds of ₹ 1 Lakh each (Rupees One Lakh Only) in various tranches on private placement basis, which were duly listed on BSE Limited.
- d. The Company has issued and allotted ₹ 350 Crore (Rupees Three Hundred Fifty Crore Only) Unsecured Redeemable Non-Convertible Perpetual Debt Instruments of ₹ 1 Crore each (Rupees One Crore Only) in various tranches on private placement basis, which were duly listed on BSE Limited.
- e. The Company has issued / allotted ₹ 6,250 Crore (Rupees Six Thousand Two Hundred Fifty Crore Only) Commercial Papers with face value of ₹ 5 Lakh (Rupees Five Lakh Only) each in the reporting year;
- f. The Company has redeemed ₹ 9,674.10 Crore (Rupees Nine Thousand Six Hundred Seventy Four Crore and Ten Lakhs Only) Secured Redeemable Non-Convertible Debentures in various tranches during the year.
- g. The Company has redeemed ₹ 230 Crore (Rupees Two Hundred Thirty Crore Only) Unsecured Redeemable Non-Convertible Subordinated Bonds in various tranches during the year.



## Directors' Report (Contd.)

- h. The Company has redeemed ₹ 5,075 Crore (Rupees Five Thousand and Seventy Five Crore Only) Lakhs Commercial Papers during the year.
- i. The Board of Directors of the Company has declared Interim dividend ₹ 2/- (Rupees Two Only) per equity share (i.e. 20 % on face value of each equity shares) during the year

For **Mehta & Mehta,**  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Sd/-**

**Aditi Patnaik**

Partner

ACS No:45308

CP No: 18186

PR No: 3686/2023

Place: Mumbai

Date: April 16, 2024

UDIN: A045308F000145705

**Note:** This report is to be read with our letter of even date which is annexed as '**Annexure a**' and forms an integral part of this report.



## Directors' Report (Contd.)

Annexure a

To,  
The Members,  
**HDB FINANCIAL SERVICES LIMITED**  
Radhika, 2<sup>nd</sup> Floor, Law Garden Road,  
Navrangpura, Ahmedabad GJ 380009.

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points (vi) to (x) of our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The 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 **Mehta & Mehta,**  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Sd/-**  
**Aditi Patnaik**  
Partner  
ACS No:45308  
CP No: 18186  
PR No: 3686/2023  
Place: Mumbai  
Date: April 16, 2024  
UDIN: A045308F000145705

**DETAILS OF EMPLOYEES' STOCK OPTION SCHEME PURSUANT TO THE PROVISIONS OF RULE 12(9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2024**

ESOP Schemes	Options granted during the year	Options vested	Options exercised	Total number of shares arising as a result of exercise of option	Options lapsed / forfeited	Exercise price (in ₹)	Money realized by exercise of options (in ₹)	Total number of options in force as at March 31, 2024	Options exercisable, end of year
ESOP-10	-	-	-	-	-	213	-	42,000	42,000
ESOP-11	-	-	54,000	54,000	3,870	274	1,47,96,000	16,150	16,150
ESOP-12	-	-	1,12,583	1,12,583	7,990	300	3,37,74,900	1,57,517	1,57,517
ESOP-13	-	3,87,700	3,28,030	3,28,030	16,770	348	11,41,54,440	3,22,595	3,22,595
ESOP-13A	-	15,000	14,000	14,000	-	409	57,26,000	23,000	3,000
ESOP-14	-	6,11,475	5,28,264	5,28,264	61,325	433	22,87,38,312	12,10,134	4,14,902
ESOP-15A	-	3,54,942	1,47,750	1,47,750	-	457	6,75,21,750	10,35,390	2,07,192
ESOP-15B	-	10,03,763	4,90,856	4,90,856	2,76,492	509	24,98,45,704	27,30,822	5,12,907
ESOP-16A	13,79,770	-	-	-	35,000	424	-	13,44,770	-
ESOP-16B	4,36,400	-	-	-	9,380	533	-	4,27,020	-
ESOP-16C	14,29,400	-	-	-	10,000	533	-	14,19,400	-

During the FY 2023-24, the Company amended Employee Stock Option Scheme 2017 and Employee Stock Option Scheme 2022 to include the Malus and Clawback provisions. The approval of shareholders of the Company was obtained through Postal Ballot Resolution passed on August 26, 2023.

**i. Employee wise details of options granted to Key Managerial Personnel is given below:**

Sr. No.	Name	Designation	Grant during FY 2023-24
1	Mr. Ramesh G.	Managing Director & CEO	3,81,300
2	Mr. Jaykumar Shah	Chief Financial Officer	1,27,000
3	Ms. Dipti Khandelwal	Company Secretary	15,730

**ii. Other employees who receive a grant of option in any one year of option amounting to 5 % or more of options granted during that year: None**

**iii. Identified employees who were granted option, during, any one year, equal to or exceeding 1 percent of the issued capital (excluding outstanding warrants and conversions): None**



## Directors' Report (Contd.)

## Annexure D

**DISCLOSURES IN TERMS OF SECTION 197(12) READ WITH RULE 5(1) OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1. The ratio of the remuneration of each Director to the median remuneration of employees of the Company for the financial year as below:

<b>Name and Designation</b>	<b>Ratio</b>
Mr. Arijit Basu, Part Time Chairman and Independent Director	1:18
Mr. Venkatraman Srinivasan, Independent Director	1:14
Ms. Smita Affinwalla, Independent Director	1:13
Dr. Amla Samanta, Independent Director	1:11
Mr. Adayapalam Kumaraswamy (A K) Viswanathan, Independent Director	1:14
Ms. Arundhati Mech, Independent Director	1:13
Mr. Jayesh Chakravarthi, Independent Director	1:0.37
Mr. Jimmy Tata, Non-Independent Director	-
Mr. Ramesh G., Managing Director & Chief Executive Officer	1:236

2. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

<b>Designation</b>	<b>Percentage Increase</b>
Managing Director & Chief Executive Officer	15%
Chief Financial Officer	13%
Company Secretary	22%

3. During the year under review there was 9.74% increase in the median remuneration of the employees of your Company.
4. As on March 31, 2024 there were 88,824 employees on the rolls of your Company including 1,423 apprentice.
5. It is hereby affirmed that the remuneration paid during the year was as per the Remuneration policy of the Company.
6. Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 17.61% whereas the increase in the managerial remuneration was 15%.

**RELATED PARTY TRANSACTION DISCLOSURE AS PER SECTION 188 OF THE COMPANIES ACT, 2013**
**Form No. 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)*

**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 transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis: **Nil**
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any
HDFC Bank Limited (Holding Company)	Providing sales support services	April 2023- March 2024	The Company has a contract with the HDFC Bank for providing sales support services. Income from sales support services is ₹ 1,140.05 Crore.	It is specialized service provided by the Company to HDFC Bank at cost plus mark up as per the terms agreed between parties	NA	Nil
HDFC Bank Limited (Holding Company)	Term Loans availed	April 2023- March 2024	The terms and rates are determined as per prevailing market rates.  Term loan availed is ₹ 9,402.96 Crore.  Repaid is ₹ 6,759.04 Crore.	This is in furtherance of the fund raising activities of the Company		Nil

The details of the other related party transactions including amount has been mentioned in the notes forming part of financial statement at Note no.37

The above mentioned material related party transactions was entered into by the Company in the ordinary course of business and at arm's length basis duly approved by the Audit Committee of the Company. The materiality threshold is as prescribed in Rule 15 (3) the Companies (Meetings of Board and its Powers) Rules, 2014.



### CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**HDB Financial Services Limited**

We have examined the compliance of conditions of Corporate Governance by **HDB Financial Services Limited** (hereinafter referred as "Company") for the Financial year ended March 31, 2024 as prescribed under Regulations 17 to 27 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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 our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance 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.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta,**  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Sd/-**

**Aditi Patnaik**

Partner

ACS No: 45308

CP No.: 18186

PR No.: 3686/2023

Place: Mumbai

Date: April 16, 2024

UDIN: A045308F000145782

# Report on Corporate Governance

## CORPORATE GOVERNANCE PHILOSOPHY

The Company's philosophy on Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. The governance practices and processes ensure that the interest of all stakeholders are taken into account in a transparent manner and are firmly embedded into the culture of the organisation.

The Company has fair, transparent and ethical governance practices, essential for augmenting long-term shareholder value and retaining investor trust. This has been possible through continued efforts and commitment to the highest standards of corporate conduct.

The Company has a dynamic, experienced and well-informed Board. The Board along with its Committees, with the Corporate Governance mechanism in place, undertakes its fiduciary duties towards all its stakeholders. The Company has adopted a Board approved Corporate Governance Code which will help the Company in attaining its objectives/goals, since it encompasses every sphere of operations, management, action plans, internal controls, performance measurement and regulatory disclosure. The said Corporate Governance Code has been uploaded on the Company's website and can be accessed at <https://www.hdbfs.com/investors>.

## BOARD OF DIRECTORS

The Board of Directors ("**Board**") is at the core of the corporate governance system of the Company. The Board is committed towards compliance of sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long term interests of the members and other stakeholders. This belief is reflected in the

governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

The Company strives to maintain an appropriate balance of skills and experience within the organisation and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity.

Committees of the Board handling specific responsibilities mentioned under the applicable laws viz. Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee, Corporate Social Responsibility and ESG Committee and Stakeholders Relationship Committee empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient resolution of diverse matters.

In compliance with the provisions of the Companies Act, 2013 ("**Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Master Directions, 2023, No. RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 ("**RBI Master Directions**"), the Board of your Company has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board is in compliance with the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time. As on March 31, 2024, the Board comprised of nine members consisting of one Executive Director, one Part-Time Non-Executive Chairman & Independent Director, one Non-Executive Director and six Non-Executive Independent Directors including three Women Directors.



**Report on Corporate Governance (Contd.)**

The composition of the Board of Directors as on March 31, 2024, attendance of Directors at the Company's Board Meetings held during the FY 2023-24 and the last virtual Annual General Meeting held on June 30, 2023 are as follows:

Sr. No.	Name of the Director, Category & DIN	Director Since	Number of Board meetings		Whether attended last AGM	No. of other Director ships	Remuneration (₹ In Lakhs)			No. of shares held in and convertible instrument held in the Company
			Held	Attended			Salary and other compensation	Sitting Fee	Commission	
1.	Mr. Arijit Basu, Part-Time Non-Executive Chairman & Independent Director (DIN: 06907779)	June 01, 2021	7	6	Yes	1	30	6.75	Nil	Nil
2.	Mr. Venkatraman Srinivasan, Independent Director (DIN: 00246012)	March 12, 2015	7	7	Yes	5	Nil	13.75	15	Nil
3.	Ms. Smita Affinwalla, Independent Director (DIN: 07106628)	March 12, 2015	7	7	Yes	1	Nil	12	15	Nil
4.	Dr. Amla Samanta, Independent Director (DIN: 00758883)	May 01, 2019	7	7	Yes	3	Nil	8.75	14	Nil
5.	Mr. Adayapalam Viswanathan, Independent Director (DIN: 08518003)	July 24, 2019	7	6	Yes	Nil	Nil	13.75	15	Nil
6.	Ms. Arundhati Mech, Independent Director (DIN: 09177619)	February 11, 2022	7	7	Yes	1	Nil	12	15	Nil
7.	Mr. Jayesh Chakravarthi, Independent Director (DIN: 08345495)	January 25, 2024	1	1	NA	1	Nil	0.75	Nil	Nil
8.	Mr. Jimmy Tata, Non-Executive Director (DIN: 06888364)	July 15, 2023	5	5	NA	1	Nil	Nil	Nil	3,21,021
9.	Mr. Ramesh G., Managing Director & Chief Executive Officer (DIN: 05291597)	July 01, 2012	7	7	Yes	Nil	782.31	Nil	Nil	8,53,000

Note: The Board of Directors based on the recommendation of Nomination and Remuneration Committee, has re-appointed Mr. A K Viswanathan as an Independent Director of the Company with effect from July 24, 2024 subject to shareholders approval at the ensuing Annual General Meeting of the Company.

## Report on Corporate Governance (Contd.)

The details of directorship and committee chairmanship/ membership as on March 31, 2024 is as under:

Name of the Director	Directorships			Number of Committee positions held*	
	In equity listed companies	In unlisted public companies	In private limited companies	Chairman	Member
Mr. Arijit Basu	Nil	1	Nil	Nil	1
Mr. Venkatraman Srinivasan	<ul style="list-style-type: none"> <li>Fairchem Organics Ltd</li> <li>Mahanagar Gas Ltd</li> <li>Eimco Elecon (India) Ltd</li> <li>Amal Ltd</li> </ul>	Nil	1	3	8
Ms. Smita Affinwalla	Nil	Nil	1	0	1
Dr. Amla Samanta	Nil	1	2	1	2
Mr. Adayapalam Viswanathan	Nil	Nil	Nil	Nil	1
Ms. Arundhati Mech	Nil	1	Nil	Nil	2
Mr. Jayesh Chakravarthi	Nil	Nil	1	Nil	Nil
Mr. Jimmy Tata	Nil	Nil	1	Nil	1
Mr. Ramesh G.	Nil	Nil	Nil	Nil	1

\* Disclosure includes Chairmanship/ Membership of Committees as required for computation of maximum number of Committees of which Director can be Chairman or Member in terms of Regulation 26(1) of SEBI Listing Regulations (i.e. Chairmanship/ Membership of Audit Committee and Stakeholders Relationship Committee in all Indian public companies including HDB Financial Services Limited).

**Note:** The number of Memberships of the Directors in the Committee includes the number of posts of Chairman of the said Committee held in public companies including HDB Financial Services Limited as on March 31, 2024.

Details of change in composition of the Board during the current FY 2023-24 and previous FY 2022-23 as below:

Sr. No.	Name of the Director	Capacity	Nature of change	Effective Date
1	Mr. Ramesh G.	Managing Director and Chief Executive Officer	Re-appointment	July 01, 2022
2	Mr. Arijit Basu	Chairman and Non-Executive Director (Non-Independent Director)	Resignation	May 31, 2023
3	Mr. Arijit Basu	Part-Time Non-Executive Chairman and Independent Director	Appointment	May 31, 2023
4	Mr. Jimmy Tata	Non-Executive Director	Appointment	July 15, 2023
5	Mr. Jayesh Chakravarthi	Independent Director	Appointment	January 25, 2024
6	Dr. Amla Samanta	Independent Director	Re-appointment	May 01, 2024

All the Directors have made necessary disclosures regarding their directorship and committee positions occupied by them in other companies. Based on the declaration received from the Directors, none of the Directors are related to each other.

### BOARD MEETINGS AND DELIBERATIONS

The Board Meetings are convened by giving appropriate notice well in advance of all the meetings. The Directors / Members are provided with appropriate information in the form of agenda items in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management.



## Report on Corporate Governance (Contd.)

The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional meetings are held to address specific needs and business requirements of your Company. In case of business exigencies, the Board's approvals are taken through circular resolutions and the same are noted at the subsequent meeting of the Board of Directors. The quorum of the Board meeting is three members or one-third members, whichever is higher.

Video-conferencing facility is also provided at the Board meetings in case any director is unable to attend the meeting physically but wishes to participate through electronic mode in the meetings. The same is conducted in compliance with the applicable laws. The Business Heads and other executives attend the Board meetings upon invitation on need basis.

At the Board Meetings, presentations covering important areas of the Company were presented such as annual action plans, business strategies, financial statements, performance review, information technology, information security risk management, customer grievances, customer services framework, compliance and risk assessment, scale based regulation (SBR) regulatory framework, etc.

During the FY 2023-24, your Board of Directors met 7 (Seven) times, the Meetings were held on April 15, 2023; May 31, 2023; June 12, 2023 (adjourned meeting); July 15, 2023; October 14, 2023; December 19, 2023; January 13, 2024; March 11, 2024 and March 12, 2024 (adjourned meeting). The requisite quorum was present for all the Meetings. The Board met at least once in a calendar quarter and the maximum time gap between any two Meetings was not more than one hundred and twenty days.

### DECLARATION OF INDEPENDENCE

The Company has received necessary declaration and confirmation from each of the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and SEBI Listing Regulations. Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank. In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an independent director as stipulated in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act and are independent of the management of the Company.

### MEETINGS OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, one Meeting of Independent Directors was held during the year. The Meeting was conducted to enable Independent Directors, discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management.

In this Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

A separate Meeting of Independent Directors was held on April 14, 2023, during the year under review.

The details of the Separate Meeting of Independent Directors held during FY 2023-24 and attendance of the members at the meeting is given below:

Name of the Member	Number of meetings held during their tenure	Number of meetings Attended	Attendance (%)
Ms. Smita Affinwalla	1	1	100
Mr. Venkatraman Srinivasan	1	1	100
Dr. Amla Samanta	1	1	100
Mr. Adayapalam Viswanathan	1	1	100
Ms. Arundhati Mech	1	1	100

### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company conducts orientation programs/ presentations/ training sessions, periodically at regular intervals, to familiarise the Independent Directors with the strategies, operations and functions of the Company.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategies, risk management framework, industry and regulatory updates and other relevant matters. These presentations enable one-on-one interaction between the Independent Directors and the senior management of the Company/ internal auditor of the Company. Additionally, visits to branches of the Company are also arranged to apprise them of the actual operations of the Company.

## Report on Corporate Governance (Contd.)

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters along with details of number of programmes and number of hours spent by each of the Independent Directors during the Financial Year 2023-24, in terms of the requirements of SEBI Listing Regulations are available on the website of the Company and can be accessed at [https://www.hdbfs.com/sites/default/files/grp\\_pdf/Familiarization-Program-for-Independent-Directors2023.pdf](https://www.hdbfs.com/sites/default/files/grp_pdf/Familiarization-Program-for-Independent-Directors2023.pdf)

### A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the existing composition of the Board.

Name of the Director	Skill Areas
Mr. Arijit Basu	Leadership, Business & Strategic Planning, Governance, Industry Knowledge, Banking, Insurance
Mr. Venkatraman Srinivasan	Finance, Audit, Accounting & Taxation, Compliance & Audit Purview, Governance
Ms. Smita Affinwalla	Human Resource, Business Administration, Finance, BFSI Industry knowledge
Mr. Adayapalam Viswanathan	Risk Management, Cyber Security, Stakeholders Engagement, Finance, Accounting & Taxation
Dr. Amla Samanta	Entrepreneurship Banking, Finance, Governance
Ms. Arundhati Mech	Banking, Human Resource, Regulatory Compliance, Business Administration
Mr. Jimmy Tata	Risk Management, Banking, Industry Knowledge, Finance
Mr. Jayesh Chakravarthi	Information Technology, Cyber Security, Business & Strategic Planning
Mr. Ramesh G.	Leadership, Business & Strategic Planning, Governance, Industry Knowledge, Risk Management, Stakeholders Engagement

### COMMITTEES OF THE BOARD OF DIRECTORS

The Committees instituted by the Board plays a vital role in the governance structure of the Company and they deal in specific areas or activities that need closure or review. The Committees have been set up under the prescribed approval of the Board to carry out roles and responsibilities as set out in the Corporate Governance Code of the Company. The terms of reference of these Committees are in line with the requirements of the Companies Act, 2013 and SEBI Listing Regulations. The brief terms of reference of the individual Committees of Board are aligned with individual Committees mentioned below and the detailed list of the terms of reference of the Committees can be accessed through Corporate Governance Code of the Company available on the website at <https://www.hdbfs.com/investors>

The Chairman of each Committee briefs the Board on the important deliberations and decisions of the respective Committees. The quorum for all the Board Committees is two members or one-third members, whichever is higher. The Company Secretary acts as the Secretary to all the Committees of the Board of Directors.

Your Company has six (6) Committees as on March 31, 2024, of the Board, where the members of the Committees take informed decisions in the best interest of the Company. Also Customer Service Committee is constituted w.e.f April 16, 2024. Following Committees monitor the activities falling within their terms of reference:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee
- D. Corporate Social Responsibility & ESG Committee
- E. Risk Management Committee
- F. Information Technology Strategy Committee.

During the FY 2023-24, the Board had accepted all recommendations of all the Committees of the Board. All decisions pertaining to the constitution of Committees, appointment of members and terms of reference for Committee members are taken by the Board of Directors. Details pertaining to the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

**Report on Corporate Governance (Contd.)****A. AUDIT COMMITTEE**

Your Company has an independent Audit Committee, which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act, Regulation 18 of the SEBI Listing Regulations and Reserve Bank of India (Non-Banking Financial Company–Scale Based Regulation) Master Directions, 2023, No. RBI/DoR/2023-24/105 DoR.FIN.REC. No.45/03.10.119/2023-24 dated October 19, 2023 on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Directions"). All the members of the Audit Committee are financially literate and possess high expertise in the fields of Finance, Taxation, Economics, Risk and International Finance.

**Composition, Meetings & Attendance:**

Majority of the Committee members are Independent Directors. The Audit Committee met 4 (Four) times during the year under review on April 14, 2023, April 15, 2023 (adjourned meeting), July 14, 2023, July 15, 2023 (adjourned meeting), October 13, 2023, October 14, 2023 (adjourned meeting) and January 12, 2024, January 13, 2024 (adjourned meeting). The gap between two Meetings did not exceed one hundred and twenty days. The composition of the Audit Committee as on March 31, 2024 and the details of attendance for the FY 2023-24 is as under:

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
1.	Mr. Venkatraman Srinivasan	March 12, 2015	Chairman, Independent Director	4	4	Nil
2.	Mr. Adayapalam Viswanathan	July 24, 2019	Member, Independent Director	4	4**	Nil
3.	Ms. Smita Affinwalla	March 12, 2015	Member, Independent Director	4	4	Nil
4.	Mr. Jimmy Tata*	October 14, 2023	Member, Non-Executive Director	1	1	3,21,021

\*Mr. Jimmy Tata was inducted as a member of the Audit Committee with effect from October 14, 2023.

\*\*Mr. Adayapalam Viswanathan was present at the 70<sup>th</sup> Audit Committee meeting held on January 12, 2024. However, he was absent in the 70<sup>th</sup> adjourned Audit Committee meeting held on January 13, 2024.

Mr. Venkatraman Srinivasan, Chairman of the Committee, was present at the 16th AGM which was held through video conferencing (VC) on June 30, 2023 to answer members' queries.

**Brief Description of Terms of Reference:**

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Rules made thereunder, SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Audit Committee inter-alia includes:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending the appointment, remuneration and terms of appointment of the auditors of the Company;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval.

In addition to the members of the Audit Committee, these meetings were attended by Chief Financial Officer, Internal Auditor, Internal Ombudsman, representative of Statutory Auditors and other senior executives who were considered necessary for providing inputs to the Committee.

## Report on Corporate Governance (Contd.)

### B. NOMINATION & REMUNERATION COMMITTEE

Your Company has a Nomination and Remuneration Committee (NRC) in compliance with the provisions of the Section 178 of the Act, Regulation 19 of SEBI Listing Regulations and RBI Master Directions.

#### Composition, Meetings & Attendance:

All the members of the Nomination & Remuneration Committee are the Independent Directors. In addition to the members of the Nomination & Remuneration Committee, these meetings were attended by Managing Director & CEO, Chief - People & Operations and other senior executives who were considered necessary for providing inputs to the Committee. The Nomination & Remuneration Committee met 3 (Three) times during the year under review, on May 31, 2023, June 12, 2023 (adjourned meeting), October 23, 2023 and January 22, 2024.

The composition of the Nomination & Remuneration Committee as on March 31, 2024 and the details of attendance for the FY 2023-24 is as under:

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
1.	Mr. Venkatraman Srinivasan	Chairman, Independent Director	March 12, 2015	3	3	Nil
2.	Mr. Arijit Basu	Member, Independent Director	August 16, 2021	3	3	Nil
3.	Dr. Amla Samanta	Member, Independent Director	July 24, 2019	3	3	Nil

Mr. Venkatraman Srinivasan, Chairman of the Committee, was present at the 16th AGM which was held through video conferencing (VC) on June 30, 2023 to answer members' queries.

#### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Rules made thereunder, SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Nomination and Remuneration Committee inter-alia includes:

- (i) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a Policy, relating to the remuneration for the directors, key managerial personnel and other employees. While formulating the policy, following to be ensured:
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- (ii) For every appointment of an independent director, the Nomination and Remuneration Committee shall 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.



**Report on Corporate Governance (Contd.)**

- (iii) Formulating criteria for evaluation of the performance of the independent directors and the Board;
- (iv) Devising a policy on Board diversity;
- (v) Ensuring 'fit and proper' status of the proposed and existing directors and scrutinising the declarations received by the directors in this regard;

**Performance Evaluation of Board, its Committees and Directors**

Pursuant to the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, the Nomination & Remuneration Committee had approved a framework for performance evaluation of the Board of Directors, its Committees and the individual Board members. The Board has carried out an annual performance evaluation of its own performance, evaluation of the working of its Committees as well as performance of all the Directors individually (including Independent Directors) and Chairman. Feedback was sought by well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc.

**Performance Evaluation framework of the Company is as follows:**

- a. NRC would approve framework of performance evaluation of the Company;
- b. Board would evaluate the performance of the Independent Directors, Board as a whole and Committees of the Board;
- c. Independent Directors would evaluate the performance of the Chairman of the Company after taking views of other directors, Board as a whole, Managing Director & CEO and Non-Independent Directors; and
- d. Self-evaluation of individual Directors.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Independent Directors. A member of the Board will not participate in the discussion of his/her evaluation. The performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was carried out by the Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. Performance evaluation of the Board and of its Committees was carried out by the Board. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

Your Company has a Stakeholders Relationship Committee in compliance with Section 178(5) of the Act and Regulation 20 of SEBI Listing Regulations. Ms. Dipti Khandelwal, Company Secretary, is Compliance officer of the Company.

**Composition, Meetings & Attendance:**

The Stakeholders Relationship Committee met 2 (Two) times during the year under review on April 14, 2023 and October 13, 2023. The composition of the Stakeholders Relationship Committee as on March 31, 2024 and the details of attendance for the FY 2023-24 is as under:

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
1.	Dr. Amla Samanta	Chairperson, Independent Director	July 17, 2019	2	2	Nil
2.	Ms. Arundhati Mech	Member, Independent Director	April 16, 2022	2	2	Nil
3.	Mr. Ramesh G.	Member, Managing Director & Chief Executive Officer	April 18, 2017	2	2	8,53,000



## Report on Corporate Governance (Contd.)

Dr. Amla Samanta, Chairman of the Committee, was present at the 16th AGM which was held through video conferencing (VC) on June 30, 2023 to answer members' queries.

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with Act and SEBI Listing Regulations. The role and responsibilities of the Stakeholders Relationship Committee inter-alia includes:

- (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, etc.;
- (ii) Review of measures taken for effective exercise of voting rights by 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;
- (v) To specifically look into various aspects of interest of shareholders, debenture holders and other security holders; and

During the FY 2023-24, one grievance from the debenture holder was received, which was resolved within the regulatory timelines.

## D. RISK MANAGEMENT COMMITTEE

Your Company has Risk Management Committee in compliance with Regulation 21 of SEBI Listing Regulations and RBI Master Directions, which monitors the risk management strategy of the Company. In order to ensure best governance practices, the Company has established risk management process for each line of its business and operations. These processes have been implemented through the specific policies adopted by the Board of Directors of the Company from time to time. Nevertheless, entire processes are subjected to robust independent internal audit review to arrest any potential risks and take corrective actions.

The Risk Management Committee of the Board has been in place since the commencement of business of the Company, meets on a quarterly basis and reports to the Board of Directors. The minutes of such meetings are tabled before the Board of Directors.

### Composition, Meetings & Attendance:

The Risk Management Committee met 4 (Four) times during the year under review on June 29, 2023, September 20, 2023, December 15, 2023 and March 13, 2024. In addition to the members of the Risk Management Committee, these meetings were attended by Chief Financial Officer, Chief Risk Officer and other senior executives who were considered necessary for providing inputs to the Committee.

The composition of the Risk Management Committee as on March 31, 2024 and the details of attendance for the FY 2023-24 is as under:

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
1.	Mr. Adayapalam Viswanathan	July 24, 2019	Chairman, Independent Director	4	4	Nil
2.	Mr. Venkatraman Srinivasan	July 24, 2019	Member, Independent Director	4	4	Nil
3.	Ms. Arundhati Mech	April 16, 2012	Member, Independent Director	4	4	Nil

**Report on Corporate Governance (Contd.)**

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
4.	Mr. Jimmy Tata*	October 14, 2023	Member, Non-Executive Director	2	2	3,21,021
5.	Mr. Ramesh G.	July 17, 2012	Member, Managing Director & Chief Executive Officer	4	4	8,53,000

\*Mr. Jimmy Tata was inducted as a Member of the Committee with effect from October 14, 2023.

**Brief Description of Terms of Reference:**

The terms of reference of this Committee are in line with SEBI Listing Regulations and RBI Master Directions as amended from time to time. The role and responsibilities of the Risk Management Committee inter-alia includes:

- (i) Approving and monitoring the Company's risk management policies and procedures;
- (ii) Framing, implementing, reviewing and monitoring the risk management plan including cyber security for the Company;
- (iii) Evaluating the overall risks faced by the Company including liquidity risk;
- (iv) Formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, 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.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (v) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

**E. CORPORATE SOCIAL RESPONSIBILITY AND ESG COMMITTEE**

The Corporate Social Responsibility and ESG (CSR & ESG) Committee was formed as per the provisions of Section 135 of the Act.

**Composition, Meetings & Attendance:**

The CSR & ESG Committee met 2 (Two) times during the year under review i.e. on April 14, 2023 and September 25, 2023. The composition of the Corporate Social Responsibility and ESG Committee as on March 31, 2024 and the details of attendance for the FY 2023-24 is as under:

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
1.	Dr. Amla Samanta	July 17, 2019	Chairperson, Independent Director	2	2	Nil
2.	Ms. Smita Affinwalla	March 12, 2015	Member, Independent Director	2	2	Nil
3.	Mr. Venkatraman Srinivasan*	October 14, 2023	Member, Independent Director	-	-	Nil
4.	Mr. Ramesh G.	March 12, 2015	Member, Managing Director & Chief Executive Officer	2	2	8,53,000

\*Mr. Venkatraman Srinivasan was appointed as a Member of the CSR & ESG Committee consequent to reconstitution of the Committee with effect from October 14, 2023.

## Report on Corporate Governance (Contd.)

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the CSR & ESG Committee inter-alia includes:

- (i) To formulate and recommend to the Board the Company's ESG and CSR strategy, policy which shall include the activities to be undertaken by the Company in areas and subject as specified in Schedule VII of the Companies Act, 2013 and to review and update them from time to time as the Company's activities evolve further.
- (ii) To monitor the Company's ESG and CSR policy and performance. The ESG and CSR Committee shall institute a transparent monitoring mechanism for implementation of the all activities including CSR projects & programs, undertaken by the Company.
- (iii) Recommend the amount of expenditure to be incurred on the CSR activities
- (iv) To review the CSR project/initiatives from time to time.
- (v) To ensure legal and regulatory compliance for all ESG related requirements as applicable to the Company including CSR.

## F. INFORMATION TECHNOLOGY STRATEGY COMMITTEE

Information Technology (IT) Strategy Committee was formed as per the provisions of RBI Master Direction No. RBI/DNBS/2016-17/53 DNBS.PPD.No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to "Information Technology Framework for the NBFC Sector". The Company has also considered the provisions of RBI Master Direction No. RBI/DoS/2023-24/107 DoS.CO.CSITEG/SEC.7/31.01.015/2023-24 dated November 07, 2023 on Information Technology Governance, Risk, Controls and Assurance Practices, which shall be effective from April 01, 2024.

### Composition, Meetings & Attendance:

The Information Technology Strategy Committee comprise of five members which met 4 (Four) times during the year under review i.e. on June 29, 2023; September 25, 2023; December 15, 2023 and March 13, 2024.

The composition of the Information Technology Strategy Committee as on March 31, 2024 and the details of attendance for the FY 2023-24 is as under:

Sr. No.	Name of the Member	Member of Committee since	Designation in the Committee & Capacity	Number of meetings held during their tenure	Number of meetings Attended	No. of shares held in the Company
1.	Mr. Adayapalam Viswanathan	July 24, 2019	Chairman, Independent Director	4	4	Nil
2.	Ms. Arundhati Mech	April 16, 2022	Member, Independent Director	4	4	Nil
3.	Ms. Smita Affinwalla	August 16, 2021	Member, Independent Director	4	4	Nil
4.	Mr. Ramesh G.	January 18, 2018	Member, Managing Director & Chief Executive Officer	4	4	8,53,000
5.	Mr. Mathew Panat	April 16, 2022	Member, Chief Technology Officer	4	4	3,000

In addition to the members of the Information Technology Strategy Committee, these meetings were attended by Chief Information Security Officer, Chief Risk Officer, Head Infrastructure & Security Operations and other senior executives who were considered necessary for providing inputs to the Committee.



## Report on Corporate Governance (Contd.)

### Brief Description of Terms of Reference:

The terms of reference of this Committee are in line with the regulatory requirements. The role and responsibilities of the Information Technology Strategy Committee inter-alia includes:

- (i) Ensure that the RE has put an effective IT strategic planning process in place.
- (ii) Shall guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the RE towards accomplishment of its business objectives.
- (iii) ITSC shall satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation.
- (iv) ITSC to ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks.
- (v) The Committee to ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives.

### GENERAL BODY MEETINGS

Following are the information on General Body meetings and details of special resolution(s) passed.

#### a. Details of last three Annual General Meetings and Special Resolutions passed thereat:

Details of AGM	Date and Time	Venue	Special resolutions passed
16 <sup>th</sup> AGM	June 30, 2023 at 12 noon	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Appointment of Mr. Arijit Basu as a Part-Time Non-Executive Chairman and Independent Director of the Company</li> <li>Approve Selling, Assignment, Securitisation of Receivables / Book Debts of the Company up to ₹ 7,500 Crore.</li> <li>Authority to issue Redeemable Non-Convertible Debentures and/or other Instruments on Private Placement basis.</li> <li>Alteration of Articles of Association of the Company</li> </ul>
15 <sup>th</sup> AGM	June 23, 2022 at 12 noon	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Ramesh G. as a Managing Director and Chief Executive Officer of the Company.</li> <li>Approve Selling, Assignment, Securitisation of Receivables/ Book Debts of the Company up to ₹ 7,500 Crore.</li> <li>Authority to issue Redeemable Non-Convertible Debentures and/or other Instruments on Private Placement basis.</li> </ul>
14 <sup>th</sup> AGM	June 25, 2021 at 12 noon	Held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Approve Selling, Assignment of its receivables/book debts up to ₹ 7,500 Crore.</li> <li>Authority to issue redeemable non-convertible debentures and/or other hybrid instruments on private placement basis.</li> </ul>

#### b. Details of Extra-Ordinary General Meeting held in last three financial years and special resolutions passed thereat:

During the FY 2021-22; FY 2022-23 and FY 2023-24 the Company did not hold any Extraordinary General Meeting.

#### c. Details of business transacted through Postal Ballot during the FY 2023-24:

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, including any statutory modification(s), clarification(s), substitution(s) or

## Report on Corporate Governance (Contd.)

re-enactment(s) thereof for the time being in force, guidelines prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India, for holding general meetings/conducting postal ballot process through electronic voting (remote e-voting) and any other applicable laws and regulations, the approval of the Members of the Company for below mentioned resolutions were obtained through Postal Ballot Notices dated July 15, 2023 and January 26, 2024 via. remote e-voting.

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot.

During the FY 2023-24, the Company had sought approval of the members through two postal ballot notices, the details of the same are given below:

Date of Notice	Date of Scrutiniser's report	Date of passing the resolution	Special Resolution(s) passed
July 15, 2023	August 28, 2023	August 26, 2023	1. Appointment of Mr. Jimmy Tata (DIN: 06888364) as a Non-Executive Director of the Company 2. Amendment in Employee Stock Option Scheme 2017 and Employee Stock Option Scheme 2022 for eligible employees of the Company

### VOTING RESULTS OF SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT NOTICE DATED JULY 15, 2023:

Special Resolution(s)	% of Votes in favour of the Resolution	% of Votes against the Resolution	% of Invalid Votes
Resolution No. 1	99.9997	0.0003	-
Resolution No. 2	99.9970	0.0030	0.1020

Date of Notice	Date of Scrutiniser's report	Date of passing the resolution	Special Resolution(s) passed
January 26, 2024	February 29, 2024	February 28, 2024	1. Authority to issue and allotment of Subordinated Bonds on Private Placement basis 2. Authority to issue and allotment of Perpetual Debt Instruments on Private Placement basis 3. Approval for increasing borrowing limits of the Company from ₹ 80,000 Crore to ₹ 1,25,000 Crore 4. Approval for increasing limits for creation of charge on the assets of the Company upto an amount of ₹ 1,25,000 Crore to secure its borrowings 5. Re-appointment of Dr. Amla Samanta (DIN: 00758883) as an Independent Director of the Company 6. Appointment of Mr. Jayesh Chakravarthi (DIN: 08345495) as an Independent Director of the Company

### VOTING RESULTS OF SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT NOTICE DATED JANUARY 26, 2024:

Special Resolution(s)	% of Votes in favour of the Resolution	% of Votes against the Resolution	% of Invalid Votes
Resolution No. 1	99.9992	0.0008	-
Resolution No. 2	99.9992	0.0008	-
Resolution No. 3	99.9994	0.0006	-
Resolution No. 4	99.9994	0.0006	-
Resolution No. 5	99.9968	0.0032	-
Resolution No. 6	99.9968	0.0032	-

**Report on Corporate Governance (Contd.)****PROCEDURE FOR POSTAL BALLOT**

Pursuant to the provisions of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolutions is restricted only to remote e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. In compliance with the MCA Circulars, postal ballot notice was sent through email only, to all those members who had registered their email ids with the Company/depositories. Arrangements were also made for other members to register their email id to receive the postal ballot notice and cast their vote online.

The Company also published particulars of Postal Ballot notice in the newspapers for the information of the members. Voting rights are reckoned on the equity shares held by the members as on the cut-off date. Pursuant to the provisions of the Act, the Company appoints a scrutiniser for scrutinising the postal ballot process in a fair and transparent manner. The scrutiniser submits his consolidated report to the Chairman and the voting results are announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges. The resolution, if passed by requisite majority, is deemed to have been passed on the last date specified by the Company for receipt of duly completed remote e-voting.

Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, was appointed as the Scrutiniser for scrutinising the Postal Ballot process, in a fair and transparent manner. There is no immediate proposal for passing any special resolution through Postal Ballot.

**SENIOR MANAGEMENT**

The particulars of Senior Management of the Company as at March 31, 2024:

Sr. No.	Name of the Senior Management	Designation
1	Mr. Ramesh G.	Managing Director & CEO
2	Mr. Karthik Srinivasan	Chief Business Officer
3	Mr. Sarabjeet Singh	Chief Business Officer
4	Mr. Manish Tiwari	Head – Commercial Equipment and Micro Lending
5	Mr. Venkata Swamy	Chief Digital and Marketing Officer
6	Mr. Jaykumar Shah	Chief Financial Officer

Sr. No.	Name of the Senior Management	Designation
7	Mr. Rohit Patwardhan	Chief Credit Officer
8	Mr. Ashish Ghatnekar	Chief – People & Operations
9	Mr. Mathew Panat	Chief Technology Officer
10	Mr. Harish Venugopal	Chief Risk Officer
11	Mr. Arjun Dutta	Chief Compliance Officer
12	Mr. Premal Brahmabhatt	Head - Internal Audit
13	Ms. Dipti Khandelwal	Company Secretary and Head Legal

**DETAILS OF REMUNERATION TO DIRECTORS****a. Pecuniary relationship/ transaction with Non-Executive Directors**

During the FY 2023-24, there were no pecuniary relationship/ transactions of any Non-Executive Directors with the Company, apart from receiving remuneration as directors. During the FY 2023-24, the Company did not advance any loans to any of its directors and to firms / companies in which Directors are interested.

**b. Remuneration paid to Executive Director**

The details of the remuneration paid and stock options granted to Mr. Ramesh G., Managing Director and CEO during the financial year 2023-24 is as under:

Particulars of Remuneration	Amount in ₹
Gross salary	4,56,75,648
a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	-
b) Value of perquisites under section 17(2) Income-tax Act, 1961	19,210
c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
Perquisite value of stock options exercised	1,50,72,500
Bonus	1,74,63,600
Sweat Equity	-
Commission	-
Company Car	-
<b>Total</b>	<b>7,82,30,958</b>
Number of Stock Options granted	3,81,300



## Report on Corporate Governance (Contd.)

The employee stock options have not been issued at discount and the same have been granted at the fair market value of the equity shares of the Company as certified by the Category 1 Merchant Bank registered with SEBI. The vesting schedule for the stock options is:

- 30% of options after expiry of twelve months from date of grant;
- 30% options after expiry of twenty-four months from the date of grant; and
- 40% of options after expiry of thirty-six months from the date of grant.

The options so vested are to be exercised within 7 years from the respective dates of vesting.

The criteria for evaluation of performance of Managing Director include Leadership, Strategy Formulation, Strategy execution, Financial Planning/Performance, Relationships with the Board, External Relations, Human Resource Management/Relations, Succession and Product/Service Knowledge.

The Company provides for gratuity in the form of lump-sum payment, without any upper limit, equivalent to 15 (fifteen) days basic salary payable for each completed year of service on resignation, retirement, death while in employment or on termination of employment.

The Company makes contributions to a recognised Gratuity Trust administered by trustees and whose funds are managed by insurance companies. The Company accounts for the liability for future gratuity benefits based on an independent external actuarial valuation carried out annually.

Perquisites (evaluated as per Income Tax Rules, 1962 wherever applicable and at actual cost to the Company otherwise) such as insurance policies, use of car and telephone at residence, medical reimbursement, leave and leave travel concession and other benefits like Provident Fund and Gratuity are provided in accordance with the rules of the Company in this regard.

Service Contracts and the notice period are as per the terms of agreement entered into by the Company with Managing Director & Chief Executive Director. No severance fee is payable by the Company on termination of these contracts.

No sitting fees was paid to Mr. Ramesh G. for attending meetings of the Board and / or its Committees.

### c. Criteria for sitting fees / commission / remuneration paid to Non-Executive Directors

All the Directors of the Company except for Mr. Jimmy Tata and Mr. Ramesh G. receive sitting fees and commission, however all the Directors are eligible for reimbursement of out of pocket expenses for attending each meeting of the Board and its various Committees. No stock options are granted to any of the non-executive directors.

### SITTING FEES

Sitting fees was paid to all the Independent Directors of the Company.

The sitting fees for attending meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Information Technology Strategy Committee and Risk Management Committee is ₹ 75,000 per meeting. Sitting fees for attending meetings of the Corporate Social Responsibility & ESG Committee, Stakeholders Relationship Committee and Separate meeting of Independent Directors meetings is ₹ 25,000/- per meeting. However sitting fees fees of these Committees is revised from ₹ 25,000 to ₹ 75,000 w.e.f April 16, 2024.

### PROFIT RELATED COMMISSION

The Shareholders via Postal Ballot notice dated January 14, 2023 had approved revision in payment of profit related commission to Independent Directors with effect from April 1, 2022 at the rate of ₹ 1,00,000 per meeting of the Board and/or Committee attended subject to maximum of ₹ 15,00,000 per Independent Director in a Financial Year, not exceeding in aggregate 1% of the net profit of the Company of the relevant financial year.

The details of sitting fees, commission and remuneration paid to non-executive directors during the financial year 2023-24 is as under:

(Amount in ₹)			
Name of Director	Sitting Fees	Commission	Remuneration
Mr. Arijit Basu	6,75,000	NIL	30,00,000
Mr. Venkatraman Srinivasan	13,75,000	15,00,000	NIL
Ms. Smita Affinwalla	12,00,000	15,00,000	NIL
Mr. Adayapalam Viswanathan	13,75,000	15,00,000	NIL



**Report on Corporate Governance (Contd.)**

(Amount in ₹)

Name of Director	Sitting Fees	Commission	Remuneration
Dr. Amla Samanta	8,75,000	14,00,000	NIL
Ms. Arundhati Mech	12,00,000	15,00,000	NIL
Mr. Jayesh Chakravarthi	75,000	NIL	NIL

**Note:** The Shareholders in its Annual General Meeting held on June 30, 2023 had approved remuneration of ₹ 30,00,000 per annum drawn on monthly basis payable to Mr. Arijit Basu, Part-Time Non-Executive Chairman & Independent Director.

**DISCLOSURES****SUCCESSION PLANNING**

Succession planning is a process of ascertaining the need for filling position at the Board and Senior Management positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in an organisation. The process of development primarily concentrates on coaching, mentoring and training the identified employees to assume higher responsibilities when the need arises. The Company has always endeavoured to nurture, train and increase the skill sets of employees at all levels, with the key objective of ensuring smooth succession without impacting the performance in current role.

The Company has in place Succession Planning Policy for appointments to the Board and to the Senior Management.

**RELATED PARTY TRANSACTIONS**

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interest of the Company. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a policy for dealing with related party transactions and the said policy is available on the website of the Company at <https://www.hdbfs.com/investors>.

All related party transactions are placed before the Audit Committee and the Board for their approvals on quarterly basis. Transactions with related parties, as per the

requirements of Ind-AS and Regulation 53(1)(f) of SEBI Listing Regulations, are disclosed in, note no. 37 and 78 forming part of the notes to accounts annexed to the financial statements. All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business.

The Shareholders of the Company have approved the material related party transactions to be entered into by the Company in the FY 2024-25 with HDFC Bank Limited and HDFC Life Insurance Company Limited, being a related party of the Company through Postal Ballot on February 28, 2024 as per SEBI Listing Regulations.

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed to the Director's Report.

In addition, as per the SEBI Listing Regulations, your Company has also submitted along with its standalone and consolidated financial results for the half year, disclosures of related party transactions with stock exchange and also published it on the website of the Company.

**STRICTURES AND PENALTIES**

During the last three financial years, no penalties or strictures were imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets.

Further, during FY 2023-24, no penalties or strictures were imposed on the Company by the Reserve Bank of India or any other statutory authority.

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The details of establishment of whistle blower policy / vigil mechanism are furnished in the Directors' Report forming part of the Annual Report. None of the Company's personnel have been denied access to the Audit Committee.

**SUBSIDIARY COMPANY**

The Company does not have any Subsidiary Company, hence formulation of Policy for determining Material Subsidiaries as per Regulation 16 of the SEBI Listing Regulations is not applicable for the Company.

## Report on Corporate Governance (Contd.)

### CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING NON-DEBARMENT AND NON-DISQUALIFICATION OF DIRECTORS

The Company has received a certificate from M/s. Mehta & Mehta, Company Secretaries, to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/ Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed as **Annexure - I**.

### DETAILS OF RECOMMENDATION OF ANY COMMITTEE OF THE BOARD NOT ACCEPTED BY THE BOARD AND REASONS THEREOF

During the year under review, the Board of your Company has accepted all the recommendations made by its Committee(s), from time to time.

### FEES PAID TO STATUTORY AUDITORS

Total fees paid by the Company during the FY 2023-24 to the Statutory Auditors including all entities in their network firm/ entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in Crore)
	M/s. KKC & Associates LLP & their network firm/ entity of which they are a part	
1	Fees as Statutory Auditors	0.84
2	Fees for other services	-
	M/s. B. K. Khare & Co. & their network firm/ entity of which they are a part	
1	Fees as Statutory Auditors	0.84
2	Fees for other services	-

### COMPLAINTS PERTAINING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The details of complaints filed, disposed of and pending during every quarter pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are reported to the Board and are included in the Directors Report forming part of this Annual Report.

### CEO/ CFO CERTIFICATION

The Managing Director & Chief Executive Officer and Chief Financial Officer have certified to the Board with regard to the

financial statements and internal controls relating to financial reporting for the year ended March 31, 2024 as required under the SEBI Listing Regulations. The said Certificate is attached as **Annexure - II** and forms part of this Report.

### REPORT ON CORPORATE GOVERNANCE

The Company is a High Value Debt Listed Entity ("HVDLE") pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 07, 2021. Accordingly, the Company has been submitting the quarterly corporate governance compliance report to the stock exchange as required under regulation 27(2) of the SEBI Listing Regulations.

The Company has obtained a certificate from Mehta & Mehta, Company Secretaries regarding compliance with the provisions relating to corporate governance laid down under the SEBI Listing Regulations. This certificate is annexed to the Directors' Report.

### CODE OF CONDUCT

The SEBI Listing Regulations requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors prescribed in the Act. Accordingly, the Company has a Board approved code of conduct for Board members and senior management of the Company. This code has been placed on the Company's website and can be accessed at <https://www.hdbfs.com/investors>

All the Board members and senior management personnel have affirmed compliance with the code for the year ended March 31, 2024. A declaration to this effect signed by the Managing Director and CEO forms part of Annual Report as **Annexure - III**.

### DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE

None of the Independent Director of the Company has resigned before the expiry of his/her respective tenure(s) during the FY 2023-24.

### COMPLIANCE OF MANDATORY AND DISCRETIONARY REQUIREMENTS

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations applicable to the Company being a High Value Debt Listed Company.



## Report on Corporate Governance (Contd.)

The Company has also complied with the discretionary requirements as under:

### a) The Board

A Chairman's office has been made available for the non-executive Chairman. He is allowed reimbursement of expenses incurred in performance of his duties.

### b) Modified opinion(s) in Audit Report

The Company confirms that its financial statements have unmodified audit opinion.

### c) Separate posts of Chairman and Managing Director or the Chief Executive Officer

The role of the Chairman and the Chief Executive Officer are distinct and separate. The Chairman is primarily responsible for ensuring that the Board provides effective governance to the Company and the responsibility of Chief Executive Officer is to execute the corporate strategy in consultation with the Board. Mr. Arijit Basu is the Part-Time Non-Executive Chairman & Independent Director and Mr. Ramesh G. is the Managing Director & Chief Executive Officer of the Company.

### d) Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

## ADHERENCE TO ACCOUNTING STANDARDS

The Company has complied with the applicable Indian Accounting Standards (Ind-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.

## RISK MANAGEMENT AND INTERNAL CONTROL POLICIES ADOPTED BY THE COMPANY

The Company has a well-defined Risk Management Framework in place. The Company has procedures to periodically place before the Audit Committee, Risk Management Committee and the Board, the risk assessment and mitigation plans being followed by the Company.

## SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of secretarial standards issued by The Institute of Company Secretaries of India.

## GENERAL SHAREHOLDER INFORMATION

### A. Corporate Information

HDB Financial Services Limited was incorporated as a public limited company on June 04, 2007 under the Companies Act, 1956. The Company is registered with the Reserve Bank of India and is carrying on the business of non-banking financial institution without accepting public deposit.

The key information of the Company is as follows:

1.	Date of Incorporation	June 04, 2007
2.	Corporate Identification No. (CIN)	U65993GJ2007PLC051028
3.	RBI Registration No.	N.01.00477
4.	Financial Year	April 01 to March 31
5.	Plant Locations/ Branches:	1,682 branches across 1,148 cities in India
6.	Registered Office Address	Radhika, 2 <sup>nd</sup> Floor, Law Garden Road, Navrangpura, Ahmedabad, Gujarat, India, 380009
7.	Corporate Office Address	Ground Floor, Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai, Maharashtra, India, 400034
8.	Company Secretary	Ms. Dipti Khandelwal Email: <a href="mailto:compliance@hdbfs.com">compliance@hdbfs.com</a> Tel: +91 22 49116368 Fax: +91 22 49116666

### B. Listing on Stock Exchanges:

The Non-Convertible Securities of the Company are listed on the debt market segment of BSE Limited. Commercial Papers of the Company are listed on the debt market segment of National Stock Exchanges of India Limited.

Name of Stock Exchange	Address
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
National Stock Exchanges of India Limited (NSE)	'Exchange Plaza', Plot No. C/1, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

## Report on Corporate Governance (Contd.)

The Equity shares of the Company are not listed on the Stock Exchange; hence the Stock Exchange code/ Symbol is not applicable. Annual listing fees, as prescribed, have been paid to the said stock exchange up to March 31, 2024.

### C. Dematerialisation of shares and liquidity

As on March 31, 2024, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange.

Mode of holding	Number of Equity Shares	% to paid-up capital
Central Depository Services Limited (CDSL)	65,70,111	0.83
National Securities Depository Limited (NSDL)	78,65,04,455	99.17
<b>Total</b>	<b>79,30,74,566</b>	<b>100</b>

### D. Registrar and Share Transfer Agent and Share Transfer System

In terms of Regulation 7 of the SEBI Listing Regulations, Link Intime India Pvt. Ltd. continues to be the Registrar and Share Transfer Agent and handles all relevant share

registry services. All the securities of the Company are in dematerialised form, hence there are no physical transfer of securities.

#### Link Intime India Pvt. Ltd.

Address: C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400083

Website: <https://linkintime.co.in>

Contact person for Equity Shares:

Mr. Mahesh Masurkar

Tel.: 91 8108116767

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Contact person for Commercial Papers & Non-Convertible Securities:

Mr. Rohan Jadhav

Tel.: 91 022 4918 6000 / 2463

Email: [rohan.jadhav@linkintime.co.in](mailto:rohan.jadhav@linkintime.co.in), [team.bonds@linkintime.co.in](mailto:team.bonds@linkintime.co.in)

### E. Details of forthcoming 17<sup>th</sup> Annual General Meeting (AGM)

Details of AGM	Date and Time	Venue
17 <sup>th</sup> AGM	June 27, 2024 at 12 noon	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

### F. Dividend Details:

The final dividend for FY 2023-24 if approved at the AGM, will be paid on or after Friday, June 28, 2024

Sr. No.	Financial Year	Interim/Final	Rate of Dividend	Date of Declaration	Date of Payment	Due date of transfer to IEPF
1	2019-20	No dividend declared by the Company				
2	2020-21	No dividend declared by the Company				
3	2021-22	Final	₹ 1/-	23/06/2022	27/06/2022	30/07/2029
4	2022-23	Interim	₹ 0.9/-	16/12/2022	31/12/2022	16/01/2030
		Final	₹ 1.1/-	30/06/2023	04/07/2023	02/08/2030
5	2023-24	Interim	₹ 2/-	14/10/2023	03/11/2023	16/11/2030

### G. Shareholding Pattern of the Company as at March 31, 2024:

Name of Shareholder	No. of equity shares held	Percentage
HDFC Bank Limited	75,05,96,670	94.64
Others	4,24,77,896	5.36
<b>Total</b>	<b>79,30,74,566</b>	<b>100</b>

**Report on Corporate Governance (Contd.)****H. Means of communication**

A separate dedicated section 'Investors' is maintained on the website of the Company for ease of the shareholders. The information/ documents required to be disseminated by the Company pursuant to the Act and SEBI Listing Regulations are uploaded on the website of the Company on regular basis at <https://www.hdbfs.com/investors>

The quarterly, half-yearly and annual financial results are submitted to the BSE Limited and National Stock Exchanges of India Limited and published in Free Press Journal (Mumbai edition).

The Annual Report of the Company, the quarterly/ half-yearly and the annual financial results are displayed on the Company's website, BSE Limited's website at [www.bseindia.com](http://www.bseindia.com) and on National Stock Exchanges of India Limited's website at [www.nseindia.com](http://www.nseindia.com)

**I. Market price data and performance in comparison to broad-based indices**

Equity shares of the Company are not listed on Stock Exchanges thus market price data and performance is not available.

**J. Outstanding Global Depository Receipts ("GDRs")/ American Depository Receipts ("ADRs")/ Warrants or any Convertible Instruments, Conversion Date and likely impact on equity**

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible Instruments.

**K. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. During the year, the Company has entered into derivative transactions with various counter parties to hedge its foreign exchange risks and interest rate risks associated with External Commercial Borrowings (ECBs). The ECBs are fully hedged and possess no foreign exchange risk.

**L. Credit Ratings**

The credit rating details are disclosed in the Directors Report forming part of this Annual Report.

**M. Unclaimed Dividend**

Pursuant to Sections 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), including amendment thereto, dividend, if not claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The list of the unclaimed dividend along with the name of the shareholders, dividend amount and proposed date of transfer to IEPF account has been uploaded on the website of the Company at <https://www.hdbfs.com/investors>

**COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Company has complied with all the applicable mandatory requirements of the Corporate Governance as prescribed under the SEBI Listing Regulations

Regulation	Particulars	Status of compliance
17	Requirements pertaining to the Board of Directors	Compliant
17A	Maximum number of Directorships	Compliant
18	Requirements pertaining to the Audit Committee	Compliant
19	Requirements pertaining to Nomination and Remuneration Committee	Compliant
20	Requirements pertaining to Stakeholders Relationship Committee	Compliant
21	Requirements pertaining to Risk Management Committee	Compliant
22	Requirements pertaining to Vigil Mechanism	Compliant
23	Requirements pertaining to Related Party Transactions	Compliant
24	Corporate governance requirements with respect to subsidiary of listed entity	Not Applicable
24A	Requirements pertaining to Secretarial Audit and Secretarial Compliance Report	Compliant
25	Obligations with respect to Independent Directors	Compliant
26	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	Compliant
27	Other corporate governance requirements	Compliant
46	Requirements pertaining to the dissemination of certain information under a separate section on the website	Not Applicable

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*[Pursuant to BSE Limited's Notice dated January 07, 2022 read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

**HDB FINANCIAL SERVICES LIMITED**

Radhika, 2<sup>nd</sup> Floor, Law Garden Road,  
Navrangpura, Ahmedabad GJ 380009.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HDB Financial Services Limited having CIN U65993GJ2007PLC051028 and having registered office at Radhika, 2<sup>nd</sup> Floor, Law Garden Road, Navrangpura, Ahmedabad GJ 380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub 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 Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in the Company
1	Mr. Arijit Basu	06907779	June 01, 2021
2	Mr. Venkatraman Srinivasan	00246012	March 12, 2015
3	Ms. Smita Cawas Affinwalla	07106628	March 12, 2015
4	Dr. Amla Ashim Samanta	00758883	May 01, 2019
5	Mr. Adayapalam Kumaraswamy Viswanathan	08518003	July 24, 2019
6	Ms. Arundhati Mech	09177619	February 11, 2022
7	Mr. Ramesh Ganesan	05291597	July 01, 2012
8	Mr. Jimmy Minocher Tata	06888364	July 15, 2023
9	Mr. Jayesh Rajagopalan Chakravarthi	08345495	January 25, 2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**

Company Secretaries

(ICSI Unique Code P1996MH007500)

Sd/-

**Aditi Patnaik**

Partner

ACS No:45308

CP No: 18186

PR No: 3686/2023

Place: Mumbai

Date: April 16, 2024

UDIN: A045308F000145760





## Report on Corporate Governance (Contd.)

## Annexure II

## CEO &amp; CFO CERTIFICATE

*(Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Board of Directors,  
**HDB Financial Services Limited**

In compliance with Regulation 17 (8) read with Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Ramesh G., Managing Director & Chief Executive Officer, and Jaykumar Shah, Chief Financial Officer of the Company, to the best of our knowledge and belief certify that:

- A. We have reviewed, audited financial statements and the cash flow statement of the Company for the year ended March 31, 2024 and 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.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
  1. that there are no significant changes in internal control over financial reporting during the year;
  2. that there are no significant changes in accounting policies during the year; and
  3. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- E. We further declare that all Board members and Senior Management have affirmed compliance with the Code of Conduct and Ethics for the year.

Sd/-  
**Ramesh G.**  
Managing Director & Chief Executive Officer  
(DIN: 05291597)

Sd/-  
**Jaykumar Shah**  
Chief Financial Officer

Place: Mumbai  
Date: April 16, 2024



**DECLARATION BY MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**

*[Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Board of Directors,  
**HDB Financial Services Limited**

I, Mr. Ramesh G., Managing Director & Chief Executive Officer of HDB Financial Services Limited hereby declare that, all the Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct of the Company laid down for them for the year ended March 31, 2024.

**Sd/-**  
**Ramesh G.**  
Managing Director & Chief Executive Officer

Place: Mumbai  
Date: April 16, 2024



# Independent Auditor's Report

To  
The Members of  
**HDB Financial Services Limited**

## Report on the audit of the Standalone Financial Statements

### OPINION

1. We have audited the accompanying Standalone Ind AS Financial Statements of HDB Financial Services Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2024, and the Standalone Statement of Profit And Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Standalone Financial Statements').
2. 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 ('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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2024, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

### BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's 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 ('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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Standalone Financial Statements.

### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
<p><b>1. Assessment of impairment loss provision on loans based on Expected Credit Loss model (ECL) under IND AS 109.</b> Refer to the accounting policies in 'Note 3(B) to the Standalone Ind AS Financial Statements: Expected Credit Loss', 'Note 2.11 to the Standalone Ind AS Financial Statements: Revenue Recognition' and 'Note 2.2(G) to the Standalone Ind AS Financial Statements: Impairment of Financial Assets and 'Note 45 to the Standalone Ind AS Financial Statements: Risk Management'.</p> <p>Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus are:</p> <ul style="list-style-type: none"> <li>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> </ul>	<p>Our audit procedures were focussed on assessing the appropriateness of management's judgement and estimates used in the impairment analysis that included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the Board approved Policy and approach concerning the management of credit and other risks.</li> <li>• Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions.</li> </ul>

## Independent Auditor's Report (Contd.)

Key Audit Matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> <li>Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Standalone Ind AS Financial Statements as a whole and hence we have identified the same as a Key Audit Matter.</p> <p>Disclosures:</p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<ul style="list-style-type: none"> <li>Assessed the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans, measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information, which included overdue reports.</li> <li>Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages.</li> <li>Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default, (EAD), probability of default (PD) or loss given default (LGD);</li> <li>Tested key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and computation of probability of default and loss given default percentages.</li> <li>Verified the manner of preparation of information w.r.t. to provisions and disclosures in the Standalone Ind AS Financial Statements.</li> <li>Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems.</li> <li>Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>Performed test of details over model calculations testing through re-performance, where possible.</li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Standalone Ind AS Financial Statements are appropriate and sufficient.</li> </ul> <p>Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable including the report on review of ECL model of the Company for the year, as performed by an independent expert, whose report is placed before the Board of Directors of the Company.</p>

**Independent Auditor's Report (Contd.)**

Key Audit Matter	How the matter was addressed in our audit
<b>2. Information Technology system used for the financial reporting process</b>	
<p>IT systems and controls</p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>These include implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, the testing of the general computer controls of these systems was considered a Key Audit Matter</p>	<p>With the assistance of our IT specialist, our key audit procedures for assessment of the IT systems and controls over financial reporting covered following broad aspects:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management and application controls relevant to our audit.</li> <li>• Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting.</li> <li>• Reviewed user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems and related application controls.</li> <li>• Reviewed of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>• Evaluated the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> <li>• Tested compensating controls or performed alternate audit procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and/or accuracy of data.</li> <li>• Tested compliance with requirements relating to 'Audit Trail' as required under Companies Act, 2013</li> </ul>

## Independent Auditor's Report (Contd.)

### OTHER INFORMATION

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Ind AS Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this audit report.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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.
8. When we read the Annual Report, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the State of Affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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 of the appropriate accounting software for ensuring compliance with

applicable laws and regulations including those related to retention of audit logs; 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.

10. In preparing the Standalone Financial Statements, the Board of Directors is 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

12. 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 auditor's 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 SAs 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 Standalone Financial Statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 13.1. 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

**Independent Auditor's Report (Contd.)**

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.

- 13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- 13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 13.4. Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 13.5. 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.
14. 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.

15. 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.
16. 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 current year and are therefore the key audit matters. We describe these matters in our auditor's 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**

17. 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 the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. As required by Section 143(3) of the Act, we report that:
  - 18.1. 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.
  - 18.2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - 18.3. The standalone balance sheet, the standalone statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - 18.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.



## Independent Auditor's Report (Contd.)

- 18.5. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- 18.6. 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'.
- 18.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director is not in excess of the limit laid down under Section 197 of the Act.
19. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- 19.1. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its Standalone Financial Statements – Refer Note 39.2 to the Standalone Financial Statements;
- 19.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39.3 to the Standalone Financial Statements.
- 19.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection Fund by the Company.
- 19.4. The Management has represented, to best of their knowledge and belief, that 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.
- 19.5. The Management has represented, to best of their knowledge and belief, that 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.
- 19.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 19.4 and 19.5 contain any material misstatement.
- 19.7. In our opinion and according to the information and explanations given to us,
- 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 Act to the extent it applies to payment of dividend.
  - The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
  - As stated in Note 101 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 is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.





## Independent Auditor's Report (Contd.)

19.8. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

### For B. K. Khare & Co

Chartered Accountants

Firm Registration Number - 105102W

Sd/-

**Padmini Khare Kaicker**

Partner

Membership No. 044784

UDIN: 24044784BKFJKM2158

Place: Mumbai

Date: 16 April 2024

### For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number 105146W/W100621

Sd/-

**Hasmukh B Dedhia**

Partner

Membership No. 033494

UDIN: 24033494BKCQZG4457

Place: Mumbai

Date: 16 April 2024

## Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').  
The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks which are secured on the basis of security of current assets. The difference between the quarterly returns or statements filed by the Company with such banks or financial institutions and the books of account of the Company is not material in nature.
- iii. (a) Since the company's principal business is to give loans, the provision of clause 3(iii)(a) of the Order are not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c & d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 58,59 & Note 60 to the Standalone Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.
- (e) Since the company's principal business is to give loans, the provision of clause 3(iii)(e) of the order are not applicable to it.
- (f) The Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.



## Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024 (Contd.)

- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of the provisions of sections 185 and 186(1) of the Act, the other provision of the section 186 of the Act are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e&f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of the clauses (ix)(e) & (f) of the Order are not applicable to the Company.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information

## Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024 (Contd.)

- and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year, other than the instances of fraud noticed and reported by the management in terms of the regulatory provisions applicable to the Company amounting to ₹ 1.88 Crores comprising of 6 instances.
- (b) Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 under sub-section (12) of section 143 of the Act, for one instance of fraud, will be filed with Central Government within stipulated time.
- (c) Our review of the whistle blower complaints received during the year by the Company did not reveal any material observations.
- xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors."
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by Reserve Bank of India.
- (d) As per information provided in course of our audit, the Group to which Company belongs, does not have CIC.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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 we neither give any guarantee nor any 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) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.



**Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024 (Contd.)**

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of the section 135 of the Act pursuant to any ongoing project.

**For B. K. Khare & Co**

Chartered Accountants

Firm Registration Number - 105102W

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number 105146W/W100621

**Sd/-**

**Padmini Khare Kaicker**

Partner

Membership No. 044784

UDIN: 24044784BKFJKM2158

**Sd/-**

**Hasmukh B Dedhia**

Partner

Membership No. 033494

UDIN: 24033494BKCQZG4457

Place: Mumbai

Date: 16 April 2024

Place: Mumbai

Date: 16 April 2024

## **Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024**

(Referred to in paragraph '18.6' under 'Report on Other Legal and Regulatory Requirements' section of our report 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 the Companies Act, 2013 ('the Act').**

### **OPINION**

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of HDB Financial Services Limited ('the Company') as at 31 March 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal controls 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 ('the Guidance Note').

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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, including adherence to the 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, as required under the Act.

### **AUDITOR'S RESPONSIBILITY**

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference

to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the 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 auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS**

7. A Company's internal financial controls with reference to the 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 controls with reference to the Standalone Financial Statements

**Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024 (Contd.)**

include 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 THE STANDALONE FINANCIAL STATEMENTS**

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B. K. Khare & Co**

Chartered Accountants

Firm Registration Number: 105102W

Sd/-

**Padmini Khare Kaicker**

Partner

ICAI Membership No: 044784

UDIN: 24044784BKFJKM2158

Place: Mumbai

Date: 16 April 2024

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji &amp; Co LLP)

Firm Registration Number: 105146W/W100621

Sd/-

**Hasmukh B Dedhia**

Partner

ICAI Membership No: 033494

UDIN: 24033494BKCQZG4457

Place: Mumbai

Date: 16 April 2024



# Standalone Balance Sheet

as at March 31, 2024

(Currency : Indian Rupees in Crore)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS:</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	647.85	395.90
(b) Bank balances other than (a) above	5	54.66	257.92
(c) Derivative financial instruments	6	1.91	165.34
(d) Trade receivables	7	124.61	65.76
(e) Loans	8	86,721.26	66,382.67
(f) Investments	9	3,380.33	1,243.25
(g) Other financial assets	10	39.50	34.87
		<b>90,970.12</b>	<b>68,545.71</b>
<b>2 Non-Financial Assets</b>			
(a) Current tax assets (Net)	11	41.29	25.11
(b) Deferred tax assets (Net)	12	939.95	1,000.87
(c) Property, plant and equipment	13	162.53	122.37
(d) Capital work-in-progress		-	-
(e) Other intangible assets		22.15	20.41
(f) Right of use Assets	14	326.51	244.27
(g) Other non-financial assets	15	93.96	91.65
		<b>1,586.39</b>	<b>1,504.68</b>
<b>TOTAL ASSETS</b>		<b>92,556.51</b>	<b>70,050.39</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
<b>3 Financial Liabilities</b>			
(a) Derivative financial instruments	6	4.77	-
(b) Trade payables	16	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		509.00	291.84
(c) Debt securities	17	34,851.12	27,096.41
(d) Borrowings (other than debt securities)	18	33,831.38	24,227.80
(e) Subordinated liabilities	19	5,648.17	3,541.10
(f) Other financial liabilities	20	2,955.27	2,778.43
		<b>77,799.71</b>	<b>57,935.58</b>
<b>4 Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	21	58.65	41.97
(b) Provisions	22	502.94	368.96
(c) Other non-financial liabilities	23	452.50	266.91
		<b>1,014.09</b>	<b>677.84</b>
<b>5 Equity</b>			
(a) Equity share capital	24	793.08	791.40
(b) Other equity	25	12,949.63	10,645.57
		<b>13,742.71</b>	<b>11,436.97</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>92,556.51</b>	<b>70,050.39</b>
Accounting policies and notes to the Standalone Financial Statements.	2 - 102		

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353



# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(Currency : Indian Rupees in Crore)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1 Revenue from operations</b>			
(a) Interest income	26	11,156.72	8,927.78
(b) Sale of services		1,949.55	2,633.93
(c) Other financial charges		953.11	756.41
(d) Net gain on fair value changes	27	113.69	85.07
(e) Net gain / (loss) on derecognition of financial instruments under amortised cost category		(1.95)	(0.31)
<b>Total Revenue from operations</b>		<b>14,171.12</b>	<b>12,402.88</b>
<b>2 Expenses</b>			
(a) Finance Costs	28	4,864.32	3,511.92
(b) Impairment on financial instruments	29	1,067.39	1,330.40
(c) Employee Benefits Expenses	30	3,850.75	4,057.57
(d) Depreciation, amortisation and impairment	13,14	145.14	111.84
(e) Others expenses	31	938.85	763.75
<b>Total Expenses</b>		<b>10,866.45</b>	<b>9,775.48</b>
<b>3 Profit/(loss) before tax</b>		<b>3,304.67</b>	<b>2,627.40</b>
<b>4 Tax Expense:</b>	11,12		
(a) Current tax		770.67	621.30
(b) Deferred tax (credit)		73.16	46.75
<b>Total Tax expense</b>		<b>843.83</b>	<b>668.05</b>
<b>5 Profit for the year</b>		<b>2,460.84</b>	<b>1,959.35</b>
<b>6 Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan		(31.54)	(5.48)
- Income tax relating to items that will not be reclassified to profit or loss		7.94	1.38
<b>Sub total (a)</b>		<b>(23.60)</b>	<b>(4.10)</b>
(b) Items that will be reclassified to profit or loss			
- Movement in cash flow hedge reserve		(17.10)	19.59
- Income tax relating to items that will be reclassified to profit or loss		4.30	(4.93)
<b>Sub total (b)</b>		<b>(12.80)</b>	<b>14.66</b>
Other Comprehensive Income		(36.40)	10.56
<b>7 Total Comprehensive Income for the year</b>		<b>2,424.44</b>	<b>1,969.91</b>
<b>8 Earnings per equity share (for continuing operations)</b>	32		
Basic (₹)		31.08	24.78
Diluted (₹)		31.04	24.76
Accounting policies and notes to the Standalone Financial Statements.	2 - 102		

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Statement of Changes in Equity

as at March 31, 2024

(Currency : Indian Rupees in Crore)

## A EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	791.40	790.44
- 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	1.68	0.96
Balance at the end of the reporting year	793.08	791.40

## B OTHER EQUITY

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
Balance as at April 01, 2023	3,127.72	39.61	1,685.09	5,844.33	(57.65)	6.46	10,645.57
Profit for the year	-	-	-	2,460.84	-	-	2,460.84
Other Comprehensive Income	-	-	-	-	(23.60)	(12.81)	(36.41)
Total Comprehensive Income for the year	-	-	-	2,460.84	(23.60)	(12.81)	2,424.43
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	492.17	(492.17)	-	-	-
Premium on issue of shares	69.78	-	-	-	-	-	69.78
Share based payment	-	55.24	-	-	-	-	55.24
Transfer on allotment of shares pursuant to ESOP scheme	25.63	(25.63)	-	-	-	-	-
Dividends	-	-	-	(87.05)	-	-	(87.05)
Interim Dividend	-	-	-	(158.33)	-	-	(158.33)
Balance as at March 31, 2024	3,223.13	69.22	2,177.26	7,567.62	(81.25)	(6.35)	12,949.63

**Standalone Statement of Changes in Equity  
as at March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
<b>Balance as at April 01, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>
Profit for the year	-	-	-	1,959.35	-	-	<b>1,959.35</b>
Other Comprehensive Income	-	-	-	-	(4.10)	14.66	<b>10.56</b>
Total Comprehensive Income for the year	-	-	-	1,959.35	(4.10)	14.66	<b>1,969.91</b>
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	391.87	(391.87)	-	-	-
Premium on issue of shares	32.96	-	-	-	-	-	<b>32.96</b>
Share based payment	-	43.64	-	-	-	-	<b>43.64</b>
Transfer on allotment of shares pursuant to ESOP scheme	39.56	(39.56)	-	-	-	-	-
Dividends	-	-	-	(79.04)	-	-	<b>(79.04)</b>
Interim Dividend	-	-	-	(71.20)	-	-	<b>(71.20)</b>
<b>Balance as at March 31, 2023</b>	<b>3,127.72</b>	<b>39.61</b>	<b>1,685.09</b>	<b>5,844.33</b>	<b>(57.65)</b>	<b>6.46</b>	<b>10,645.57</b>

As required by section 45-IC of the RBI Act 1934, the Company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1934.

Accounting policies and notes to the Standalone Financial Statements. Note 2 - 102

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Standalone Statement of Cash Flow

for the year ended March 31, 2024

(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	3,304.67	2,627.40
<b>Adjustments for</b>		
Interest Income	(11,156.72)	(8,927.78)
Interest Expenses	4,771.63	3,502.92
(Profit)/loss on sale of asset	(0.85)	(1.01)
Realised net loss/ (gain) on FVTPL investments	(89.91)	(90.67)
Unrealised gain on FVTPL investments	(23.78)	5.60
Discount on commercial paper	77.01	9.00
Provision for compensated absence and gratuity	29.87	6.59
Employee share based payment expenses	55.24	43.64
Depreciation, amortisation and impairment	145.14	111.84
Impairment on financial instruments	1,067.39	1,330.40
<b>Operating cash flow before working capital changes</b>	<b>(1,820.31)</b>	<b>(1,382.07)</b>
<b>Adjustments for working capital changes:</b>		
(Increase)/ decrease in Loans	(21,405.98)	(10,462.68)
(Increase)/ decrease in trade receivables	(58.85)	76.06
(Increase)/ decrease in other financial assets and others	291.32	(0.19)
Increase/(decrease) in other financial and non financial liabilities & provisions	(44.60)	506.53
Increase/(decrease) in trade payables	217.16	44.93
<b>Cash generated from/(Used in) operations before adjustments for interest received and interest paid</b>	<b>(22,821.26)</b>	<b>(11,217.42)</b>
Interest Paid	(4,110.50)	(3,842.14)
Interest Received	10,946.14	8,841.36
<b>Cash generated from/(Used in) operations</b>	<b>(15,985.62)</b>	<b>(6,218.20)</b>
Direct taxes (paid)/net of refunds	(750.42)	(632.41)
<b>Net cash flow generated from/(used in) operating activities (A)</b>	<b>(16,736.04)</b>	<b>(6,850.61)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(52,917.26)	(49,267.66)
Sale of investments	50,893.87	50,350.80
Purchase of fixed assets	(123.35)	(111.32)
Sale of fixed assets	1.18	1.50
<b>Net cash generated (used in)/ from investing activities (B)</b>	<b>(2,145.56)</b>	<b>973.32</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Debt securities issued	22,167.71	10,099.18
Debt securities repaid	(14,490.01)	(8,210.60)
Borrowings other than debt securities issued	29,910.87	17,207.75
Borrowings other than debt securities repaid	(20,307.29)	(12,507.21)
Subordinated debt issued	2,337.07	-
Subordinated debt repaid	(230.00)	(600.00)
Proceeds from issue of shares and security premium	71.45	33.93
Repayment of lease liabilities	(80.87)	(76.81)
Dividend paid	(245.38)	(150.25)
<b>Net cash generated (used in)/ from financing activities (C)</b>	<b>19,133.55</b>	<b>5,795.99</b>

**Standalone Statement of Cash Flow  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>251.95</b>	<b>(81.30)</b>
Add : Cash and cash equivalents as at the beginning of the year	395.90	477.20
Cash and cash equivalents as at the end of the year *	647.85	395.90
<b>* Components of cash and cash equivalents</b>		
Balances with banks	606.10	358.51
Demand drafts on hand	6.30	8.87
Cash on hand	35.45	28.52
	<b>647.85</b>	<b>395.90</b>

Note:- There are no conditions or restrictions in using the cash and cash equivalents.

Accounting policies and notes to the Standalone Financial Statements. Note 2 - 102

The notes referred to above form an integral part of the Standalone Financial Statements.

The above Standalone Statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flow.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(Currency : Indian Rupees in Crore)

## 1 COMPANY OVERVIEW

HDB Financial Services Limited ('the Company') (Corporate Identity Number CIN U65993GJ2007PLC051028), incorporated in Ahmedabad, India, is a Systemically Important Non Deposit taking Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The Company is registered with the Reserve Bank of India (RBI) with registration no. N.01.00477. The Reserve Bank of India, under Scale Based Regulations has categorised the Company as Upper Layer (NBFC-UL), vide its circular dated September 14, 2023.

The Company provides lending services and business process outsourcing services. The Company also provides services related to the marketing and promotion of various financial products.

The Company's registered office is situated at Radhika, 2nd floor, Law Garden Road, Navrangpura, Ahmedabad - 380009, India, while its corporate office is located in Mumbai, India. The Company is a subsidiary of HDFC Bank Limited.

## 2 ACCOUNTING POLICIES

### 2.1 Statement of Compliance, Basis of Preparation and Presentation of Financial Statements

#### (A) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. Further the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC). CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020, in addition to the Regulatory disclosure as required by Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. These standalone financial statements subjected to audit by the Statutory Auditors of the Company have been reviewed by the Audit Committee and approved by the Board of Directors on April 16, 2024.

#### (B) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

#### (C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Crore in compliance with Schedule III of the Act, unless otherwise stated.

#### (D) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs') which is also the Company's functional currency. All amounts are rounded-off to the nearest Crore, unless otherwise indicated.

#### (E) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ





## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

### 2.2 Financial Instruments

#### (A) Date of recognition

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### (B) Initial measurement

Recognised financial instruments are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

Trade receivable are initially measured at transaction price.

#### (C) Classification and subsequent measurement

##### (i) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')

- Fair value through profit and loss ('FVTPL')

##### (a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using Effective Interest Rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans and government securities (classified as held to maturity) at amortised cost.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### (b) Financial assets at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

### (c) Financial assets at fair value through profit and loss

Financial assets, which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in statement of profit and loss.

The Company records investments in equity instruments and mutual funds at FVTPL.

### (ii) Financial liabilities and equity instrument

Debt and equity instruments issued by the 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.

#### (a) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

### (b) Financial liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.

### (D) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

### (E) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (F) Derecognition

#### (i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

rewards of the asset, but has transferred control of the asset.

If the Company neither transfers nor retains substantially all of 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 the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

### (ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

### (G) Impairment of financial assets

The Company applies the expected credit loss ('ECL') model in accordance with Ind AS 109 for recognising impairment loss on financial assets.

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Company categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

Loan accounts where principal and/or interest are past due for more than 90 days continue to be classified as stage 3 till overdues across all loans are cleared.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material. Adjustments including reversal of ECL is recognised through statement of profit and loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using

the effective interest method, less provision for impairment. The Company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

### (H) Write offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

## 2.3 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

## 2.4 Foreign exchange transactions and translations

### (A) Initial recognition

Transactions in foreign currencies are recognised at prevailing exchange rates between reporting currency and foreign currency on transaction date.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### (B) Conversion

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in Statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

### 2.5 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

#### Hedge accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk

management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

#### Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of 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.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

### 2.6 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

The Company follows the policy of crediting the customer's account only on receipt of amount in the bank and as such no cheques in hand are taken into consideration.

### 2.7 Upfront servicers fees booked on direct assignment

Servicer fees receivable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

### 2.8 Property, plant and equipment

#### (A) Recognition and measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

#### (B) Subsequent expenditure

Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future economic benefits / functioning capability from / of such assets.

### (C) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Company	Estimated useful life under Schedule II of the Act
Computers	2-5 years	3 years
Software and system development	3 years	3 years
Office equipment	3-5 years	5 years
Motor cars	4 years	8 years
Furniture and fixtures	3-7 years	10 years
Building	60 years	60 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

The Company uniformly estimates a zero residual value for all these assets. Items costing less than ₹ 5,000 are fully depreciated in the year of purchase. Depreciation is pro-rated in the year of acquisition as well as in the year of disposal.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Consequently, the useful life of certain computer-related assets, furniture and fixtures, office equipment and motor cars differ from the life prescribed in Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the period the asset is de-recognised.

### 2.9 Other intangible assets

Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 3 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

### 2.10 Dividends

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### 2.11 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at the amount of transaction price. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different sources of revenue are explained below:

#### (A) Income from lending business

##### Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the Effective Interest Rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

### Other financial charges

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

### (B) Income from BPO services and other financial charges

Income from BPO services comprise of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers. Performance obligations are satisfied over time and revenue is recorded on a monthly basis.

### (C) Income from direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

## 2.12 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

## 2.13 Employee benefits

### (A) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (B) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

### (C) ESIC and Labour welfare fund

The Company's contribution paid/payable during the period to ESIC and Labour welfare fund are recognised in the statement of profit and loss.

### (D) Gratuity

The Company operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Company makes annual contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### (E) Share-based payments

The Company recognises compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 - Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding amount.

### 2.14 Provisions and contingences

The Company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would

be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.15 Leases

Effective April 01, 2019, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, April 01, 2019.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company

has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

### 2.16 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

### 2.17 Income tax

#### (A) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

#### (B) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 tax authority.

### 2.18 Earnings per share

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 2.19 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 of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

Operating segments identified by the Company comprises as under:

- Lending services
- BPO services

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### 2.20 Repossession and Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements.

To the extent possible, the Company uses active market data and external valuers for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models or through external valuers. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

The Company physically repossess and take into custody properties or other assets and also engages external agents to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

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obligors. The Company does not use the assets repossessed for the internal operations. Assets held under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards. Value of the repossessed asset is not netted off from the exposure at default for calculation of expected credit loss.

### 2.21 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

#### (A) Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell 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.

Fair value measurements under Ind AS are categorised 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 measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 43.

#### (B) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information.

The component used by the Company in determining the ECL have been depicted in Note 45.

#### (C) Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

#### (D) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their





## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

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performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. 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 assets.

### (E) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### (F) Leases

- The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

### (G) Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting

date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

### (H) Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (I) Provisions and contingences

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 4 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Cash on hand	35.45	28.52
Balances with banks	606.10	358.51
Demand drafts on hand	6.30	8.87
<b>Total</b>	<b>647.85</b>	<b>395.90</b>

### 5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Deposits with bank	2.12	101.92
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments.	45.90	93.63
Collateral with Banks for Derivative	6.38	61.71
Interest accrued but not due on fixed deposits	0.26	0.66
<b>Total</b>	<b>54.66</b>	<b>257.92</b>

### 6 DERIVATIVE FINANCIAL INSTRUMENTS

	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value- Assets	Fair Value- Liabilities	Notional amounts	Fair Value- Assets	Fair Value- Liabilities
<b>Part I</b>						
(i) Currency derivatives:						
Currency swaps	2,085.13	-	4.77	1,889.91	166.17	-
<b>Subtotal (i)</b>	<b>2,085.13</b>	<b>-</b>	<b>4.77</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>
(ii) Interest rate derivatives						
Forward Rate Agreements and Interest Rate swaps	1,750.00	1.92	-	-	-	-
<b>Subtotal (ii)</b>	<b>1,750.00</b>	<b>1.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Less : Provision on derivative financial instruments</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>0.83</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)</b>	<b>3,835.13</b>	<b>1.91</b>	<b>4.77</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging:						
Currency derivatives	-	-	-	-	-	-
Interest Rate derivatives	-	-	-	-	-	-
<b>Subtotal (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value-Assets	Fair Value-Liabilities	Notional amounts	Fair Value-Assets	Fair Value-Liabilities
<b>(ii) Cash flow hedging:</b>						
Currency derivatives	2,085.13	-	4.77	1,889.91	166.17	-
Interest rate derivatives	1,700.00	1.92	-	-	-	-
<b>Subtotal (ii)</b>	<b>3,785.13</b>	<b>1.92</b>	<b>4.77</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>
<b>(iii) Undesignated Derivatives</b>						
Currency Swaps	-	-	-	-	-	-
<b>Subtotal (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Less : Provision on derivative financial instruments</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>0.83</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)</b>	<b>3,785.13</b>	<b>1.91</b>	<b>4.77</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

### 7 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Receivables Considered good - Secured	-	-
Receivables Considered good - Unsecured	124.01	59.10
Receivables which have significant increase in the credit risk	8.10	12.22
Receivables credit impaired	1.77	1.34
Unbilled Trade Receivables	-	-
	<b>133.88</b>	<b>72.66</b>
Less: Impairment loss allowance	9.27	6.90
<b>Total</b>	<b>124.61</b>	<b>65.76</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

#### Reconciliation of impairment Loss allowance on trade receivables:

	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	6.90	3.30
Increase during the year	7.63	5.98
Decrease during the year	(5.26)	(2.38)
<b>Balance at end of the year</b>	<b>9.27</b>	<b>6.90</b>

## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Trade receivables ageing schedule :

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	123.95 (58.53)	0.06 (0.60)	- 0.03	- 0.00	- 0.00	124.01 (59.10)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	5.00 (11.21)	1.66 (0.94)	1.27 (0.01)	0.17 (0.00)	- (0.06)	8.10 (12.22)
(iii) Undisputed Trade Receivables- credit impaired	1.12 (0.78)	0.65 (0.56)	- (0.00)	- (0.00)	- 0.00	1.77 (1.34)
(iv) Disputed Trade Receivables- considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade Receivables- which have significant increase in credit risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(vii) Unbilled Trade Receivables	- -	- -	- -	- -	- -	- -
<b>TOTAL</b>	<b>130.07</b> <b>(70.52)</b>	<b>2.37</b> <b>(2.10)</b>	<b>1.27</b> <b>0.02</b>	<b>0.17</b> <b>(0.00)</b>	<b>-</b> <b>(0.06)</b>	<b>133.88</b> <b>(72.66)</b>

### 8 LOANS (AT AMORTISED COST)

	As at March 31, 2024	As at March 31, 2023
<b>A Term Loans in India</b>	<b>90,217.93</b>	<b>70,030.70</b>
<b>B Public sector</b>	<b>-</b>	<b>-</b>
Others	90,217.93	70,030.70
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>
<b>C Secured (Secured by tangible assets)</b>	<b>67,930.51</b>	<b>53,053.24</b>
Unsecured	22,287.42	16,977.46
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>
Less: Impairment loss allowance	3,496.67	3,648.03
<b>Total</b>	<b>86,721.26</b>	<b>66,382.67</b>
<b>D Term Loans in India - at amortised cost</b>		
- Public sector	-	-
- Others		
Secured (Secured by tangible assets)	67,930.51	53,053.24
Unsecured	22,287.42	16,977.46
<b>Total Gross Loans</b>	<b>90,217.93</b>	<b>70,030.70</b>
Less: Impairment loss allowance	3,496.67	3,648.03
<b>Total</b>	<b>86,721.26</b>	<b>66,382.67</b>



## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	As at March 31, 2024	As at March 31, 2023
Stage 1	87,218.17	66,793.02
Stage 2	1,287.94	1,322.83
Stage 3	1,711.82	1,914.85
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person.

Particulars	As at March 31, 2024	% to the total Loans and Advances in the nature of loans	As at March 31, 2023	% to the total Loans and Advances in the nature of loans
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

## 9 INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
<b>Recorded at Fair value through statement of profit and loss</b>		
Outside India	-	-
In India		
Mutual fund units	1,753.41	411.65
Treasury bills / G-Sec	-	773.66
Securities receipt of ARC	37.33	55.99
Unquoted equity shares	2.30	1.95
<b>Recorded at Amortised Cost</b>		
Outside India	-	-
In India		
Treasury bills / G-Sec	1,587.29	-
<b>Total</b>	<b>3,380.33</b>	<b>1,243.25</b>

## 10 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Security deposits at amortised cost (Unsecured, considered good)	28.22	24.54
Prepaid rent (Security deposits, Unsecured, considered good)	10.31	7.14
Retained interest on assigned loan	0.86	2.81
Servicing assets on assigned loan	0.11	0.38
<b>Total</b>	<b>39.50</b>	<b>34.87</b>

## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 11 CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Current tax assets		
Advance tax and tax deducted at source (Net of provision for tax ₹ 770.67 Crore) (Previous Year : ₹ 621.30 Crore)	41.29	25.11
<b>Total</b>	<b>41.29</b>	<b>25.11</b>

### 12 DEFERRED TAX ASSETS (NET)

	Balance as at April 01, 2022	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2023	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2024
<b>Deferred Tax Asset</b>							
Depreciation and amortisation	35.60	13.82	-	49.42	18.20	-	67.62
Provision for employee benefits	14.30	5.68	1.38	21.35	5.17	7.94	34.46
Loans - Impairment	1,046.03	(93.91)	-	952.12	(38.30)	-	913.82
Securitisation and others	(31.08)	47.82	-	16.74	8.11	-	24.85
Cash Flow Hedges Reserve	2.76	-	(4.93)	(2.17)	-	4.30	2.13
<b>Deferred Tax Asset</b>	<b>1,067.61</b>	<b>(26.59)</b>	<b>(3.55)</b>	<b>1,037.46</b>	<b>(6.82)</b>	<b>12.24</b>	<b>1,042.88</b>
<b>Deferred Tax Liabilities</b>							
Borrowings	(7.15)	3.86	-	(3.29)	(5.08)	-	(8.37)
Investments - MTM and others	(18.84)	1.41	-	(17.43)	(5.98)	-	(23.41)
Loans - DSA	13.00	(11.44)	-	1.56	(41.67)	-	(40.11)
Lease	(3.45)	(13.99)	-	(17.44)	(13.60)	-	(31.04)
<b>Deferred Tax Liabilities</b>	<b>(16.44)</b>	<b>(20.16)</b>	<b>-</b>	<b>(36.59)</b>	<b>(66.34)</b>	<b>-</b>	<b>(102.93)</b>
<b>Net Deferred Tax Assets</b>	<b>1,051.17</b>	<b>(46.75)</b>	<b>(3.55)</b>	<b>1,000.87</b>	<b>(73.16)</b>	<b>12.24</b>	<b>939.95</b>
Movement in Net deferred tax Asset during the year						(60.92)	

The components of income tax expense for the years ended March 31, 2024 and 2023 are:

	As at March 31, 2024	As at March 31, 2023
<b>Current tax:</b>		
In respect of current year	770.67	621.30
In respect of prior years	-	-
<b>Deferred Tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	73.16	46.75
Adjustments due to changes in tax rates		
In respect of prior years	-	-
<b>Total Income Tax recognised in statement of profit or loss</b>	<b>843.83</b>	<b>668.05</b>
Current tax	770.67	621.30
Deferred tax (Debit)	73.16	46.75



## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Income Tax recognised in Other comprehensive income

	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax related to items recognised in Other comprehensive income during the year:</b>		
Income tax relating to items that will not be reclassified to profit or loss	7.94	1.38
Income tax relating to items that will be reclassified to profit or loss	4.30	(4.93)
<b>Total Income tax recognised in Other comprehensive income (Debit)</b>	<b>12.24</b>	<b>(3.55)</b>

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at March 31, 2024	As at March 31, 2023
Profit before tax	3,304.67	2,627.40
Applicable income tax rate (%)	25.17	25.17
Income tax expense calculated at applicable income tax rate	831.72	661.26
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	21.78	16.46
Effect of tax incentives (net)	(9.67)	(9.67)
Effects of income not considered as taxable on compliance of condition	-	-
Adjustments due to changes in tax rates		
Income tax for earlier year	-	-
<b>Income tax expense recognised in profit and loss</b>	<b>843.83</b>	<b>668.05</b>

## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 13 PROPERTY, PLANT AND EQUIPMENT (PPE) AND OTHER INTANGIBLE ASSETS

Description	Office equipment	Furniture and fixtures	Leasehold improvements	Computers	Building	Motor cars	Total PPE Tangibles	Software and System development	Total Other Intangibles	Total
<b>Balance as at April 01, 2023</b>	<b>71.01</b>	<b>97.72</b>	<b>88.58</b>	<b>210.24</b>	<b>0.15</b>	<b>9.05</b>	<b>476.76</b>	<b>69.39</b>	<b>69.39</b>	<b>546.15</b>
Additions during the year	19.52	11.59	18.98	53.73	-	5.19	109.01	14.36	14.36	123.37
Disposals/Adjustments during the year	8.25	6.52	6.52	6.45	-	1.21	28.95	-	-	28.95
<b>Balance as at March 31, 2024</b>	<b>82.29</b>	<b>102.79</b>	<b>101.04</b>	<b>257.53</b>	<b>0.15</b>	<b>13.03</b>	<b>556.82</b>	<b>83.75</b>	<b>83.75</b>	<b>640.57</b>
<b>Accumulated Depreciation / impairment as at April 01, 2023</b>	<b>56.22</b>	<b>84.74</b>	<b>59.49</b>	<b>150.55</b>	<b>0.03</b>	<b>3.36</b>	<b>354.41</b>	<b>48.98</b>	<b>48.98</b>	<b>403.39</b>
Depreciation charge during the year	8.74	10.42	9.47	37.16	0.00	2.74	68.53	12.62	12.62	81.15
Disposals/Adjustments during the year	8.24	6.49	6.23	6.45	-	1.21	28.62	-	-	28.62
<b>Accumulated Depreciation / impairment as at March 31, 2024</b>	<b>56.72</b>	<b>88.67</b>	<b>62.73</b>	<b>181.26</b>	<b>0.03</b>	<b>4.89</b>	<b>394.29</b>	<b>61.60</b>	<b>61.60</b>	<b>455.89</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>25.57</b>	<b>14.12</b>	<b>38.31</b>	<b>76.27</b>	<b>0.12</b>	<b>8.14</b>	<b>162.53</b>	<b>22.15</b>	<b>22.15</b>	<b>184.68</b>
<b>Balance as at April 01, 2022</b>	<b>63.13</b>	<b>95.15</b>	<b>80.72</b>	<b>158.76</b>	<b>0.15</b>	<b>8.85</b>	<b>406.76</b>	<b>50.81</b>	<b>50.81</b>	<b>457.57</b>
Additions during the year	9.81	4.03	11.69	62.66	-	4.53	92.72	18.59	18.59	111.31
Disposals/Adjustments during the year	1.93	1.46	3.83	11.18	-	4.33	22.72	0.01	0.01	22.73
<b>Balance as at March 31, 2023</b>	<b>71.01</b>	<b>97.72</b>	<b>88.58</b>	<b>210.24</b>	<b>0.15</b>	<b>9.05</b>	<b>476.76</b>	<b>69.39</b>	<b>69.39</b>	<b>546.15</b>
<b>Accumulated Depreciation / impairment as at April 01, 2022</b>	<b>51.86</b>	<b>80.51</b>	<b>51.96</b>	<b>138.71</b>	<b>0.03</b>	<b>5.56</b>	<b>328.63</b>	<b>38.80</b>	<b>38.80</b>	<b>367.43</b>
Depreciation charge for the year	6.29	5.68	11.28	23.02	0.00	1.73	48.01	10.19	10.19	58.20
Disposals/Adjustments during the year	1.93	1.45	3.75	11.18	-	3.93	22.23	0.01	0.01	22.24
<b>Accumulated Depreciation / impairment as at March 31, 2023</b>	<b>56.22</b>	<b>84.74</b>	<b>59.49</b>	<b>150.55</b>	<b>0.03</b>	<b>3.36</b>	<b>354.41</b>	<b>48.98</b>	<b>48.98</b>	<b>403.39</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>14.79</b>	<b>12.98</b>	<b>29.09</b>	<b>59.69</b>	<b>0.12</b>	<b>5.69</b>	<b>122.35</b>	<b>20.41</b>	<b>20.41</b>	<b>142.76</b>

Note : No revaluation of any class of assets is carried out during the year.



## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 14 RIGHT OF USE ASSETS

	As at March 31, 2024	As at March 31, 2023
Right of Use Assets (ROU) (Refer note 34)	326.51	244.27
<b>Total</b>	<b>326.51</b>	<b>244.27</b>

### 15 OTHER NON-FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Capital advances	38.29	9.02
Advances recoverable in cash or in kind (Unsecured, considered good)	55.67	82.63
<b>Total</b>	<b>93.96</b>	<b>91.65</b>

### 16 TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Trade payables		
i) total outstanding dues to micro and small enterprises	-	-
ii) total outstanding dues of creditors other than micro and small enterprises	509.00	291.84
<b>Total</b>	<b>509.00</b>	<b>291.84</b>

**16.1** Trade Payables includes ₹ Nil payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to “Suppliers” registered under this act. The above is based on the information available with the Company which has been relied upon by the auditors.

#### 16.2 Trade payables ageing schedule :

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
	-	-	-	-	-
ii) Others	505.84	1.71	0.62	0.83	509.00
	(288.23)	(1.59)	(0.36)	(1.66)	(291.84)
iii) Disputed dues - MSME	-	-	-	-	-
	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
v) Unbilled Trade payables	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>505.84</b>	<b>1.71</b>	<b>0.62</b>	<b>0.83</b>	<b>509.00</b>
	<b>(288.23)</b>	<b>(1.59)</b>	<b>(0.36)</b>	<b>(1.66)</b>	<b>(291.84)</b>



## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 17 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
<b>Secured</b>		
Privately placed redeemable Non Convertible Debenture	33,896.68	27,246.28
Secured by pari passu charge by mortgage of Company's Office no.130, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and receivables under financing activity.		
<b>Unsecured</b>		
Commercial paper	1,175.00	-
<b>Total</b>	<b>35,071.68</b>	<b>27,246.28</b>
Less: Unamortised borrowing cost	220.56	149.87
<b>Debt Securities (Net of unamortised cost)</b>	<b>34,851.12</b>	<b>27,096.41</b>
Debt securities in India	35,071.68	27,246.28
Debt securities outside India	-	-
<b>Total</b>	<b>35,071.68</b>	<b>27,246.28</b>
Less: Unamortised borrowing cost	220.56	149.87
<b>Debt Securities (Net of unamortised cost)</b>	<b>34,851.12</b>	<b>27,096.41</b>

17.1 - No non convertible debentures, non convertible perpetual debentures and any other borrowing is guaranteed by directors and/or others.

17.2 - Terms of repayment of privately placed redeemable non convertible debenture.

Rate of interest (%)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.5-5.5	400.00	-	-	-	400.00
	(2,423.00)	(1,593.00)	-	-	(4,016.00)
5.5-6.5	6,578.00	3,630.00	-	-	10,208.00
	(1,910.00)	(5,203.00)	(1,060.00)	-	(8,173.00)
6.5-7.5	1,650.00	936.00	-	-	2,586.00
	(5,341.10)	(1,286.00)	(130.00)	-	(6,757.10)
7.5-8.5	1,723.00	15,417.50	2,062.18	1,500.00	20,702.68
	-	(4,368.00)	(1,364.00)	(1,200.00)	(6,932.00)
8.5-9.5	-	-	-	-	-
	-	(1,045.00)	-	-	(1,045.00)
9.5-10.5	-	-	-	-	-
	-	-	(323.18)	-	(323.18)
<b>Total</b>	<b>10,351.00</b>	<b>19,983.50</b>	<b>2,062.18</b>	<b>1,500.00</b>	<b>33,896.68</b>
	<b>(9,674.10)</b>	<b>(13,495.00)</b>	<b>(2,877.18)</b>	<b>(1,200.00)</b>	<b>(27,246.28)</b>

17.3 - All the above non convertible debentures are secured by specific charge on receivables under financing activities. Minimum security cover of 1.0 times is required to be maintained throughout the year(Refer Note 95).



## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 18 BORROWINGS (OTHER THAN DEBT SECURITIES)

	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
Borrowings (other than debt securities)		
<b>Secured</b>		
(a) External commercial borrowings (ECB)	2,085.13	1,889.91
(b) Term loan against hypothecation of Receivables under financing activity	31,661.03	21,968.00
(c) Borrowing under Securitisation	85.22	370.86
<b>Total</b>	<b>33,831.38</b>	<b>24,228.77</b>
Less: Unamortised borrowing cost	-	0.97
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>33,831.38</b>	<b>24,227.80</b>
Borrowings in India	31,746.25	22,338.86
Borrowings outside India	2,085.13	1,889.91
<b>Total</b>	<b>33,831.38</b>	<b>24,228.77</b>
Less: Unamortised borrowing cost	-	0.97
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>33,831.38</b>	<b>24,227.80</b>

**18.1** - No term loans, external commercial borrowings , commercial paper and any other borrowing is guaranteed by directors and / or others.

**18.2** - During the year presented there were no defaults in the repayment of principal and interest.

**18.3** - Terms of repayment of External commercial borrowings in foreign currency

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
6- 9	2,085.13	-	-	2,085.13
	(1,889.91)	-	-	(1,889.91)

The Company had availed total External Commercial Borrowing (ECBs) of US\$ 250 Mn for financing prospective borrower as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. Out of same US\$ 250 Mn was raised in FY23-24. The borrowing has a maturity of three years. In terms of the RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps.

**18.4** - Terms of repayment of Term loans from Banks.

Marginal Cost of Funds Based Lending Rate (MCLR) (a)	0-1 years	1-3 years	3-5 years	>5 years	Total
Overnight MCLR + (0.00% to 0.75%)	500.00	200.00	125.00	-	825.00
	(200.00)	(200.00)	(200.00)	-	(600.00)
1 Month MCLR + (0.00% to 0.75%)	2,224.40	1,964.29	567.50	-	4,756.19
	(41.67)	-	-	-	(41.67)
3 Month MCLR + (0.00% to 1.5%)	427.50	858.75	0.00	0.00	1,286.25
	(998.39)	(2,088.81)	(526.13)	(20.00)	(3,633.33)
6 Month MCLR + (0.00% to 0.75%)	-	-	-	-	-
	(200.00)	(400.00)	(400.00)	-	(1,000.00)
<b>Total (a)</b>	<b>3,151.90</b>	<b>3,023.04</b>	<b>692.50</b>	<b>0.00</b>	<b>6,867.44</b>
	<b>(1,440.06)</b>	<b>(2,688.81)</b>	<b>(1,126.13)</b>	<b>(20.00)</b>	<b>(5,275.00)</b>

## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Rate linked to T-Bills rates (b)	0-1 years	1-3 years	3-5 years	>5 years	Total
7 Days T-Bills rates (0.00% to 4.00%)	-	-	-	-	-
	(80.00)	(80.00)	-	-	(160.00)
1 Month T-Bills rates (0.00% to 4.00%)	2,741.66	4,532.50	1,795.00	-	9,069.16
	(566.66)	(1,291.67)	(452.08)	-	(2,310.41)
3 Month T-Bills rates (0.00% to 4.00%)	2017.50	1,742.57	1,219.44	211.11	5,190.62
	(875.83)	(1,618.33)	(73.97)	-	(2,568.13)
Repo Rate (0.00% to 3.50%)	3,676.76	2,458.55	403.13	-	6,538.44
	(2,820.88)	(4,463.22)	(390.62)	-	(7,674.73)
Mumbai Interbank Offer rate (MIBOR) (0.00% to 3.50%)	-	-	-	-	-
	(30.00)	(37.50)	-	-	(67.50)
<b>Total (b)</b>	<b>8,435.92</b>	<b>8,733.62</b>	<b>3,417.57</b>	<b>211.11</b>	<b>20,798.22</b>
	<b>(4,373.37)</b>	<b>(7,490.72)</b>	<b>(916.67)</b>	<b>-</b>	<b>(12,780.76)</b>
Fixed Interest rate (c)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.50% - 8.35%	1,926.80	1,943.57	125.00	-	3,995.37
	(1,725.21)	(1,903.21)	(283.82)	-	(3,912.24)
<b>Total (a)+(b)+(c)</b>	<b>13,514.62</b>	<b>13,700.23</b>	<b>4,235.07</b>	<b>211.11</b>	<b>31,661.03</b>
	<b>(7,538.64)</b>	<b>(12,082.74)</b>	<b>(2,326.62)</b>	<b>(20.00)</b>	<b>(21,968.00)</b>

18.4.1 - Term loans includes ₹ 9,730.54 Crore (Previous year ₹ 7,082.45 Crore) from related parties.

18.5 - All the above Term loans are secured by specific charge on receivables under financing activities. Minimum security cover of 1.0 time is required to be maintained throughout the year.

18.6 - Terms of repayment of Borrowing under Securitisation.

Rate of interest (%)	0-1 years	1-3 years	3-5 years	Total
3.50% to 6.00%	85.22	-	-	85.22
	(285.09)	(85.77)	-	(370.86)

18.7 - Term Loans were used fully for the purpose for which the same were obtained.

18.8 - Periodic Statements of securities filed with lending banks are as per book of accounts.

### 19 SUBORDINATED LIABILITIES

	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
<b>Unsecured</b>		
(a) Privately placed subordinated (Tier II) redeemable bonds	4,670.00	2,900.00
(b) Redeemable non convertible perpetual bonds	1,000.00	650.00
<b>Total</b>	<b>5,670.00</b>	<b>3,550.00</b>
Less: Unamortised borrowing cost	21.83	8.90
<b>Subordinated Liabilities net of unamortised cost</b>	<b>5,648.17</b>	<b>3,541.10</b>

**Notes to the Standalone Financial Statements  
as at March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

	As at March 31, 2024	As at March 31, 2023
Subordinated Liabilities in India	5,670.00	3,550.00
Subordinated Liabilities outside India	-	-
<b>Total</b>	<b>5,670.00</b>	<b>3,550.00</b>
Add: Interest accrued	-	-
Less: Unamortised borrowing cost	21.83	8.90
<b>Subordinated Liabilities net of unamortised cost</b>	<b>5,648.17</b>	<b>3,541.10</b>

**19.1** - No subordinate debts and any other borrowing is guaranteed by directors and / or others.**19.2** - Terms of repayment of Privately placed unsecured subordinated (Tier II) redeemable bonds and redeemable non convertible perpetual bonds

Rate of interest (%)	<5 year	>5 years	Total
7.35-10.50	2,070.00	3,600.00	5,670.00
	(1,400.00)	(2,150.00)	(3,550.00)

**20 OTHER FINANCIAL LIABILITIES**

	As at March 31, 2024	As at March 31, 2023
Interest accrued	1,833.21	1,172.43
Overdrawn balances in current account with banks	679.13	1,220.95
Deposits (not as defined in Section 2(31) of Companies Act, 2013)	10.19	10.19
Creditors for other expenses	1.96	14.09
Statutory liabilities	59.57	81.80
Unclaimed Dividend	0.04	0.01
Lease Liability (ROU)	371.17	278.96
<b>Total</b>	<b>2,955.27</b>	<b>2,778.43</b>

**21 CURRENT TAX LIABILITIES (NET)**

	As at March 31, 2024	As at March 31, 2023
Provisions for tax (Net of advance tax ₹ 565.00 Crore, Previous Year ₹ 405.00 Crore)	58.65	41.97
<b>Total</b>	<b>58.65</b>	<b>41.97</b>

Particulars	Opening Balance	Additions during the year	Reversals during the year	Closing Balance
<b>As at March 31, 2024</b>	<b>41.97</b>	<b>20.25</b>	<b>3.57</b>	<b>58.65</b>
As at March 31, 2023	59.73	0.04	17.80	41.97

## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 22 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits</b>		
Gratuity (funded)	107.90	78.03
Salary, bonus and reimbursements	366.26	255.07
Contribution to provident fund	28.78	35.86
<b>Total</b>	<b>502.94</b>	<b>368.96</b>

### 23 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Provision for expenses	452.50	266.91
<b>Total</b>	<b>452.50</b>	<b>266.91</b>

Particulars	Opening Balance	Additions during the year	Reversals during the year	Closing Balance
<b>As at March 31, 2024</b>	<b>266.91</b>	<b>351.59</b>	<b>166.00</b>	<b>452.50</b>
As at March 31, 2023	183.02	266.91	183.02	266.91

### 24 EQUITY SHARE CAPITAL

	Face Value ₹ each	As at March 31, 2024 Number of shares	As at March 31, 2023 Number of shares	As at March 31, 2024	As at March 31, 2023
<b>Authorised equity shares</b>	10	<b>1,00,15,50,000</b>	1,00,15,50,000	<b>1001.55</b>	1001.55
Issued, Subscribed & Paid up equity shares fully paid up	10	<b>79,30,74,566</b>	79,13,99,083	<b>793.08</b>	791.40
				<b>793.08</b>	<b>791.40</b>

#### 24.1 Reconciliation of the number of shares

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 fully paid up				
Shares outstanding at the beginning of the year	79,13,99,083	791.40	79,04,40,031	790.44
Shares issued - exercised for ESOP scheme	16,75,483	1.68	9,59,052	0.96
Shares issued - right issue				
Shares outstanding at the end of the year	79,30,74,566	793.08	79,13,99,083	791.40

#### 24.2 Terms/rights attached to equity shares.

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.



## Notes to the Standalone Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 24.3 Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Equity shares of ₹ 10 fully paid up						
HDFC Bank Limited (Holding Company and promoter)	75,05,96,670	94.64	0.00%	75,05,96,670	94.84	0.00%

### 24.4 Number of shares reserved for ESOPs

	As at March 31, 2024	As at March 31, 2023
Equity shares of ₹ 10 fully paid up		
Number of Shares reserved for ESOPs (Refer note 35)	87,28,798	75,79,538

## 25 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
<b>Other equity</b>		
(i) Securities Premium Account	3,223.13	3,127.72
(ii) Employee Stock Options Outstanding Account	69.22	39.61
(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	2,177.26	1,685.09
(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	7,567.62	5,844.33
(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations	(81.25)	(57.65)
(vi) Cash Flow Hedges Reserve	(6.35)	6.46
	12,949.63	10,645.57

#### (i) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

#### (ii) Employee Stock Options Outstanding Account

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

#### (iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

#### (iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

#### (v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings.

#### (vi) Cash Flow Hedges Reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 26 INTEREST INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>On Financial Assets measured at Amortised Cost :</b>		
Interest on Loans	11,043.60	8,853.58
Interest on deposits with Banks	17.10	9.30
Interest income from Investment	96.02	-
<b>On Financial Assets measured at fair value through profit or loss (FVTPL) :</b>		
Interest income from Investment	-	64.90
<b>Total</b>	<b>11,156.72</b>	<b>8,927.78</b>

### 27 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Investments	113.69	85.07
	<b>113.69</b>	<b>85.07</b>
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Realised	89.91	90.67
Unrealised	23.78	(5.60)
<b>Total</b>	<b>113.69</b>	<b>85.07</b>

### 28 FINANCE COSTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest expenses on financial liabilities measured at amortised cost</b>		
Interest on borrowings (includes Interest on lease liabilities ₹ 26.82 Crore, Previous Year ₹ 21.23 Crore)	2,047.55	1,460.89
Interest on debt securities	2,390.10	1,661.90
Interest on subordinated liabilities	333.98	352.39
Discount on commercial paper	77.01	9.00
Other borrowing costs	15.68	27.74
<b>Total</b>	<b>4,864.32</b>	<b>3,511.92</b>

### 29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Impairment on financial instruments at amortised cost</b>		
Loans	1,065.02	1,326.80
Trade receivables	2.37	3.60
<b>Total</b>	<b>1,067.39</b>	<b>1,330.40</b>



**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**30 EMPLOYEE BENEFITS EXPENSES**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages (including bonus)	3,471.04	3,667.39
Contribution to provident and other funds	274.31	306.08
Employee share based payment expenses	55.24	43.64
Staff welfare expenses	50.16	40.46
<b>Total</b>	<b>3,850.75</b>	<b>4,057.57</b>

**31 OTHER EXPENSES**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent	15.25	7.56
Rates and taxes	3.62	1.93
Telephone	61.73	38.12
Power and fuel	34.41	32.69
Repairs and maintenance- premises	9.22	7.17
Repairs and maintenance-others	3.19	3.00
Credit report charges	45.29	49.49
Commission and brokerage	0.50	2.48
Auditor's remuneration (Refer Note No. 33)	1.74	1.50
Insurance	1.63	1.54
Loss on sale of asset	(0.85)	(1.01)
Expenses towards Corporate Social Responsibility Initiative (Refer Note No. 41)	31.30	21.78
Others administrative expenses	731.82	597.50
<b>Total</b>	<b>938.85</b>	<b>763.75</b>

**32 EARNING PER SHARE**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit (₹ in Crore)	2,460.84	1,959.35
Weighted average number of equity shares		
Basic	79,18,48,757	79,07,12,391
Diluted	79,28,40,651	79,14,93,138
Earnings per share (₹)		
Basic	31.08	24.78
Diluted	31.04	24.76
Face value per share (₹)	10.00	10.00

The dilutive effect on the earnings per share is caused by the potential shares that would be issued upon the exercise of the ESOP Options. As a result of the dilution, the denominator increased by 9,91,893 shares(Previous Year 7,80,747 shares).

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 33 AUDITOR'S REMUNERATION

	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditor	1.54	1.30
For taxation matters	-	-
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	0.06	0.08
Sub Total	1.60	1.38
GST	0.14	0.12
<b>Total</b>	<b>1.74</b>	<b>1.50</b>

### 34 LEASES

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

#### I. Lease disclosures under Ind-AS 116 for the current year ended March 31, 2024

##### (i) Amounts recognised in the Balance sheet

Sr No.	Particulars	March 31, 2024	March 31, 2023
a)	<b>Right-of-use assets (net)</b>	<b>326.51</b>	244.27
b)	<b>Lease liabilities</b>		
	Current	60.38	52.61
	Non-current	310.79	226.35
	<b>Total Lease liabilities</b>	<b>371.17</b>	<b>278.96</b>
c)	<b>Additions to the Right-of-use assets</b>	<b>135.63</b>	94.57

##### (ii) Amounts recognised in the Statement of Profit and Loss

Sr No.	Particulars	March 31, 2024	March 31, 2023
a)	Depreciation charge for right-of-use assets	64.01	53.64
b)	Interest expense (included in finance cost)	26.82	21.23
c)	Expense relating to short-term leases	15.25	7.56

##### (iii) Cash Flows

Particulars	March 31, 2024	March 31, 2023
The total cash outflow of leases	83.85	69.89

##### (iv) Future Commitments

Particulars	March 31, 2024	March 31, 2023
Future undiscounted lease payments to which leases is not yet commenced	34.97	10.38

##### (v) Maturity analysis of undiscounted lease liability

Period	March 31, 2024	March 31, 2023
Not later than one year	87.69	72.89
Later than one year and not later than five years	263.77	196.62
Later than five years	128.28	86.70
<b>Total</b>	<b>479.74</b>	<b>356.21</b>

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**35 ACCOUNTING FOR EMPLOYEE SHARE BASED PAYMENTS**

In accordance with resolution approved by the shareholders, the Company has reserved shares, for issue to employees through Employee Stock Option Scheme (ESOP). On the approval of Nomination and Remuneration Committee (NRC), each ESOP is issued. The NRC has approved ESOP-10 on October 13, 2017, ESOP-11 on January 15, 2019, ESOP-12 on October 05, 2020, ESOP-13 on January 14, 2021, ESOP-13A on August 31, 2021, ESOP-14 on October 27, 2021, ESOP-15A on May 18, 2022, ESOP-15B on October 31, 2022, ESOP-16A on June 12, 2023, ESOP-16B on October 23, 2023 and ESOP-16C on October 23, 2023. Under the term of the ESOP, the Company may issue stock options to employees and directors of the Company, each of which is convertible into one equity share.

Such options vest at a definitive date, save for specific incidents, prescribed in the scheme as framed/approved by the NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of four years from the date of vesting.

**Description of share based payments plans**

Particulars	Vesting requirements	Maximum term of option	Method of settlement	Modifications to share based payment plans	Any other details as disclosed in the audited Ind-AS financials
i. ESOP - 10	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Oct 2017	7 years	Equity settled	NA	NA
ii. ESOP - 11	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Jan 2019	7 years	Equity settled	NA	NA
iii. ESOP - 12	60% at the end of 12 months and 40% at the end of 24 months from 31 Oct 2020	6 years	Equity settled	NA	NA
iv. ESOP - 13	30% at the end of each 12 and 24 months and 40% at the end of 36 months from 31 Jan 2021	7 years	Equity settled	NA	NA
v. ESOP - 13A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from August 31, 2021	7 years	Equity settled	NA	NA
vi. ESOP - 14	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2021	7 years	Equity settled	NA	NA
vii. ESOP - 15A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from May 31, 2022	7 years	Equity settled	NA	NA
viii. ESOP - 15B	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2022	7 years	Equity settled	NA	NA
ix. ESOP - 16A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from June 30, 2023	10 years	Equity settled	NA	NA
x. ESOP - 16B	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2023	10 years	Equity settled	NA	NA
xi. ESOP - 16C	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2023	10 years	Equity settled	NA	NA

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Method used for accounting for shared based payment plan.

The Company uses fair value to account for the compensation cost of stock options to employees of the Company.

### Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2024

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	42,000	-	-	-	42,000	42,000
ESOP - 11	74,020	-	54,000	3,870	16,150	16,150
ESOP - 12	2,78,090	-	1,12,583	7,990	1,57,517	1,57,517
ESOP - 13	6,67,395	-	3,28,030	16,770	3,22,595	3,22,595
ESOP - 13A	37,000	-	14,000	-	23,000	3,000
ESOP - 14	17,99,723	-	5,28,264	61,325	12,10,134	4,14,902
ESOP - 15A	11,83,140	-	1,47,750	-	10,35,390	2,07,192
ESOP - 15B	34,98,170	-	4,90,856	2,76,492	27,30,822	5,12,907
ESOP - 16A	-	13,79,770	-	35,000	13,44,770	-
ESOP - 16B	-	4,36,400	-	9,380	4,27,020	-
ESOP - 16C	-	14,29,400	-	10,000	14,19,400	-
<b>Total</b>	<b>75,79,538</b>	<b>32,45,570</b>	<b>16,75,483</b>	<b>4,20,827</b>	<b>87,28,798</b>	<b>16,76,263</b>
Weighted average exercise price (₹)	456.57	486.66	426.48	479.42	472.43	423.28

### Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2023

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	42,000	-	-	-	42,000	42,000
ESOP - 11	1,06,430	-	32,410	-	74,020	74,020
ESOP - 12	7,02,910	-	3,94,140	30,680	2,78,090	2,78,090
ESOP - 13	9,33,155	-	2,13,570	52,190	6,67,395	2,64,275
ESOP - 13A	50,000	-	13,000	-	37,000	2,000
ESOP - 14	22,34,820	-	3,05,932	1,29,165	17,99,723	3,40,916
ESOP - 15A	-	11,83,140	-	-	11,83,140	-
ESOP - 15B	-	35,81,490	-	83,320	34,98,170	-
<b>Total</b>	<b>40,69,315</b>	<b>47,64,630</b>	<b>9,59,052</b>	<b>2,95,355</b>	<b>75,79,538</b>	<b>10,01,301</b>
Weighted average exercise price (₹)	383.81	496.09	353.71	425.60	456.57	352.60

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**Following summarises the information about stock options outstanding as at March 31, 2024**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP – 10	213	42,000	0.59
ESOP – 11	274	16,150	1.84
ESOP – 12	300	1,57,517	2.59
ESOP – 13	348	3,22,595	3.84
ESOP – 13A	409	23,000	4.42
ESOP – 14	433	12,10,134	4.59
ESOP – 15A	457	10,35,390	5.17
ESOP – 15B	509	27,30,822	5.59
ESOP – 16A	424	13,44,770	9.25
ESOP – 16B	533	4,27,020	9.59
ESOP – 16C	533	14,19,400	9.59

**Following summarises the information about stock options outstanding as at March 31, 2023**

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP – 10	213	42,000	1.53
ESOP – 11	274	74,020	2.79
ESOP – 12	300	2,78,090	3.52
ESOP – 13	348	6,67,395	4.64
ESOP – 13A	409	37,000	5.42
ESOP – 14	433	17,99,723	5.58
ESOP – 15A	457	11,83,140	6.13
ESOP – 15B	509	34,98,170	6.59

**Fair Value methodology**

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. The shares of Company are not listed on any stock exchange. Accordingly, the Company had considered the volatility of the Company's stock price based on historical volatility of similar listed enterprises. The various assumptions considered in the pricing model for the stock options granted by the Company are:

Particulars	ESOP 16A	ESOP 16B	ESOP 16C
Dividend yield	0.21%	0.38%	0.38%
Expected volatility	45.70%	38.75%	38.75%
Risk- free interest rate	6.83%	7.26%	7.26%
Expected life of the option	3.49	3.46	3.46

The Company recorded an employee stock compensation expense of ₹ 55.24 Crore (previous year ₹ 43.64 Crore) in Statement of Profit and Loss.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 36 SEGMENT REPORTING

Sr No.	Particulars	March 31, 2024	March 31, 2023
<b>i.</b>	<b>Segment Revenue</b>		
	Lending business	12,221.57	9,768.95
	BPO Services	1,949.55	2,633.93
	Unallocated	-	-
	<b>Income from Operations</b>	<b>14,171.12</b>	<b>12,402.88</b>
<b>ii.</b>	<b>Segment Results</b>		
	Lending business	3,178.35	2,508.48
	BPO Services	157.62	140.70
	Unallocated	(31.30)	(21.78)
	<b>Profit before tax</b>	<b>3,304.67</b>	<b>2,627.40</b>
	<b>Income Tax expenses</b>		
	Current tax	770.67	621.30
	Deferred tax Asset	73.16	46.75
	<b>Net Profit</b>	<b>2,460.84</b>	<b>1,959.35</b>
<b>iii.</b>	<b>Capital Employed</b>		
	Segment assets		
	Lending business	91,470.27	68,921.03
	BPO Services	105.01	103.38
	Unallocated	981.23	1,025.98
	<b>Total Assets</b>	<b>92,556.51</b>	<b>70,050.39</b>
	<b>Segment Liabilities</b>		
	Lending business	78,151.30	58,216.53
	BPO Services	192.83	180.38
	Unallocated	469.67	216.52
	<b>Total Liabilities</b>	<b>78,813.80</b>	<b>58,613.43</b>
	Net Segment assets / (liabilities)	13,742.71	11,436.96
<b>iv.</b>	<b>Capital Expenditure (including net CWIP)</b>		
	Lending business	115.03	86.48
	BPO Services	8.32	24.83
	Unallocated	-	-
	<b>Total</b>	<b>123.35</b>	<b>111.31</b>
<b>v.</b>	<b>Depreciation</b>		
	Lending business	131.47	86.49
	BPO Services	13.67	25.35
	Unallocated	-	-
	<b>Total</b>	<b>145.14</b>	<b>111.84</b>
<b>vi.</b>	<b>Other non cash expenditure</b>		
	Lending business	1,067.38	1,330.40
	BPO Services	-	-
	Unallocated	-	-
	<b>Total</b>	<b>1,067.38</b>	<b>1,330.40</b>



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### a) Chief Operating Decision Maker

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director & CEO of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

### b) Operating Segment

#### Primary Segment (Business Segment)

The Company is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

#### Secondary Segment (Geographical Segment)

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

### c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'

### d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### e) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

## 37 RELATED PARTY DISCLOSURES

Name of the related Party and Nature of Relationship

#### Holding Company :

HDFC Bank Limited

#### Enterprise under common control of Holding Company :

HDFC Securities Limited

HDFC Ergo General Insurance Company Limited

HDFC Life Insurance Company Limited

#### Key Management Personnel (KMP) :

Arijit Basu (Part Time Non Executive Chairman & Independent Director)

Adayapalam Viswanathan (Independent Director)

Arundhati Mech (Independent Director)

Dr. Amla Samanta (Independent Director)



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Jayesh Chakravarthi (Independent Director)  
Smita Affinwalla (Independent Director)  
Venkatraman Srinivasan (Independent Director)  
Jimmy Tata (Non Executive Director)  
G Ramesh (Managing Director & CEO)

### Other related parties :

HDBFS Employees Welfare Trust

### Details of Related Party Transactions for the Year:

Related Party	Nature Of Transaction	March 31, 2024	March 31, 2023
HDFC Bank Limited	Bank charges	9.56	15.35
	Charges for back office support services received / recoverable	533.67	984.41
	Charges for sales support services received / recoverable	1,140.05	1,821.96
	Commission Expenses	0.81	-
	Corporate logo license fees	26.16	17.19
	Dividend paid	232.68	142.61
	Fixed deposits placed	-	-
	Interest paid on non-convertible debentures	198.23	301.45
	Interest paid on term loan and OD account	575.46	376.36
	Interest received on fixed deposits	1.79	2.71
	Investment banking fees paid	0.18	0.01
	IPA charges	0.02	0.00
	Reimbursement of IT expense, secondment charge & other common expenses	0.36	1.51
	Rent paid for premises taken on sub-lease	2.75	2.83
	Securities purchased during the year	200.00	-
	Term loan availed during the year	6,700.00	3,350.00
	Tele collection charges / field collection charges received / recoverable for collection services rendered	275.83	255.65
HDFC Securities Ltd.	Commission on sourcing of loans	-	0.01
	Rent income for premises given on sub-lease	0.09	0.10
	Recovery of expenses	0.12	0.01
Key Management Personnel	a) Short term employee benefits	7.35	6.02
	b) post-employment benefits	-	-
	c) Other long-term benefits	-	-
	d) Termination benefits	-	-
	e) Share based Payments #	1.51	0.37
	f) Commission paid	0.81	0.74
HDFC Life Insurance Company Limited	Income from Insurance commission	46.19	7.45
	Receipt of funds	150.00	-
	Redemption of bonds(Including Premium)	42.21	-
HDFC Ergo General Insurance Company Limited	Income from Insurance commission	15.20	13.72
	Insurance Premium Expense (Car & Group policy)	2.21	0.55

#The intrinsic value of the stock options granted is Nil. However, the Company in compliance with Ind-AS 102 has been charged to the statement of profit and loss of ₹ 5.07 Crore (previous year ₹ 3.81 Crore) with a corresponding credit to the reserves.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Balances outstanding:

Related Party	Nature Of Transaction	March 31, 2024	March 31, 2023
HDFC Bank Limited	Securitisation	-	53.71
	Balance in current accounts	534.13	327.51
	Balance receivable	-	16.50
	Balance payable	0.23	0.05
	Fixed deposit	-	47.73
	Security deposit paid	0.16	0.16
	Security deposit received	9.85	9.85
	Term loan outstanding	9,634.71	7,082.45
	Non convertible debentures issued	825.00	4,155.00
	WCDL Loan Outstanding	95.83	4.16
HDFC Securities Ltd.	Balance receivable	0.15	0.04
HDFC Life Insurance Company Limited**	Balance payable - Securities	1,239.00	1,156.60
	Balance payable - Expenses	-	-
	Balance receivable	7.12	2.24
HDFC Asset Management Company Limited	Balance payable	-	640.00
HDFC Ergo General Insurance Company Limited**	Balance payable	70.00	70.00
	Balance receivable	2.53	1.98

\*\* excludes amounts pertaining to insurance premiums payable that are in the nature of pass through.

## 38 EMPLOYEE BENEFITS

### A) Defined contribution plan

The contribution made to various statutory funds is recognised as expense and included in Note 30 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss.

### B) Defined benefit plan (Gratuity)

The Company contributes to the group gratuity fund based on the actuarial valuation determined as at the year-end through the HDFC Life Insurance Company ('HDFC Life') Limited and Life Insurance Corporation of India Limited (LIC). HDFC Life and LIC have certified the Fair Value of the Plan Assets .

#### Details of Actuarial Valuation as at March 31, 2024.

Particulars	March 31, 2024	March 31, 2023
<b>A. Change in defined benefit obligation</b>		
1 Defined benefit obligation at beginning of period	164.71	166.90
2 Service cost		
a. Current service cost	14.74	19.16
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
3 Interest expenses	12.22	7.96
4 Cash flows		
a. Benefit payments from plan	(61.24)	(33.07)
b. Benefit payments from employer	(19.00)	-
c. Settlement payments from plan	-	-
d. Settlement payments from employer	-	-
5 Remeasurements		

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Particulars	March 31, 2024	March 31, 2023
a. Effect of changes in demographic assumptions	0.72	(5.91)
b. Effect of changes in financial assumptions	15.07	(4.03)
c. Effect of experience adjustments	14.93	13.70
6 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
7 Defined benefit obligation at end of period	142.14	164.71
<b>B. Change in fair value of plan assets</b>		
1 Fair value of plan assets at beginning of period	86.68	95.57
2 Interest income	6.43	4.56
3 Cash flows		
a. Total employer contributions		
(i) Employer contributions	3.20	21.36
(ii) Employer direct benefit payments	-	-
(iii) Employer direct settlement payments	-	-
b. Participant contributions	-	-
c. Benefit payments from plan assets	(61.24)	(33.07)
d. Benefit payments from employer	-	-
e. Settlement payments from plan assets	-	-
f. Settlement payments from employer	-	-
4 Remeasurements		
a. Return on plan assets (excluding interest income)	(0.83)	(1.73)
5 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
6 Fair value of plan assets at end of period	34.25	86.68
<b>C. Amounts recognised in the Balance Sheet</b>		
1 Defined benefit obligation	142.14	164.71
2 Fair value of plan assets	(34.25)	(86.68)
3 Funded status	107.89	78.03
4 Effect of asset ceiling	-	-
5 Net defined benefit liability (asset)	107.89	78.03
<b>D. Components of defined benefit cost</b>		
1 Service cost		
a. Current service cost	14.74	19.16
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Total service cost	14.74	19.16
2 Net interest cost		
a. Interest expense on DBO	12.22	7.96
b. Interest (income) on plan assets	6.43	4.56
c. Interest expense on effect of (asset ceiling)	-	-
d. Total net interest cost	5.79	3.40
3 Remeasurements (recognised in OCI / Retained Earnings)		
a. Effect of changes in demographic assumptions	0.72	(5.91)
b. Effect of changes in financial assumptions	15.07	(4.03)
c. Effect of experience adjustments	14.93	13.70
d. Return on plan assets (excluding interest income)	(0.83)	(1.73)

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	March 31, 2024	March 31, 2023
e. Changes in asset ceiling (excluding interest income)	-	-
f. Total remeasurements included in OCI / Retained Earnings	31.54	5.48
4 Total defined benefit cost recognised in P&L and OCI	52.07	28.04
<b>E. Re-measurement</b>		
a. Actuarial Loss/(Gain) on DBO	30.72	3.75
b. Returns above Interest Income	0.83	1.73
c. Change in Asset ceiling	-	-
Total Re-measurements (OCI / Retained Earnings)	31.54	5.48
<b>F. Employer Expense (P&amp;L)</b>		
a. Current Service Cost	14.74	19.16
b. Interest Cost on net DBO	5.79	3.40
c. Past Service Cost	-	-
d. Total P&L Expenses	20.53	22.56
<b>G. Net defined benefit liability (asset) reconciliation</b>		
1 Net defined benefit liability (asset)	78.02	71.33
2 Defined benefit cost included in P&L	20.53	22.56
3 Total remeasurements included in OCI / Retained Earnings	31.54	5.48
4 a. Employer contributions	(3.20)	(21.36)
b. Employer direct benefit payments	(19.00)	-
c. Employer direct settlement payments	-	-
5 Net transfer	-	-
6 Net defined benefit liability (asset) as of end of period	107.89	78.02
<b>H. Reconciliation of OCI (Re-measurement)</b>		
1 Recognised in OCI at the beginning of period	75.74	70.26
2 Recognised in OCI during the period	31.54	5.48
3 Recognised in OCI / Retained Earnings at the end of the period	107.28	75.74
<b>I. Sensitivity analysis - DBO end of Period</b>		
1 Discount rate +100 basis points	(3.88)	(3.19)
2 Discount rate -100 basis points	4.27	3.43
3 Salary Increase Rate +1%	3.98	3.36
4 Salary Increase Rate -1%	(3.70)	(3.18)
5 Attrition Rate +1%	(1.52)	(0.66)
6 Attrition Rate -1%	1.65	0.69
<b>J. Significant actuarial assumptions</b>		
1 Discount rate Current Year (p.a.)	7.21%	7.42%
2 Discount rate Previous Year (p.a.)	7.42%	4.77%
3 Salary increase rate (p.a.)	3.00% - 15.00%	3.00% - 10.00%
4 Attrition Rate (%)	9.00% - 89.00%	9.00% - 71.00%
5 Retirement Age (years)	60	60
6 Pre-retirement mortality	IALM (2012-14) Urban	IALM (2012-14) Urban
7 Disability	Nil	Nil

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Particulars	March 31, 2024	March 31, 2023
<b>K. Data</b>		
1 No.	86,753.00	1,15,137
2 Average age (yrs.)	30.07	29.11
3 Average past service (yrs.)	2.49	2.47
4 Average salary monthly (₹)	9,200.53	9,159.64
5 Future service (yrs.)	29.93	30.89
6 Weighted average duration of DBO	4.00	3.00
<b>L. Expected cash flows for following year</b>		
1 Expected contributions / Addl. Provision Next Year	72.36	36.85
2 Expected total benefit payments		
Year 1	59.93	64.60
Year 2	20.54	37.29
Year 3	12.81	22.65
Year 4	10.35	15.34
Year 5	9.08	11.09
Next 5 years	34.89	27.97
<b>Category of Plan assets</b>	<b>% of Fair value to total planned assets (as at March 31, 2024)</b>	
Government securities and corporate bonds/debentures	97.07%	
Money market instruments and fixed deposits	1.92%	
Net current assets and other approved security	1.01%	
<b>Total</b>	<b>100.00%</b>	

The Company's gratuity plan obligation is determined by actuarial valuation and is funded by investments in government securities. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Company's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Company monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

### C) Compensated absences

The Company neither has a policy of encashment of unavailed leaves for its employees nor allow the leaves to be carry forward to next year.

- D) The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Company will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

### 39 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Sr No.	Particulars	March 31, 2024	March 31, 2023
1	Claims against the Company not acknowledged as debt (Refer Note 39.1)	105.44	99.53
2	Estimated amount of contracts remaining to be executed on capital account and not provided for: (Net of Advances amounting to ₹ 37.13 Crore, previous year ₹ 9.02 Crore)	85.10	45.00
3	Undrawn committed sanctions to borrowers	372.07	134.31



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 39.1 Claims against the Company not acknowledged as debt

Particulars	March 31, 2024	March 31, 2023
Suit filed by borrowers	19.80	13.88
Other contingent liabilities in respect of :		
1. Provident Fund matter - (see (a) below)	50.14	50.14
2. Payment of Bonus (Amendment) Act, 2015 - (see (b) below)	34.88	34.88
3. Payment of Labour Welfare Fund	0.32	0.32
4. Maharashtra Professional Tax Assessment	0.31	0.31
<b>Total</b>	<b>105.44</b>	<b>99.53</b>

#### a) Provident Fund matter

The Company has received a notice of demand from the Provident Fund department amounting to ₹ 50.14 Crore. The Company had filed an appeal challenging the Provident Fund Commissioner's order before the Provident Fund Appellate Tribunal, wherein the Company had received a favourable outcome. However, a sum of ₹ 1 Crore has been deposited under protest with the Provident Fund Appellate Authority. This amount is shown under Other financial assets.

The Provident Fund department has challenged order of the appellate authority in the High Court. The management of the Company is of the view that no material losses will arise in respect of the legal claim and accordingly the same has been disclosed as a contingent liability. In the eventuality of any claim arising out of this case, the same will be billed to the customer in the year the claim is final and accordingly no provision has been made.

#### b) Payment of Bonus (Amendment) Act, 2015

As per the amendment to the Payment of Bonus (Amendment) Act, 2015 vide notification number DL-(N)04/70007/2003-16 issued on 1 January 2016 by Government of India, the Company would be required to pay statutory bonus to all eligible employees as per the amendments specified thereunder, with effect from April 01, 2014. However, various High Courts have granted a stay on retrospective effect of Payment of Bonus (Amendment) Act, 2015 from financial year 2014-15. In light of the above, the Company has decided to disclose such bonus amounting to ₹ 34.88 Crore as a contingent liability.

**39.2** The Company's pending litigations comprise of claims against the Company by the customers and proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**39.3** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 40 MATURITY ANALYSIS OF ASSETS & LIABILITIES

Particulars	March 31, 2024		March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents (CCE)	647.85	-	395.90	-
(b) Bank balances other than CCE	48.28	6.38	257.92	-
(c) Derivative financial instruments	-	1.91	165.34	-
(d) Trade receivables	124.61	-	65.76	-
(e) Loans	31,476.37	55,244.89	24,418.76	41,963.91
(f) Investments	3,340.70	39.63	1,185.31	57.94
(g) Other financial assets	-	39.50	-	34.87
	<b>35,637.81</b>	<b>55,332.31</b>	<b>26,488.99</b>	<b>42,056.72</b>
<b>Non-financial Assets</b>				
(a) Current tax assets (Net)	41.29	-	25.11	-
(b) Deferred tax assets (Net)	-	939.95	-	1,000.87
(c) Property, plant and equipment	-	162.53	-	122.37
(d) Capital work-in-progress	-	-	-	-
(e) Other intangible assets	-	22.15	-	20.41
(f) Right of Use Assets	66.39	260.12	54.03	190.24
(g) Other non-financial assets	55.67	38.29	50.40	41.25
	<b>163.35</b>	<b>1,423.04</b>	<b>129.54</b>	<b>1,375.14</b>
<b>TOTAL ASSETS</b>	<b>35,801.16</b>	<b>56,755.35</b>	<b>26,618.53</b>	<b>43,431.86</b>
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Derivative financial instruments	-	4.77	-	-
(b) Trade payables	403.27	105.73	291.84	-
(c) Debt securities	11,467.72	23,383.40	9,620.89	17,475.52
(d) Borrowings other than debt securities	13,599.84	20,231.54	9,663.25	14,564.55
(e) Subordinated liabilities	499.88	5,148.29	229.42	3,311.68
(f) Other financial liabilities	2,406.58	548.69	2,310.87	467.57
	<b>28,377.29</b>	<b>49,422.42</b>	<b>22,116.27</b>	<b>35,819.32</b>
<b>Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)	58.65	-	41.97	-
(b) Provisions	428.52	74.42	314.34	54.62
(c) Other non-financial liabilities	452.50	-	266.91	-
	<b>939.67</b>	<b>74.42</b>	<b>623.22</b>	<b>54.62</b>
<b>TOTAL LIABILITIES</b>	<b>29,316.96</b>	<b>49,496.84</b>	<b>22,739.49</b>	<b>35,873.94</b>
<b>NET</b>	<b>6,484.20</b>	<b>7,258.51</b>	<b>3,879.04</b>	<b>7,557.92</b>

### 41 CORPORATE SOCIAL RESPONSIBILITY

The average profit before tax of the Company for last three financial years was ₹ 1,498.34 Crore, basis which the Company's Prescribed CSR Budget for FY2023-24 was ₹ 29.97 Crore. In FY2022-23 an excess amount of ₹ 0.76 Crore was spent against the Prescribed CSR Budget for FY2022-23, hence after adjusting the excess spend, the Company's CSR Obligation for FY2023-24 was ₹ 29.21 Crore.



**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**a) Amount spent during the year on:**

Particulars	March 31, 2024			March 31, 2023		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	31.30	Not Applicable	31.30	21.78	Not Applicable	21.78

**b) In case of Section 135(5) unspent amount:**

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Not Applicable				

**c) In case of Section 135(5) Excess amount spent**

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
(0.76)	29.97	31.30	(2.09)

**d) In case of Section 135(6) Details of ongoing projects**

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent Account
(0.76)	-	29.97	31.30	-	(2.09)	-

**e) Nature of CSR activities**

CSR activities conducted during the year was focused on promoting healthcare, enhancing employability skills for unemployed individuals, supporting restoration of waterbodies and other water conservation activities, among other interventions.

**42 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES**

As per the confirmation received from the parties following is the status of MSME parties.

Particulars	March 31, 2024	March 31, 2023
The Principal amount remaining unpaid at the end of the year	-	-
The Interest Amount remaining unpaid at the end of the year	-	-
Interest paid along with amount of payment made to the supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day	-	-
Amount of interest accrued and remaining unpaid	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Balance of MSME parties at the end of the year	-	-

**Note** - The above is based on the information available with the Company which has been relied upon by the auditors.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 43 FAIR VALUE MEASUREMENT

#### a) Valuation principles

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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

#### b) Total financial assets measured at fair value on a recurring basis :

The following tables show an analysis of the fair value of financial assets by level of the fair value hierarchy.

Particulars	Category	Fair value	Fair Value	
		hierarchy	March 31, 2024	March 31, 2023
Mutual fund units	FVTPL	Level 1	1,753.41	411.65
Unquoted equity shares	FVTPL	Level 3	2.30	1.95
Securities receipt of ARC	FVTPL	Level 2	37.33	55.99
Derivative financial instruments	FVTPL	Level 2	1.92	165.34

##### Level 1:

Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Treasury bills are valued based on market quotes.

##### Level 2:

Fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data. Fair valuation of cross currency swaps is achieved by estimating forward exchange rates to calculate the present value of future net cash flows, adjusted for currency-specific risks. The fair value of INR interest rate swaps is determined by discounting future fixed and floating rate payments using the appropriate floating rates, reflecting the current market conditions and interest rate expectations.

##### Level 3:

Fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Unquoted equity shares are measured at fair value using suitable valuation models viz., net asset value technique.

#### c) The table below presents information pertaining to the fair values and carrying values of the Company's financial assets and liabilities.

Particulars	Category	Fair value hierarchy	March 31, 2024		March 31, 2023	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>						
(a) Cash and cash equivalents (CCE)	Amortised cost		647.85	647.85	395.90	395.90
(b) Bank balances other than CCE	Amortised cost		54.66	54.66	257.92	257.92
(c) Derivative financial instruments	FVTPL	Level 2	1.91	1.91	165.34	165.34
(d) Trade receivables	Amortised cost		124.61	124.61	65.76	65.76
(e) Loans	Amortised cost	Level 3	86,721.26	87,859.69	66,382.67	63,647.52



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Particulars	Category	Fair value hierarchy	March 31, 2024		March 31, 2023	
			Carrying value	Fair value	Carrying value	Fair value
(f) Investments - Mutual funds	FVTPL	Level 1	1,753.41	1,753.41	411.65	411.65
Investments - G-Sec & Treasury bills	FVTPL	Level 1	-	-	773.66	773.66
Investments - G-Sec & Treasury bills	Amortised cost		1,587.29	1,590.36	-	-
Investments - In Security Receipts	FVTPL	Level 2	37.33	37.33	55.99	55.99
Investments - Unquoted equity shares	FVTPL	Level 3	2.30	2.30	1.95	1.95
(g) Other financial assets	Amortised cost		39.50	39.50	34.87	34.87
			90,970.12	92,111.62	68,545.71	65,810.56
<b>Financial Liabilities</b>						
(a) Derivative financial instruments	FVTPL	Level 2	4.77	4.77	-	-
(b) Trade payables	Amortised cost		509.00	509.00	291.84	291.84
(c) Debt securities	Amortised cost	Level 2	34,851.12	35,439.59	27,096.41	27,322.07
(d) Borrowings other than Securitisation	Amortised cost	Level 2	33,746.16	34,001.76	23,856.94	23,087.21
Borrowings under Securitisation	Amortised cost	Level 2	85.22	83.40	370.86	364.45
(e) Subordinated liabilities	Amortised cost	Level 2	5,648.17	5,847.17	3,541.10	3,623.40
(f) Other financial liabilities	Amortised cost		2,955.27	2,955.27	2,778.42	2,778.42
			77,799.71	78,840.96	57,935.57	57,467.39

### (i) Short-term and other financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

### (ii) Loans

These financial assets are recorded at amortised cost, the fair values of which are estimated at portfolio level using a discounted cash flow model based on contractual cash flows discounted using market rates incorporating the counterparties' credit risk.

### (iii) Debt securities, borrowings and subordinated liabilities

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the Company's own credit risk or based on market-observable data such as secondary market prices for its traded debt, as relevant.

## 44 CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Company comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 45 RISK MANAGEMENT

While 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.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

#### a) Credit risk

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and industry concentrations, and by monitoring exposures in relation to such limits.

##### Financial assets measured on a collective basis

The Company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured / unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

##### Significant increase in credit risk

The Company considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

##### Impairment assessment

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e. borrower becomes 0 days past due on its contractual payments.

##### Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

##### Loss given default

The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The Company uses data obtained from third party sources and combines such data with inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios.



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Credit quality of assets

- a) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	March 31, 2024	March 31, 2023
Stage 1	87,218.17	66,793.73
Stage 2	1,287.94	1,322.12
Stage 3	1,711.82	1,914.85
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>

- b) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	66,793.02	1,322.83	1,914.85	70,030.70
Originated or new	60,425.23	333.45	140.57	60,899.25
Matured or repaid	(36,969.23)	(837.86)	(1,687.72)	(39,494.81)
Transfers to Stage 1	478.89	(270.58)	(208.31)	-
Transfers to Stage 2	(1,249.64)	1,280.69	(31.05)	-
Transfers to Stage 3	(2,260.10)	(540.59)	2,800.69	-
Amounts written off (net of recovery)	-	-	(1,217.21)	(1,217.21)
Gross carrying amount - closing balance	87,218.17	1,287.94	1,711.82	90,217.93

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	56,142.18	2,125.38	3,058.76	61,326.32
Originated or new	44,483.31	210.59	107.86	44,801.76
Matured or repaid	(31,096.12)	(1,099.72)	(2,059.75)	(34,255.59)
Transfers to Stage 1	875.26	(572.33)	(302.93)	-
Transfers to Stage 2	(1,346.94)	1,407.22	(60.28)	-
Transfers to Stage 3	(2,264.67)	(748.31)	3,012.98	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Gross carrying amount - closing balance	66,793.02	1,322.83	1,914.85	70,030.70

	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	2,028.93	372.50	1,246.60	3,648.03
Originated or new	1,011.70	121.73	111.03	1,244.46
Increase / (decrease) in provision on existing financial assets (Net of recovery)	(889.44)	34.01	676.82	(178.61)
Transfers to Stage 1	158.92	(57.01)	(101.91)	-
Transfers to Stage 2	(84.57)	97.27	(12.70)	-
Transfers to Stage 3	(251.15)	(190.05)	441.20	-
Amounts written off (net of recovery)	-	-	(1,217.21)	(1,217.21)
Impairment loss allowance - closing balance	1,974.39	378.45	1,143.83	3,496.67

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	1,996.81	511.25	1,655.81	4,163.87
Originated or new	711.35	74.53	86.91	872.79
Increase / (decrease) in provision on existing financial assets (Net of recovery)	(489.95)	(0.68)	943.79	453.16
Transfers to Stage 1	200.90	(102.26)	(98.64)	-
Transfers to Stage 2	(102.61)	122.39	(19.78)	-
Transfers to Stage 3	(287.57)	(232.73)	520.30	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Impairment loss allowance - closing balance	<b>2,028.93</b>	<b>372.50</b>	<b>1,246.60</b>	<b>3,648.03</b>

### c) Modified financial assets

The Company renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as Stage 3. Such accounts are upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets	March 31, 2024	March 31, 2023
Gross carrying amount	<b>1,137.69</b>	2,384.91
Impairment allowance	<b>366.82</b>	1,091.00
Net carrying amount	<b>770.87</b>	1,293.91

### Analysis of risk concentration

The following table shows risk concentration of the Company's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

Exposure to modified financial assets	March 31, 2024	March 31, 2023
Carrying value of Loans	<b>86,721.26</b>	66,382.67
Mortgage backed loans	<b>20,658.54</b>	17,676.86
Other assets backed loans	<b>38,706.72</b>	28,669.31
Personal loans	<b>20,916.78</b>	15,828.13
Others	<b>6,439.22</b>	4,208.37
<b>Total</b>	<b>86,721.26</b>	<b>66,382.67</b>



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees
- For retail lending, mortgages over residential properties

The Company also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

### Collateral coverage - credit impaired loans

Loan to Value (LTV) range	March 31, 2024	March 31, 2023
Upto 50 % Coverage	527.43	659.53
51-75 % Coverage	40.39	8.58
76-100 % Coverage	0.17	0.02
Above 100% Coverage	-	-
<b>Total</b>	<b>567.99</b>	<b>668.13</b>

### b) Liquidity risk and funding management

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. 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.

### Maturity profile of financial liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31st March.

March 31, 2024	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	403.27	105.73	-	-	509.00
Debt securities	11,467.72	19,771.45	2,112.65	1,499.31	34,851.12
Borrowings	13,514.62	15,785.35	4,235.07	211.11	33,746.16
Borrowings under Securitisation	85.22	-	-	-	85.22
Subordinated liabilities	499.87	389.45	1,177.48	3,581.37	5,648.17
<b>Total</b>	<b>25,970.70</b>	<b>36,051.98</b>	<b>7,525.20</b>	<b>5,291.79</b>	<b>74,839.67</b>

March 31, 2023	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	291.84	-	-	-	291.84
Debt securities	11,287.03	15,700.20	3,220.45	1,393.20	31,600.88
Borrowings	10,257.28	13,961.22	2,628.58	41.07	26,888.15
Borrowings under Securitisation	293.82	86.99	-	-	380.81
Subordinated liabilities	545.86	1,036.75	1,125.54	2,490.14	5,198.29
<b>Total</b>	<b>22,675.83</b>	<b>30,785.16</b>	<b>6,974.57</b>	<b>3,924.41</b>	<b>64,359.97</b>



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### c) Market risk

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

#### i) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

	% Increase/decrease in rate		Increase/decrease in profit	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Borrowings that are re-priced	0.25%	0.25%	73.77	48.75
Loans that are re-priced	0.25%	0.25%	50.49	41.78

#### ii) Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

### d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or from external events.

The operational risks of the Company are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**46 IMPACT OF HEDGING ACTIVITIES****a) Disclosure of effects of hedge accounting on financial position:****March 31, 2024**

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
<b>Cash flow hedge</b>								
Foreign exchange forward contracts (Cross currency interest rate swaps)	2,085.13	-	-	4.77	Jan 12, 2027	(170.94)	(170.94)	Borrowings
Interest rate swaps	1,750.00	-	1.92	-	May 27, 2026 & Sep 26, 2028	1.92	1.92	Borrowings

**March 31, 2023**

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
<b>Cash flow hedge</b>								
Foreign exchange forward contracts (Cross currency interest rate swaps)	1,889.91	-	165.34	-	June 18, 2023	33.73	33.73	Borrowings

**b) Disclosure of effects of hedge accounting on financial performance****March 31, 2024**

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	(170.94)	-	151.93	Finance cost
Interest rate risk	1.92	-	-	Finance cost

**March 31, 2023**

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	33.73	-	(14.13)	Finance cost

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 47 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	April 01, 2023	Cash flows	Exchange Difference	Other	March 31, 2024
Debt securities	27,096.41	7,825.40	-	(70.69)	34,851.13
Borrowings other than debt securities	23,856.94	10,040.17	(151.93)	0.97	33,746.16
Borrowings under Securitisation	370.86	(285.64)	-	-	85.22
Subordinated liabilities	3,541.10	2,120.00	-	(12.93)	5,648.17
<b>Total</b>	<b>54,865.31</b>	<b>19,699.93</b>	<b>(151.93)</b>	<b>(82.65)</b>	<b>74,330.67</b>

Particulars	April 01, 2022	Cash flows	Exchange Difference	Other	March 31, 2023
Debt securities	25,332.31	1,738.71	-	25.39	27,096.41
Borrowings other than debt securities	18,296.08	5,534.35	-	26.51	23,856.94
Borrowings under Securitisation	1,205.64	(834.78)	-	-	370.86
Subordinated liabilities	4,139.05	(608.90)	-	10.95	3,541.10
<b>Total</b>	<b>48,973.08</b>	<b>5,829.38</b>	<b>-</b>	<b>62.85</b>	<b>54,865.31</b>

- (i) Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.  
(ii) Total Liabilities comprises of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

### 48 EXPENDITURE / REMITTANCES IN FOREIGN CURRENCIES

#### a) Expenditure in Foreign Currencies

Particulars	March 31, 2024	March 31, 2023
Processing charges for debt instrument	2.49	-
Professional charges	0.02	0.05
Annual software application fee	3.30	4.16
Other Expenditure	0.04	-

#### b) There is no dividend paid in foreign currency.

### 49 EVENT AFTER REPORTING DATE

There have been no events after the reporting date that require adjustment/disclosure in the financial statements.

### 50 TRANSFER OF FINANCIAL ASSETS

#### 50.1 Transferred financial assets that are not derecognised in their entirety

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

##### A) Securitisation

The Company has transferred certain pools of fixed rate loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) sponsored by commercial banks for consideration received in cash at the inception of the transaction.

**Notes to the Standalone Financial Statements  
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(Currency : Indian Rupees in Crore)

The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Company to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs etc. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 18.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	March 31, 2024	March 31, 2023
Carrying amount of transferred assets measured at amortised cost	79.94	356.14
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	85.22	370.86
Fair value of assets	71.23	337.98
Fair value of associated liabilities	83.40	364.45
Net position at Fair Value	(12.17)	(26.47)

**B) Assignment**

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	March 31, 2024	March 31, 2023
Carrying amount of de-recognised financial asset	17.11	55.84
Carrying amount of retained assets at amortised cost*	1.82	6.09
Gain on sale of the de-recognised financial asset	Nil	Nil

\*excludes Excess Interest Spread (EIS) on de-recognised financial assets

**50.2 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement**

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement."

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

RBI disclosures from Notes 50 to 93 have been prepared as per RBI Circulars / Directives basis Ind-AS financial statements. RBI disclosures are prepared basis gross carrying value of loans.

### 51 DISCLOSURE RELATING TO SECURITISATION PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 DATED 24 SEPTEMBER 2021 FOR NON-STC SECURITISATION TRANSACTIONS.

Sr No.	Particulars	March 31, 2024	March 31, 2023
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	1	3
2	Total amount of securitised assets as per books of the SPEs	79.94	356.14
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First Loss	-	21.86
	• Others		-
	b) On-balance sheet exposures		
	• First Loss	45.90	93.63
	• Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First Loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First Loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First Loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First Loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	-	-
	Fixed Deposit		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	45.90	93.63

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Sr No.	Particulars	March 31, 2024	March 31, 2023
	Corporate Guarantee		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	-	21.86
8	Average default rate of portfolios observed in the past.	2.00%	1.89%
9	Amount and number of additional/top up loan given on same underlying asset.		
	(a) Amount	-	-
	(b) Number	-	-
10	Investor complaints		
	(a) Directly/Indirectly received	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

**52** DISCLOSURE RELATING TO SECURITISATION PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 DATED SEPTEMBER 24, 2021 FOR STC (SIMPLE, TRANSPARENT AND COMPARABLE) SECURITISATION TRANSACTIONS ARE NOT APPLICABLE.

**53** DISCLOSURE OF FINANCIAL ASSETS SOLD TO SECURITISATION COMPANY PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2021-22/86 DOR.STR.REC. 51/21.04.048/2021-22 DATED SEPTEMBER 24, 2021.

**a) Details of NPA loans transferred during the year**

Sr No.	Particulars	March 31, 2024			March 31, 2023		
		To ARC's	To permitted transferees	To other transferees	To ARC's	To permitted transferees	To other transferees
i)	Number of Accounts	-	-	-	1337	-	-
ii)	Aggregate principal outstanding of loans transferred	-	-	-	161.24	-	-
iii)	Weighted average residual tenor of the loans transferred	-	-	-	7.18 Years	-	-
iv)	Net book value of loans transferred (at the time of transfer)	-	-	-	126.29	-	-
v)	Aggregate consideration	-	-	-	103.62	-	-
vi)	Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-	-	-

During the year excess provisions of ₹ Nil Crore (Previous Year ₹ 51.58 Crore) reversed to the profit and loss account on accounts of sale of stressed loans.

**b) Security Receipts (SRs) Ratings held**

Particulars	March 31, 2024		March 31, 2023	
	Rating Agencies	Rating	Rating Agencies	Rating
EARC TRUST SC - 411 Series I (*)	Indian rating and research	IND RR4- (25% - 50%)	Indian rating and research	IND RR3- (50% - 75%)

(\*) Rating Band awarded by SEBI approved Ratings agencies to Security Receipts issued by above mentioned trust(s) set up by Edelweiss Asset Reconstruction Company Ltd (EARC).

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### c) Details of loans (not in default) acquired during the year

Sr No.	Particulars	March 31, 2024	March 31, 2023
i)	Aggregate amount of loans acquired (₹ in Crore)	-	83.08
ii)	Weighted average residual maturity (in years)	-	4.13
iii)	Weighted average holding period by originator (in years)	-	5.02
iv)	Retention of beneficial economic interest by the originator	-	10%
v)	Aggregate consideration paid	-	83.08
vi)	Tangible security coverage	-	0%

### d) Details of Assignment Transactions

Sr No.	Particulars	March 31, 2024			March 31, 2023		
		To ARCs	To permitted transferees	To other transferees	To ARCs	To permitted transferees	To other transferees
i)	Number of Accounts	-	-	-	-	-	-
ii)	Aggregate principal outstanding of loans transferred	-	-	-	-	-	-
iii)	Weighted average residual tenor of the loans transferred	-	-	-	-	-	-
iv)	Net book value of loans transferred (at the time of transfer)	-	-	-	-	-	-
v)	Aggregate consideration	-	-	-	-	-	-
vi)	Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-	-	-

\* The securitised loans disclosed in the above notes, i.e. 51, 52 and 53 do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

**54** Total fixed deposits stands at ₹ 45.90 Crore (previous year ₹ 93.63 Crore) on account of securitisation transaction outstanding till March 31, 2024.

**55** Loan against gold portfolio to Total assets is 0.57% (Previous year 0.61%).

**56** DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024 PERTAINING TO GOLD LOANS

#### Details of Gold auctions conducted\*

Particulars	March 31, 2024	March 31, 2023
No of loan accounts	755	1,114
Outstanding loan amount	4.35	6.28
Sale Consideration of gold **	8.11	14.31

\* there is no sister concern participation in any of the above auctions.

\*\* the excess of sales consideration over and above the outstanding amount is repaid to respective borrower.



**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**57 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024 PERTAINING TO ASSET CLASSIFICATION AS PER RBI NORMS****As at March 31, 2024**

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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)
<b>Performing Assets</b>						
Standard	<b>Stage 1</b>	87,218.18	1,969.21	85,248.97	432.10	1,537.11
	<b>Stage 2</b>	1,287.94	378.45	909.49	12.28	366.18
<b>Subtotal</b>		<b>88,506.12</b>	<b>2,347.66</b>	<b>86,158.46</b>	<b>444.38</b>	<b>1,903.28</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	<b>Stage 3</b>	1,607.44	1,084.20	523.24	150.86	933.34
Doubtful - up to 1 year	<b>Stage 3</b>	-	-	-	-	-
1 to 3 years	<b>Stage 3</b>	102.72	57.97	44.75	17.56	40.41
More than 3 years	<b>Stage 3</b>	-	-	-	-	-
Loss	<b>Stage 3</b>	1.66	1.66	-	1.59	0.07
<b>Subtotal for NPA</b>		<b>1,711.82</b>	<b>1,143.83</b>	<b>567.99</b>	<b>170.01</b>	<b>973.82</b>
Other items such as guarantee, loan commitment, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	<b>Stage 1</b>	543.89	6.26	537.63	3.50	2.76
	<b>Stage 2</b>	8.10	6.43	1.67	0.23	6.20
	<b>Stage 3</b>	1.77	1.77	-	0.05	1.72
<b>Subtotal of other items</b>		<b>553.76</b>	<b>14.47</b>	<b>539.30</b>	<b>3.78</b>	<b>10.69</b>
<b>TOTAL</b>	<b>Stage 1</b>	<b>87,762.07</b>	<b>1,975.47</b>	<b>85,786.60</b>	<b>435.60</b>	<b>1,539.87</b>
	<b>Stage 2</b>	<b>1,296.04</b>	<b>384.88</b>	<b>911.16</b>	<b>12.51</b>	<b>372.37</b>
	<b>Stage 3</b>	<b>1,713.59</b>	<b>1,145.60</b>	<b>567.99</b>	<b>170.06</b>	<b>975.54</b>
	<b>Total</b>	<b>90,771.70</b>	<b>3,505.95</b>	<b>87,265.75</b>	<b>618.17</b>	<b>2,887.78</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

As at March 31, 2023

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amounts 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)
<b>Performing Assets</b>						
Standard	<b>Stage 1</b>	66,793.73	2,026.71	64,767.02	443.94	1,582.77
	<b>Stage 2</b>	1,322.12	372.41	949.71	26.68	345.73
<b>Subtotal</b>		<b>68,115.85</b>	<b>2,399.12</b>	<b>65,716.73</b>	<b>470.62</b>	<b>1,928.50</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	<b>Stage 3</b>	1,835.18	1,198.66	636.52	171.47	1,027.19
Doubtful - up to 1 year	<b>Stage 3</b>	-	-	-	-	-
1 to 3 years	<b>Stage 3</b>	78.41	46.68	31.73	13.55	33.13
More than 3 years	<b>Stage 3</b>	-	-	-	-	-
Loss	<b>Stage 3</b>	1.26	1.26	-	1.14	0.12
<b>Subtotal for NPA</b>		<b>1,914.85</b>	<b>1,246.60</b>	<b>668.25</b>	<b>186.16</b>	<b>1,060.44</b>
Other items such as guarantee, loan commitment, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	<b>Stage 1</b>	475.06	2.55	472.51	2.29	0.26
	<b>Stage 2</b>	12.22	5.84	6.38	0.47	5.37
	<b>Stage 3</b>	<b>1.34</b>	<b>0.81</b>	<b>0.53</b>	<b>0.05</b>	<b>0.76</b>
<b>Subtotal of other items</b>		<b>488.62</b>	<b>9.20</b>	<b>479.42</b>	<b>2.81</b>	<b>6.39</b>
<b>TOTAL</b>	<b>Stage 1</b>	<b>67,268.79</b>	<b>2,029.26</b>	<b>65,239.53</b>	<b>446.23</b>	<b>1,583.03</b>
	<b>Stage 2</b>	<b>1,334.34</b>	<b>378.25</b>	<b>956.09</b>	<b>27.15</b>	<b>351.10</b>
	<b>Stage 3</b>	<b>1,916.19</b>	<b>1,247.41</b>	<b>668.78</b>	<b>186.21</b>	<b>1,061.20</b>
	<b>Total</b>	<b>70,519.32</b>	<b>3,654.92</b>	<b>66,864.40</b>	<b>659.59</b>	<b>2,995.33</b>

**58 THE BELOW TABLE DEPICTS STAGE WISE COUNT AND AMOUNT OF LOAN BOOK OUTSTANDING.**

Sr No.	Particulars	Count	March 31, 2024	Count	March 31, 2023
1	Stage 1	58,58,645	<b>87,218.17</b>	44,80,195	66,793.73
2	Stage 2	1,45,184	<b>1,287.94</b>	1,12,059	1,322.12
3	Stage 3	72,430	<b>1,711.82</b>	80,528	1,914.85
<b>Total</b>		<b>60,76,259</b>	<b>90,217.93</b>	<b>46,72,782</b>	<b>70,030.70</b>

**Note:** The company follows the due process for recovery of the overdues . The recovery process is carried out inhouse & through collection agencies. Proper legal process & regulatory requirements are followed in recovery & collection activities.

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**59 MOVEMENT OF CREDIT IMPAIRED LOANS UNDER IND-AS**

Sr No.	Particulars	March 31, 2024	March 31, 2023
(i)	Credit impaired loans under Ind-AS (Net) to Loans (Net) (%)	0.64%	0.97%
(ii)	Movement of Credit impaired loans under Ind-AS (Gross)		
	a) Opening balance	1,914.85	3,058.76
	b) Additions during the year	2,941.26	3,120.84
	c) Reductions during the year	3,144.29	4,264.75
	d) Closing balance	1,711.82	1,914.85
(iii)	Movement of Credit impaired loans under Ind-AS (Net)		
	a) Opening balance	668.25	1,402.95
	b) Additions during the year	1,712.21	1,569.84
	c) Reductions during the year	1,812.47	2,304.54
	d) Closing balance	567.99	668.25
(iv)	Movement of impairment loss allowance on credit impaired loans		
	a) Opening balance	1,246.60	1,655.81
	b) Impairment loss allowance made during the year	1,229.05	1,551.00
	c) Write-off / write-back of excess allowance	1,331.82	1,960.21
	d) Closing balance	1,143.83	1,246.60

**60 MOVEMENT OF IMPAIRMENT LOSS ALLOWANCE FOR LOW CREDIT RISK LOANS AND SIGNIFICANT INCREASE IN CREDIT RISK LOANS**

Sr No.	Particulars	March 31, 2024	March 31, 2023
(i)	Movement of impairment allowance for low credit risk loans and significant increase in credit risk loans		
	a) Opening balance	2,401.43	2,508.06
	b) Additions during the year	1,133.43	785.88
	c) Reductions during the year	1,182.02	892.51
	d) Closing balance	2,352.84	2,401.43

**61 CONCENTRATION OF LOAN, EXPOSURES & CREDIT IMPAIRED LOAN****a) Concentration of Loan**

Particulars	March 31, 2024	March 31, 2023
Total Advances to Twenty Largest Borrowers	354.71	353.93
Percentage of advances to twenty largest borrowers to Total Advances	0.39%	0.51%

**b) Concentration of Exposures**

Particulars	March 31, 2024	March 31, 2023
Total Exposure to Twenty Largest Borrowers	354.71	353.93
Percentage of exposures to twenty largest borrowers to Total Exposures	0.39%	0.51%

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### c) Concentration of credit impaired loans

Particulars	March 31, 2024	March 31, 2023
Total Exposure of Top four credit impaired accounts	18.31	24.82

### d) Sector-wise distribution of credit impaired loans

Sr. No.	Particulars	Percentage of Impairment loss allowance to Total credit impaired loans in that sector	
		March 31, 2024	March 31, 2023
1	Agriculture & allied activities	3.40%	4.11%
2	Corporate borrowers	2.78%	3.04%
3	Services	1.52%	1.77%
4	Unsecured personal loans	0.44%	2.33%
5	Auto loans	2.10%	2.65%
6	Other personal loans	-	-
7	Others	2.68%	3.96%

**Note:** MSME category is included in the above categories

## 62 DETAILS OF CREDIT IMPAIRED FINANCIAL ASSETS PURCHASED / SOLD

The Company has not purchased any credit impaired financial assets during the financial year 2023-24. However, the Company has transferred certain credit impaired assets to Asset Reconstruction Company in terms of guidelines issued by RBI circular no. DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 (Refer Note 53). Further, the Company has not sold any credit impaired financial asset to institutions other than to Securitisation / Asset Reconstruction Company (SC / RC).

## 63 INVESTMENTS

Sr No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>Value of Investments*</b>		
	i) Gross value of Investments	3,380.33	1,243.60
	ii) Less: Provisions for Depreciation	-	0.35
	iii) Net Value of Investments	3,380.33	1,243.25
	* Please note that all investments are held in India		
<b>2</b>	<b>Movement of provisions held towards depreciation on investments</b>		
	i) Opening Balance	0.35	0.85
	ii) Add: Provisions made during the year	-	-
	iii) Less: Write-off/write-back of excess provisions during the year	0.35	0.50
	iv) Closing Balance	-	0.35



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 64 DERIVATIVES

#### a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Sr No.	Particulars	March 31, 2024	March 31, 2023
i)	The notional principal of swap agreements	3,835.13	1,889.91
i)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreement	-	-
ii)	Collateral required by the Company upon entering into swaps	-	-
iii)	Concentration of credit risk arising from the swaps	4.14%	2.70%
iv)	The fair value of the swap book (Asset / (Liability))	1.00	1.00

#### b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative.

#### c) Disclosures on Risk Exposure in Derivatives

##### Qualitative Disclosures

- The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.
- Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/ Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.
- The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

##### Qualitative Disclosures

#### d) Foreign currency non-repatriate loans availed

Sr No.	Particulars	March 31, 2024		March 31, 2023	
		Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives*	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount)				
-	For hedging	2,085.13	1,750.00	1,889.91	-
ii)	Marked to Market Positions				
(a)	Asset [+] Estimated gain	-		-	-
(b)	Liability [-] Estimated loss	-		-	-
iii)	Credit exposure	2,085.13	1,750.00	1,889.91	-
iv)	Unhedged exposures	-		-	-

\* Cross currency interest rate swap

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 65 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	March 31, 2024	March 31, 2023
CRAR%	19.25%	20.05%
CRAR – Tier I Capital %	14.12%	15.91%
CRAR-Tier II Capital %	5.13%	4.14%
Amount of Subordinated Debt raised as Tier-II capital	2,000	-
Amount Raised by the issue of Perpetual Debt Instruments	350	-
Closing balance of Perpetual Debt Instruments	1,000	650
Percentage of the amount of PDI of the amount of its Tier I Capital	8.06%	6.28%

There were ₹ Nil Crore (Previous Year ₹ Nil Crore) interest outstanding to pay Perpetual Debt Insutments holder.

### 66 MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES

Particulars	Deposits With Bank	Advances	Investments(*)	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 7 days	0.01	3,018.05	3,340.70	700.00	-	-
	0.01	2,241.52	1,185.31	4.16	-	-
8 day to 14 days	0.06	319.39	-	50.00	-	-
	-	246.68	-	-	-	-
15 day to 30/31 days	-	401.54	-	2,373.64	-	-
	100.02	333.56	-	1,109.85	-	-
Over one month to 2 months	0.84	2,942.15	-	3,016.88	-	-
	0.84	2,298.33	-	1,130.11	-	-
Over 2 months upto 3 months	46.78	2,952.19	-	3,856.54	-	-
	-	2,295.78	-	2,272.19	-	1,888.94
Over 3 months to 6 months	0.57	8,047.66	-	4,281.80	-	-
	69.14	6,258.32	-	4,376.33	-	-
Over 6 months to 1 year	0.01	13,795.37	-	11,288.58	-	-
	26.21	10,744.56	-	8,768.93	-	-
Over 1 year to 3 years	6.38	35,019.38	-	33,861.12	-	2,085.13
	-	26,830.43	-	26,203.30	-	-
Over 3 years to 5 years	-	9,628.85	37.33	7,525.20	-	-
	-	6,545.54	55.99	5,743.68	-	-
Over 5 years	-	10,596.66	2.30	5,291.79	-	-
	-	8,587.95	1.95	3,367.83	-	-
<b>Total</b>	<b>54.66</b>	<b>86,721.26</b>	<b>3,380.33</b>	<b>72,245.54</b>	<b>-</b>	<b>2,085.13</b>
	<b>196.22</b>	<b>66,382.67</b>	<b>1,243.25</b>	<b>52,976.37</b>	<b>-</b>	<b>1,888.94</b>

\* Long-Term Investment in Clayfin Technologies Private Limited are shown in "over 5 year"

Previous year figures are presented in italics.

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

- 67 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA CIRCULAR DOR.NO.BP.BC/3/21.04.048/2020-21 DATED 6 AUGUST 2020 PERTAINING TO RESOLUTION FRAMEWORK FOR COVID-19-RELATED STRESS READ WITH RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 DATED MAY 5, 2021 PURSUANT TO RESOLUTION FRAMEWORK 2.0 – RESOLUTION OF COVID-19 RELATED STRESS OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) AND DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA CIRCULAR RBI/2021-22/31 DOR.STR.REC. 11/21.04.048 /2021-22 DATED MAY 05, 2021 PERTAINING TO RESOLUTION FRAMEWORK - 2.0: RESOLUTION OF COVID-19 RELATED STRESS OF INDIVIDUALS AND SMALL BUSINESSES**

**Format-B For Resolution framework**

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount Paid by the borrowers during the halfyear	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	41.87	2.31	1.10	3.59	34.88
	133.47	19.68	4.78	38.14	70.88
Corporate persons*	3.05	-	-	1.12	1.93
	11.74	-	-	8.25	3.49
Of which, MSMEs	3.05	-	-	1.12	1.93
	11.74	-	-	8.25	3.49
Others	0.01	-	-	0.01	0.00
	0.12	0.01	0.00	0.07	0.03
<b>Total</b>	<b>44.93</b>	<b>2.31</b>	<b>1.10</b>	<b>4.71</b>	<b>36.81</b>
	<b>145.32</b>	<b>19.68</b>	<b>4.78</b>	<b>46.46</b>	<b>74.40</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

- 68 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA CIRCULAR RESOLUTION FRAMEWORK - 2.0: RESOLUTION OF COVID-19 RELATED STRESS OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) – REVISION IN THE THRESHOLD FOR AGGREGATE EXPOSURE ISSUED VIDE CIRCULAR NO. RBI/2021-22/47 DOR.STR.REC.21/21.04.048/2021-22 DATED JUNE 04, 2021 READ WITH CIRCULAR RBI/2018-19/100 DBR.NO.BP.BC.18/21.04.048/2018-19 DATED JANUARY 01, 2019.**

Type of borrower	Year	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan
MSMEs	Current Year	-	-
	Previous Year	-	-



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

**69** **SECTORAL EXPOSURE DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON 21 MARCH 2024**

Sr No.	Sectors	March 31, 2024			March 31, 2023		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector %	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector %
	<b>Total sectors exposure</b>	<b>90,217.93</b>	<b>1,711.82</b>	<b>1.90%</b>	<b>70,030.70</b>	<b>1,914.85</b>	<b>2.73%</b>
<b>1</b>	<b>Agriculture and Allied Activities</b>	<b>209.53</b>	<b>7.63</b>	<b>3.64%</b>	<b>169.06</b>	<b>5.55</b>	<b>3.28%</b>
<b>2</b>	<b>Industry</b>						
	(i) Micro and Small	1,031.30	2.36	0.23%	1,532.88	57.97	3.78%
	(ii) Medium	147.93	-	-	-	-	-
	(iii) Others	556.27	36.54	6.57%	-	-	-
	<b>Total of Industry</b>	<b>1,735.50</b>	<b>38.90</b>	<b>2.24%</b>	<b>1,532.88</b>	<b>57.97</b>	<b>3.78%</b>
<b>3</b>	<b>Services</b>						
	(i) Transport Operators	847.33	0.55	0.06%	390.18	6.04	1.55%
	(ii) Computer Software	49.38	1.61	3.26%	57.68	2.72	4.71%
	(iii) Tourism, Hotel and Restaurants	282.93	3.14	1.11%	247.62	10.74	4.34%
	(iv) Shipping	11.78	1.04	8.85%	8.71	0.04	0.45%
	(v) Professional Services	30.48	0.42	1.38%	27.23	-	0.00%
	(vi) Total of Trade	1,194.64	30.25	2.53%	743.30	19.68	2.65%
	(vi) (a) Wholesale Trade (other than Food Procurement)	236.73	16.03	6.77%	74.98	4.64	6.19%
	(b) Retail Trade	957.91	14.22	1.48%	668.32	15.04	2.25%
	(vii) Commercial Real Estate	206.58	4.48	2.17%	166.02	5.06	3.05%
	(viii) NBFCs	-	-	0.00%	-	-	0.00%
	(ix) Aviation	5.18	-	0.00%	5.24	3.22	61.53%
	(x) Other	3,410.59	30.61	0.90%	2,408.10	54.64	2.27%
	<b>Total of Services</b>	<b>6,038.89</b>	<b>72.09</b>	<b>1.19%</b>	<b>4,054.08</b>	<b>102.14</b>	<b>2.52%</b>
<b>4</b>	<b>Retail Loan</b>						
	(i) Housing Loans (incl. priority sector Housing)	-	-	0.00%	-	-	0.00%
	(ii) Consumer Durables	3,115.01	6.14	0.20%	3,965.26	29.62	0.75%
	(iii) Credit Card Receivables	-	-	0.00%	-	-	0.00%
	(iv) Vehicle/Auto Loans	31,288.18	715.91	2.29%	21,880.85	705.65	3.22%
	(v) Education Loans	-	-	0.00%	-	-	0.00%
	(vi) Advances against Fixed Deposit	-	-	0.00%	-	-	0.00%
	(vii) Advances to Individuals against Shares, Bonds	0.44	0.06	14.45%	2.69	0.21	7.97%
	(viii) Advances to Individuals against Gold	512.93	7.24	1.41%	425.15	7.07	1.66%
	(ix) Micro finance loan/SHG Loan	431.45	0.75	0.00%	115.69	0.00	0.00%
	(x) Other	46,886.01	863.10	1.84%	37,885.04	1,006.63	2.66%
	<b>Total of Retail Loan</b>	<b>82,234.01</b>	<b>1,593.20</b>	<b>1.94%</b>	<b>64,274.68</b>	<b>1,749.19</b>	<b>2.72%</b>
<b>5</b>	<b>Others, if any (please specify)</b>	-	-	-	-	-	-

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**70 EXPOSURE TO REAL ESTATE SECTOR - DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON 21 MARCH 2024**

Categories	March 31, 2024	March 31, 2023
<b>A. Direct Exposure</b>		
i. Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	<b>14,209.36</b>	12,584.64
ii. Commercial Real Estate – 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 shall also include non-fund based limits	<b>7,067.96</b>	6,012.62
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures	-	-
a) Residential,	-	-
b) Commercial Real Estate	-	-
<b>B. Indirect Exposure</b>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>21,277.32</b>	<b>18,597.26</b>

**71 EXPOSURE TO CAPITAL MARKET - DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON 21 MARCH 2024**

Sr No.	Particulars	March 31, 2024	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	<b>2.30</b>	2.30
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPO's / ESOP's), convertible bonds, convertible debentures and units of equity oriented mutual funds	-	0.01
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 to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Sr No.	Particulars	March 31, 2024	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	-	-
xi)	All exposures to Venture Capital Funds (both registered and unregistered)		
	<b>Total Exposure to Capital Market</b>	<b>2.30</b>	<b>2.31</b>

**72 UNHEDGED FOREIGN CURRENCY EXPOSURE - DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024. REFER SIGNIFICANT ACCOUNTING POLICIES NOTE 2.5 AND NOTE 45 (C) (II)**

**73 INTRA-GROUP EXPOSURES DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024.**

Particulars	March 31, 2024	March 31, 2023
Total amount of intra-group exposures	Nil	Nil
Total amount of top 20 intra-group exposures	Nil	Nil
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	Nil	Nil

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**74 COMPLAINTS DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106  
MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION)  
DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON 21 MARCH 2024.**

Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr No.	Particulars	March 31, 2024	March 31, 2023
i)	Number of Complaints Pending at the beginning of the year	61	64
ii)	Number of Complaints received during the year	4,102	5,462
iii)	Number of Complaints disposed/redressed during the year	4,078	5,465
iiia)	Of which (iii), number of complaints rejected by the NBFC	36	125
iv)	Number of complaints pending at the end of the year	85	61
	Maintainable complaints received by the NBFC from Office of Ombudsman		
v)	Number of maintainable complaints received by the NBFC from Office of Ombudsman	53	106
va)	Of (v), number of complaints resolved in favour of the NBFC by Office of Ombudsman	47	92
vb)	Of (v), number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	6	14
vc)	Of (v), number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
vi)	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

**Note :-** Complaints include any expression of dissatisfaction from a customer or any identified service deficiency

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	% 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
<b>Current Year</b>					
Ground - 1 Recovery Agents/Direct Sales Agents	-	338	668.18%	-	-
Ground - 2 Loans and advances	61	2,789	(47.22%)	73	-
Ground - 3 Non-observance of fair practices code	-	-	-	-	-
Ground - 4 Levy of charges without prior notice/excessive charges/ foreclosure charges	-	-	-	-	-
Ground - 5 Facilities for customers visiting the office/adherence to prescribed working hours, etc.	-	-	-	-	-
Others	-	975	627.61%	12	-
<b>Total</b>	<b>61</b>	<b>4,102</b>	<b>(24.90%)</b>	<b>85</b>	<b>-</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

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	% 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
Previous Years					
Ground - 1 Recovery Agents/Direct Sales Agents	1	44	(53.19%)	-	-
Ground - 2 Loans and advances	39	5,284	29.76%	61	-
Ground - 3 Non-observance of fair practices code	-	-	-	-	-
Ground - 4 Levy of charges without prior notice/excessive charges/ foreclosure charges	-	-	-	-	-
Ground - 5 Facilities for customers visiting the office/adherence to prescribed working hours, etc.	-	-	-	-	-
Others	24	134	(20.24%)	-	-
<b>Total</b>	<b>64</b>	<b>5,462</b>	<b>26.03%</b>	<b>61</b>	

**75 BREACH OF COVENANT DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024.**

Disclose of all instances of breach of covenant of loan availed or debt securities issued.

There are no instances of breach of covenant of loan availed or debt securities issued during the current year 2023-24 as well as previous year 2022-23.

**76 DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING - RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024.**

**A) The additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period**

Not applicable

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

- B) Additional Gross NPAs identified by RBI exceeds 5 per cent of the reported Gross NPAs for the reference period.**  
Not applicable

Sr No.	Particulars	March 31, 2023	March 31, 2022
1	Gross NPAs as on March 31, as reported by Company	Not applicable	Not applicable
2	Gross NPAs as on March 31, as assessed by the Reserve Bank of India		
3	Divergence in Gross NPAs (2-1)		
4	Net NPAs as on March 31, as reported by the Company		
5	Net NPAs as on March 31, as assessed by Reserve Bank of India		
6	Divergence in Net NPAs (5-4)		
7	Provisions for NPAs as on March 31, as reported by the Company		
8	Provisions for NPAs as on March 31, as assessed by Reserve Bank of India		
9	Divergence in provisioning (8-7)		
10	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31.		
11	Reported Net Profit after Tax (PAT) for the year ended March 31.		
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, after considering the divergence in provisioning		

\* March 31, 2022 is the close of the reference period in respect of which divergences were assessed

\* March 31, 2023 is the close of the reference period in respect of which divergences were assessed

**77 DISCLOSURE PURSUANT TO SECTION III OF ANNEX VII TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024.**

The Company endeavours to comply with requirements for getting its equity shares listed within the timelines prescribed under Scale Based Regulation.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

**78** RELATED PARTY DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC. NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024.

Sr No.	Related party	Parent (HDFC Bank)		Subsidiaries		Associates/Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>A</b>	<b>Details of Related Party Transactions for the Year:</b>														
(i)	Borrowings	11,047.75	3,350.00	-	-	-	-	-	-	-	-	-	-	11,047.75	3,350.00
(ii)	Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii)	Interest paid	773.69	677.81	-	-	-	-	-	-	-	-	-	-	773.69	677.81
(iv)	Interest received	1.79	2.71	-	-	-	-	-	-	-	-	-	-	1.79	2.71
(v)	Others	2,222.08	3,241.53	-	-	-	-	12.50	9.55	-	-	256.01	21.85	2,490.59	3,272.93
(va)	Charges for back office support services received / recoverable	533.67	984.41	-	-	-	-	-	-	-	-	-	-	533.67	984.41
(vb)	Charges for sales support services received / recoverable	1,140.05	1,821.96	-	-	-	-	-	-	-	-	-	-	1,140.05	1,821.96
(vc)	Tele collection charges / field collection charges received / recoverable for collection services rendered	275.83	255.65	-	-	-	-	-	-	-	-	-	-	275.83	255.65
(vd)	Others	272.53	179.51	-	-	-	-	12.50	9.55	-	-	256.01	21.85	541.04	210.90
<b>B</b>	<b>Balances outstanding:</b>														
(i)	Borrowings	10,555.54	11,295.33	-	-	-	-	-	-	-	-	1,309.00	1,866.60	11,864.54	13,161.93
(ii)	Deposits	9.85	9.85	-	-	-	-	-	-	-	-	-	-	9.85	9.85
(iii)	Placement of deposits	0.16	47.89	-	-	-	-	-	-	-	-	-	-	0.16	47.89
(iv)	Others	534.36	353.92	-	-	-	-	-	-	-	-	9.79	4.26	544.15	358.17
<b>C</b>	<b>Maximum balance during the year:</b>														
(i)	Borrowings	14,237.30	13,064.15	-	-	-	-	-	-	-	-	1,401.60	-	15,638.90	13,064.15
(ii)	Deposits	9.85	9.85	-	-	-	-	-	-	-	-	-	-	9.85	9.85
(iii)	Placement of deposits	47.89	88.66	-	-	-	-	-	-	-	-	-	-	47.89	88.66





## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

**79** DISCLOSURE ON LIQUIDITY RISK MANAGEMENT FRAMEWORK PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106  
MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.  
FIN.REC.NO.45/03.10.119/2023-24 UPDATED AS ON MARCH 21, 2024.

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended March 31, 2024 is given below:

Particulars	Quarter Ended March 31, 2024			Quarter Ended December 31, 2023			Quarter Ended 30 September 2023			Quarter Ended June 30, 2023		
	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*	Total Unweighted Value (average)*	Weight	Total Weighted value (average)*
<b>High Quality Liquid Assets</b>												
1 Total High Quality Liquid Assets (HQLA)	1,875.72	100%	1,875.72	1,828.77	100%	1,828.77	1,828.77	100%	1,387.56	1,641.00	100%	1,641.00
Cash & Bank Balances	295.75	100%	295.75	268.09	100%	268.09	268.09	100%	243.28	233.73	100%	233.73
Investment in T-Bills	1,579.97	100%	1,579.97	1,560.68	100%	1,560.68	1,560.68	100%	1,144.28	1,407.26	100%	1,407.26
<b>Cash Outflows</b>												
2 Deposits (for deposit taking companies)	N.A.	115%	N.A.	N.A.	115%	N.A.	N.A.	115%	N.A.	N.A.	115%	N.A.
3 Unsecured wholesale funding	293.90	115%	337.98	807.96	115%	929.16	929.16	115%	-	-	115%	-
4 Secured wholesale funding	2,214.05	115%	2,546.16	2,040.30	115%	2,346.35	2,409.12	115%	2,770.49	2,304.03	115%	2,649.63
5 Additional requirements, of which												
(i) Outflows related to derivative exposures and other collateral requirements**	-	115%	-	-	115%	-	-	115%	-	-	115%	-
(ii) Outflows related to loss of funding on debt products	-	115%	-	-	115%	-	-	115%	-	-	115%	-
(iii) Credit and liquidity facilities	-	115%	-	-	115%	-	-	115%	-	-	115%	-
6 Other contractual funding obligations	1,072.59	115%	1,233.48	962.36	115%	1,106.72	765.25	115%	880.03	491.19	115%	564.87
7 Other contingent funding obligations	450.09	115%	517.61	378.51	115%	435.29	308.64	115%	354.93	68.31	115%	78.56
8 Total Cash Outflows	4,030.63		4,635.22	4,189.14		4,817.51	3,483.01		4,005.46	2,863.53		3,293.06
<b>Cash Inflows</b>												
9 Secured Lending	-	75%	-	-	75%	-	-	75%	-	-	75%	-
10 Inflows from fully performing exposures	3,727.04	75%	2,795.28	3,434.40	75%	2,575.80	2,987.41	75%	2,240.56	2,987.41	75%	2,240.56
11 Other cash inflows	6,228.75	75%	4,671.56	4,797.60	75%	3,598.20	1,376.23	75%	1,032.17	1,376.23	75%	1,032.17
12 TOTAL CASH INFLOWS	9,955.79		7,466.84	8,232.00		6,174.00	4,363.64		3,272.73	4,363.64		3,272.73
13 TOTAL HQLA			1,875.72	1,828.77		1,828.77			1,387.56			1,641.00
14 TOTAL NET CASH OUTFLOWS			1,158.81	1,204.38		1,204.38			1,001.36			823.27
15 LIQUIDITY COVERAGE RATIO (%)			161.87%	151.84%		151.84%			138.57%			199.33%

\*The average weighted and unweighted amounts are calculated taking simple averages of daily observations

\*\* Consist of outflows related to collateral requirements where downgrade triggers upto and including 3 notches downgrade

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Qualitative Disclosure on LCR

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. The Reserve Bank of India introduced the liquidity coverage ratio (LCR) requirement for all deposit-taking NBFCs and non-deposit taking NBFCs with an asset size of ₹ 5,000 Crore and above. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. LCR is calculated by dividing the stock of HQLA's by its total net cash outflow over a 30 day calendar period.

The Company has adopted the liquidity risk framework as required under RBI regulation. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors have delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Committee.

The LCR is calculated by dividing a Company's stock of HQLA by it's total net cash outflows over a 30-day stress period. The guidelines for LCR were effective from December 1, 2020 with the minimum LCR to be 50% which would rise in equal annual steps to reach 100%, on December 1, 2024. The present minimum LCR requirement is 85% effective from December 01, 2023. In order to determine High quality Liquid Assets, Company considers Cash and Bank Balances, Investment in Government Securities without any haircut. In order to determine net cash outflows, Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days. As per regulations, stressed cash flows is computed by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Net cash outflow over next 30 days is computed as stressed outflows less minimum of stressed inflows, 75% of stressed outflow. Accordingly LCR would be computed by dividing Company's stock of HQLA by it's total net cash outflow.

Cash outflow under secured wholesale funding includes contractual obligations under Term loans, NCDs, Interest payable within 30 days. Outflow under other contractual funding obligations primarily includes outflow on account of Book overdraft and Sundry payables. In order to determine Inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds and lines of credit available from Banks/FIs. The Average LCR for the quarter ended March 31, 2024 was 161.87% as against 151.84% for the quarter ended 31st December, 2023 which is well above present prescribed minimum requirement of 85%. The average HQLA for the quarter ended March, 31, 2024 was ₹ 1876 Crore as against ₹ 1829 Crore for the quarter ended December 31, 2023. During the same period the composition of Government securities in the average HQLA was 84.23% for the quarter ended March 31, 2024 as against 85.34% for the quarter ended December 31, 2023.

### Public Disclosure on LCR

#### Fund Concentration based on Significant counter parties

Sr. No	No of Significant counter Parties	Amount	% of Total Liabilities
1	23	50,357.59	63.89%

**Note :** The above is arrived including Securitisation exposure to Banks

#### Top Ten Borrowings as a % of Total Borrowings

Sr. No	Particulars	Amount	% of Total Liabilities
1	Top 10	36,787.03	49.49%



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Fund Concentration Based on Significant Instrument /Products

Sr. No	No of Instruments	Amount	% of Total Liabilities
1	Non Convertible Debentures & Market Linked Debentures	33,699.96	42.76%
2	Term Loans from Banks	31,661.03	40.17%
3	Subordinate Debts & Perpetual Debts	5,648.17	7.17%
4	External Commercial Borrowings	2,085.13	2.65%
5	Securitisation Borrowings	85.22	0.11%
6	Commercial Paper	1,151.16	1.46%

### Stock Ratios

Sr. No	Stock Ratios	Ratio
1	Commercial Paper as a % of Total Public Funds	1.55%
2	Commercial Paper as a % of Total Liabilities*	1.46%
3	Commercial Paper as a % of Total Assets	1.24%
4	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Public Fund	N.A
5	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Liabilities	N.A
6	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Assets	N.A
7	Other Short Term Liabilities** as % of Total Public Funds	37.89%
8	Other Short Term Liabilities as % of Total Liabilities	35.74%
9	Other Short Term Liabilities as a % of Total Assets	30.43%

\* Total liabilities refer to Total Outside Liabilities i.e. Balance Sheet Total excluding Share Capital and Reserves

\*\*Other short term liabilities include all contractual obligation payable within a period of 1 year excluding commercial paper

### Institutional set-up for liquidity risk management

The Company monitors its inflows and outflows in various buckets and ensures that there are no major mismatches in assets and liabilities in various buckets. The ALM is tabled and evaluated in the ALCO on a monthly basis. The Company ensures that there is adequate liquidity cushion available in the form of investments in G-Secs/ T-Bills / Mutual Funds etc. and unavailed Bank lines. The Company issues various instruments including Term Loans, Line of Credits, Non-Convertible Debentures, External Commercial Borrowings and other market instruments. The Company has a diversified mix of investors which includes Banks, Mutual Funds, Insurance firms, FIIs, Corporates, PFs etc.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended March 31, 2023 is given below:

Particulars	Quarter Ended March 31, 2023			Quarter Ended December 31, 2022			Quarter Ended 30 September 2022			Quarter Ended June 30, 2022		
	Unweighted Value (average)*	Weight	Total Weighted value (average)*	Unweighted Value (average)*	Weight	Total Weighted value (average)*	Unweighted Value (average)*	Weight	Total Weighted value (average)*	Unweighted Value (average)*	Weight	Total Weighted value (average)*
<b>High Quality Liquid Assets</b>												
1 Total High Quality Liquid Assets (HQLA)	1,061.33	100%	1,061.33	2,074.80	100%	2,074.80	1,074.37	100%	1,074.37	1,289.48	100%	1,289.48
Cash & Bank Balances	150.77	100%	150.77	246.87	100%	246.87	202.48	100%	202.48	173.47	100%	173.47
Investment in T-Bills	910.57	100%	910.57	1,827.93	100%	1,827.93	871.89	100%	871.89	1,116.01	100%	1,116.01
<b>Cash Outflows</b>												
2 Deposits (for deposit taking companies)	N.A.	115%	N.A.	N.A.	115%	N.A.	N.A.	115%	N.A.	N.A.	115%	N.A.
3 Unsecured wholesale funding		115%	-	-	115%	-	-	115%	-	-	115%	-
4 Secured wholesale funding	1,708.20	115%	1,964.43	2,310.88	115%	2,657.51	1,558.25	115%	1,791.99	1,081.76	115%	1,244.02
5 Additional requirements, of which												
(i) Outflows related to derivative exposures and other collateral requirements**	-	115%	-	-	115%	-	-	115%	-	500.00	115%	575.00
(ii) Outflows related to loss of funding on debt products	-	115%	-	-	115%	-	-	115%	-	-	115%	-
(iii) Credit and liquidity facilities		115%	-	-	115%	-	-	115%	-	-	115%	-
6 Other contractual funding obligations	414.76	115%	476.97	384.04	115%	441.65	319.41	115%	367.33	360.83	115%	414.96
7 Other contingent funding obligations	71.54	115%	82.27	54.65	115%	62.85	48.06	115%	55.27	46.17	115%	53.10
8 Total Cash Outflows	2,194.50		2,523.67	2,749.57		3,162.01	1,925.72		2,214.59	1,988.76		2,287.08
<b>Cash Inflows</b>												
9 Secured Lending												
10 Inflows from fully performing exposures	2,751.93	75%	2,063.94	2,665.55	75%	1,999.16	2,636.60	75%	1,977.45	2,524.92	75%	1,893.69
11 Other cash inflows	2,020.08	75%	1,515.06	2,047.70	75%	1,535.78	1,778.70	75%	1,334.03	1,411.00	75%	1,058.25
12 TOTAL CASH INFLOWS	4,772.01		3,579.00	4,713.25		3,534.94	4,415.30		3,311.48	3,935.92		2,951.94
13 TOTAL HQLA			1,061.33			2,074.80			1,074.37			1,289.48
14 TOTAL NET CASH OUTFLOWS			630.92			790.50			553.65			571.77
15 LIQUIDITY COVERAGE RATIO (%)			168.22%			262.47%			194.05%			225.53%

\*The average weighted and unweighted amounts are calculated taking simple averages of monthly observations for the respective quarters

\*\* Consist of outflows related to collateral requirements where downgrade triggers upto and including 3 notches downgrade



## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Qualitative Disclosure on LCR

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. The Reserve Bank of India introduced the liquidity coverage ratio (LCR) requirement for all deposit-taking NBFCs and non-deposit taking NBFCs with an asset size of ₹ 5,000 Crore and above. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. LCR is calculated by dividing the stock of HQLA's by its total net cash outflow over a 30 day calendar period.

The Company has adopted the liquidity risk framework as required under RBI regulation. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors have delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Committee.

The LCR is calculated by dividing a Company's stock of HQLA by it's total net cash outflows over a 30 -day stress period. The guidelines for LCR were effective from December 1, 2020 with the minimum LCR to be 50% which would rise in equal annual steps to reach 100%, on December 1, 2024. The present minimum LCR requirement is 70% effective from 1st December 2022. In order to determine High quality Liquid Assets, Company considers Cash and Bank Balances, Investment in Government Securities without any haircut. In order to determine net cash outflows, Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days. As per regulations, stressed cash flows is computed by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Net cash outflow over next 30 days is computed as stressed outflows less minimum of stressed inflows, 75% of stressed outflow. Accordingly LCR would be computed by dividing Company's stock of HQLA by it's total net cash outflow.

Cash outflow under secured wholesale funding includes contractual obligations under Term loans, NCDs, Interest payable within 30 days. Outflow under other collateral requirement, the Company considers the loans which are callable under rating downgrade trigger up to and including 3- notch downgrade. Outflow under other contractual funding obligations primarily includes outflow on account of overdrawn balances with Banks and sundry payables. In order to determine Inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds, CPs which are maturing within 30 days. The Average LCR for the quarter ended 31st March, 2023 was 168.22% as against 262.47% for the quarter ended December 31, 2022 which is well above present prescribed minimum requirement of 70%. The average HQLA for the quarter ended 31st March, 2023 was 1061.33 Crore as against 2074.80 Crore for the quarter ended December 31, 2022. During the same period the composition of Government securities in the HQLA was 85.79% for the quarter ended March 31, 2023 as against 88.10% for the quarter ended December 31, 2022.

### Public Disclosure on LCR

#### Fund Concentration based on Significant counter parties

Sr. No	No of Significant counter Parties	Amount	% of Total Liabilities
1	21	37,746.32	60.47%

**Note :** The above is arrived including Securitisation exposure to Banks

#### Top Ten Borrowings as a % of Total Borrowings

Sr. No	Particulars	Amount	% of Total Liabilities
1	Top 10	29,650.02	53.88%

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Fund Concentration Based on Significant Instrument /Products

Sr. No	No of Instruments	Amount	% of Total Liabilities
1	Non Convertible Debentures & Market Linked Debentures	27,246.28	43.65%
2	Term Loans from Banks	21,968.00	35.19%
3	Subordinate Debts & Perpetual Debts	3,550.00	5.69%
4	External Commercial Borrowings	1,889.91	3.03%
5	Securitisation Borrowings	370.86	0.59%
6	Commercial Paper	-	0.00%

### Stock Ratios

Sr. No	Stock Ratios	Ratio
1	Commercial Paper as a % of Total Public Funds	0.00%
2	Commercial Paper as a % of Total Liabilities*	0.00%
3	Commercial Paper as a % of Total Assets	0.00%
4	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Public Fund	N.A
5	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Liabilities	N.A
6	Non Convertible Debentures with (original maturity less than 1 year) as a % of Total Assets	N.A
7	Other Short Term Liabilities** as % of Total Public Funds	41.42%
8	Other Short Term Liabilities as % of Total Liabilities	36.52%
9	Other Short Term Liabilities as a % of Total Assets	30.86%

\* Total liabilities refer to Total Outside Liabilities i.e. Balance Sheet Total excluding Share Capital and Reserves

\*\*Other short term liabilities include all contractual obligation payable within a period of 1 year excluding commercial paper

### Institutional set-up for liquidity risk management

The Company monitors its inflows and outflows in various buckets and ensures that there are no major mismatches in assets and liabilities in various buckets. The ALM is tabled and evaluated in the ALCO on a monthly basis. The Company ensures that there is adequate liquidity cushion available in the form of investments in G-Secs/ T-Bills / Mutual Funds etc. and unavailed Bank lines. The Company issues various instruments including Term Loans, Line of Credits, Non-Convertible Debentures, External Commercial Borrowings and other market instruments. The Company has a diversified mix of investors which includes Banks, Mutual Funds, Insurance firms, FIIs, Corporates, PFs etc.

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**80** DISCLOSURE ON RESTRUCTURING PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO.45/ 03.10.119/2023-24 UPDATED AS ON 21 MARCH 2024.

Sl No	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total					
		Asset Classification		Details	Standard	Sub- Doubtful Standard	Loss	Total	Standard	Sub- Doubtful Standard	Loss	Total	Standard	Sub- Doubtful Standard	Loss	Total			
1	Restructured Accounts as on April 01 of the FY (opening figures)*	No. of borrowers	-	-	-	4,119	3,758	16	-	7,893	1,555	668	-	2,223	5,674	4,426	16	-	10,116
		-	-	-	-	51,081	13,734	5	-	64,820	7,576	2,009	-	9,585	58,657	15,743	5	-	74,405
Amount outstanding		-	-	-	-	425.04	406.85	8.01	-	839.90	73.75	36.91	-	110.66	498.79	443.76	8.01	-	950.55
		-	-	-	-	4,071.10	655.56	1.50	-	4,728.17	310.00	62.63	-	372.63	4,381.10	718.20	1.50	-	5,100.80
	Provision thereon	-	-	-	-	146.22	228.88	2.47	-	377.57	34.97	25.58	-	60.55	181.19	254.46	2.47	-	438.12
		-	-	-	-	1,371.25	398.37	0.41	-	1,770.04	155.28	49.90	-	205.18	1,526.52	448.27	0.41	-	1,975.21
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount outstanding		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY.	No. of borrowers	-	-	-	232	(296)	64	-	-	84	(84)	-	-	316	(380)	64	-	-
		-	-	-	-	598	(614)	16	-	-	181	(181)	-	-	779	(795)	16	-	-
Amount outstanding		-	-	-	-	49.27	(91.50)	42.23	-	0.00	11.07	(11.07)	-	-	60.34	(102.57)	42.23	-	0.00
		-	-	-	-	65.69	(73.70)	8.01	-	(0.00)	5.27	(5.27)	-	-	70.96	(78.97)	8.01	-	(0.00)
	Provision thereon	-	-	-	-	24.52	(48.18)	23.65	-	-	6.84	(6.84)	-	-	31.37	(55.02)	23.65	-	0.00
		-	-	-	-	20.70	(23.17)	2.47	-	0.00	3.57	(3.57)	-	-	24.27	(26.74)	2.47	-	(0.00)
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY	No. of borrowers	-	-	-	1,956.00	1,058.00	3.00	-	3,017.00	576.00	128.00	-	704.00	2,532.00	1,186.00	3.00	-	3,721.00
		-	-	-	-	35,382	2,584	-	-	37,966.00	4,146.00	279.00	-	4,425.00	39,528.00	2,863.00	-	-	42,391.00
Amount outstanding		-	-	-	-	222.16	140.45	0.68	-	363.29	38.19	5.50	-	43.70	260.35	145.95	0.68	-	406.99
		-	-	-	-	2,922.54	221.62	-	-	3,144.16	167.84	10.67	-	178.51	3,090.38	232.29	-	-	3,322.67
	Provision thereon	-	-	-	-	91.24	52.42	0.44	-	144.09	20.53	4.08	-	24.61	111.77	56.50	0.44	-	168.70
		-	-	-	-	958.99	(13.53)	-	-	945.46	85.38	(3.52)	-	81.87	1,044.38	(17.05)	-	-	1,027.33
	need not be shown as restructured standard advances at the beginning of the next FY *																		



\* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).  
Previous year figures are presented in italics.

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**81 PROVISIONS AND CONTINGENCIES**

	March 31, 2024	March 31, 2023
Category wise breakup of Provisions & Contingencies shown in Statement of Profit and Loss		
Diminution on investment	(0.35)	2.19
Provision towards non-performing assets*	(102.77)	(409.21)
Provision made towards income tax	770.67	621.30
Provision for standard assets#	(49.41)	(105.79)
Provision for gratuity	52.07	28.04
Provisions for trade receivables	2.37	3.60

\* Represents impairment loss allowance on stage 3 loans.

# Represents impairment loss allowance on stage 1 and stage 2 loans.

**82 SCHEDULE TO THE BALANCE SHEET OF AN NON-BANKING FINANCIAL COMPANY PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2023-24/106 MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DOR.FIN.REC.NO. 45/03.10.119/2023-24 UPDATED AS ON 21 MARCH 2024.**

Sr No.	Particulars	March 31, 2024	March 31, 2023
	Liabilities side:		
1	<b>Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid: (*)</b>		
	(a) Debentures		
	- Secured (*)	33,699.96	27,096.41
	- Unsecured (*)	5,648.17	3,541.10
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits		
	(c) Term Loans (*)	31,661.03	21,968.00
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	1,151.16	-
	(f) Public Deposits	-	-
	(g) Other Loans (*)	2,170.35	2,259.80
	(*) There is no overdue		
2	<b>Break-up of (1)(f) above (outstanding public deposit inclusive of interest accrued thereon but not paid)</b>		
	(a) In the form of unsecured debenture	-	-
	(b) In the form of partly secured debenture i.e. debenture where there is shortfall in the value of security	-	-
		-	-
	(c) Other public deposits	-	-
	<b>Assets side:</b>		

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Sr No.	Particulars	March 31, 2024	March 31, 2023
<b>3</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
	(a) Secured	<b>67,874.88</b>	53,053.24
	(b) Unsecured	<b>22,287.42</b>	16,977.46
<b>4</b>	<b>Break up of Leased Assets and stock on Hire and other assets counting towards asset financing activities.</b>		
	(i) Lease Assets including lease rentals sundry debtors:		
	a) Financial Lease	-	-
	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>55.63</b>	59.25
	b) Loans other than (a) above	-	-
<b>5</b>	<b>Break-up of Investments (net of provision for diminution in value):</b>		
	<b>Current Investments:</b>		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	<b>1,753.41</b>	411.65
	iv. Government Securities	<b>1,587.29</b>	773.66
	v. Others (please specify)	<b>37.33</b>	55.99
	II. Unquoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
	<b>Long Term Investments:</b>		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Sr No.	Particulars	March 31, 2024	March 31, 2023
	II. Unquoted:		
	i. Shares		
	a) Equity	2.30	1.95
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (please specify)	-	-
<b>6</b>	<b>Borrower group-wise classification of assets financed as in (3) and (4) above: (Amount net of provisions)</b>		
	1. Related Parties		
	(a) Subsidiaries		
	i. Secured	-	-
	ii. Unsecured	-	-
	<b>Total</b>	-	-
	(b) Companies in the same Group		
	i. Secured	-	-
	ii. Unsecured	-	-
	<b>Total</b>	-	-
	(c) Other Related Parties		
	i. Secured	-	-
	ii. Unsecured	-	-
	<b>Total</b>	-	-
	2. Other than Related Parties		
	i. Secured	67,930.51	53,053.24
	ii. Unsecured	22,287.42	16,977.46
	<b>Total</b>	90,217.93	70,030.70
<b>7</b>	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)</b>		
	1. Related Parties		
	(a) Subsidiaries		
	i. Market Value / Break up or fair value or NAV	-	-
	ii. Book Value (Net of Provisions)	-	-
	(b) Companies in the same Group		
	i. Market Value / Break up or fair value or NAV	-	-
	ii. Book Value (Net of Provisions)	-	-
	(c) Other Related Parties		
	i. Market Value / Break up or fair value or NAV	-	-
	ii. Book Value (Net of Provisions)	-	-
	2. Other than Related Parties		
	i. Market Value / Break up or fair value or NAV	3,380.33	-
	ii. Book Value (Net of Provisions)	3,377.04	1,241.30

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Sr No.	Particulars	March 31, 2024	March 31, 2023
<b>8</b>	<b>Other Information</b>		
	(i) Gross credit impaired assets		
	(a) Related parties	-	-
	(b) Other than related parties	1,711.82	1,914.85
	(ii) Net credit impaired assets		
	(a) Related parties	-	-
	(b) Other than related parties	567.99	668.25
	(iii) Assets Acquired in satisfaction of debt	-	-

### **83 PENALTIES IMPOSED BY RBI AND OTHER REGULATORS**

No penalties have been imposed by RBI and Other Regulators during current year (Previous year - NIL).

### **84 DISCLOSURE ON FRAUDS PURSUANT TO RBI MASTER DIRECTION**

The frauds detected and reported for the year amounted to ₹ 1.88 Crore (Previous year ₹ 0.58 Crore).

### **85 DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS**

There is no financing during the current year.

### **86 DETAILS OF SINGLE BORROWER LIMITS (SBL)/ GROUP BORROWER LIMITS (GBL) EXCEEDED**

The Company has not exceeded the single borrower limits / group borrower limits as set as by Reserve Bank of India.

### **87 ADVANCES AGAINST INTANGIBLE SECURITIES**

The Company has not given any loans against intangible securities.

### **88 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)**

There are no overseas asset owned by the Company.

### **89 DRAW DOWN FROM RESERVES**

The Company has made no drawdown from existing reserves.

### **90 OFF-BALANCE SHEET SPVS SPONSORED**

The Company is now required to provide its financial statements under Ind AS, which requires all securitisation related SPV's to be consolidated in the books of the originator (the Company). Accordingly, these SPV's stand consolidated and none of the SPV's sponsored are off-balance sheet.

**Notes to the Standalone Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**91 RATINGS**

The Credit Analysis & Research Limited (CARE) and CRISIL Limited (CRISIL) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Facility	March 31, 2024		March 31, 2023	
	CARE	CRISIL	CARE	CRISIL
Bank facilities	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Non-convertible debentures	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Short term debt program	A1+	A1+	A1+	A1+
Subordinated bond issue	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Perpetual bond issue	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
Market Linked Debentures	Withdrawn	Withdrawn	PP-MLD AAA/ Stable	PP-MLD AAA/ Stable

**92 REGISTRATION UNDER OTHER REGULATORS**

The Company is not registered under any other regulator other than Reserve Bank of India and Insurance Regulatory & Development Authority of India (IRDAI).

**93 RBI CIRCULAR RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 DATED APRIL 07, 2021.**

Under the circular all the lending institutions were required to refund/adjust the "interest on interest" charged to the borrower during the moratorium period i.e March 1,2020 to August 31,2020 in conformity with the supreme court judgement. The status of the same is mentioned in below table

Sr No.	Particulars	March 31, 2024	March 31, 2023
1	Aggregate amount	-	-
2	Refunded/Adjusted	-	-
3	Outstanding Balance	-	-

**94 DISCLOSURE PURSUANT TO REGULATION 53(F) READ WITH SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Sr No.	Particulars	March 31, 2024	March 31, 2023
a)	<b>Loans and advances in the nature of loans to subsidiaries</b>	-	-
	Name of the Company		
	Amount		
b)	<b>Loans and advances in the nature of loans to associates</b>	-	-
	Name of the Company		
	Amount		
c)	<b>Loans and advances in the nature of loans to firms/companies in which directors are interested</b>	-	-
	Name of the Company	-	-
	Amount	-	-
d)	<b>Investments by the loanee in the shares of parent company and subsidiary company, when the Company has made a loan or advance in the nature of loan.</b>	-	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 95 DISCLOSURE PURSUANT TO REGULATION 54 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Debentures are secured by way of a first and pari passu mortgage in favour of the Security Trustee on the Company's Office no 319, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and/or further secured by way of hypothecation of receivables under financing activity with a minimum requirement of asset cover of 1.0 times. Assets cover as on March 31, 2024 is 1.1 times.

### 96 RELATIONSHIP WITH STRUCK OFF COMPANIES ON THE BASIS OF AVAILABLE DATA ON THE DATE OF REPORTING

Sr No.	Name of Struck off Company	Nature of transactions	As at 31-Mar-2024 (Amt in Crore)	As at 31-Mar-2023 (Amt in Crore)	Relation ship with the struck off company, if any, to be disclosed
1	Goldman Venture Private limited	Shareholder	*	*	Shareholder
2	Galaxy Park Hospitality Private Limited	Loan	-	0.48	Borrower
3	Glamoroso Family Saloon And Spa Private Limited	Loan	0.26	0.28	Borrower
4	GVK Alliance Networks Private Limited	Loan	0.49	0.53	Borrower
5	Onus Labs Private Limited	Loan	0.24	0.30	Borrower
6	Peesscon India Reality Private Limited	Loan	-	0.13	Borrower
7	Shanti Sarup And Sons Private Limited	Loan	-	0.70	Borrower
8	Arun Electrochemical Systems Pvt Ltd	Loan	0.08	0.19	Borrower
9	Rushi Herbal Pvt Ltd	Loan	-	-0.02	Borrower
10	A S P Appliances P Ltd	Loan	-	1.01	Borrower
11	Natkhat Agro Foods Private Limited	Loan	0.18	0.20	Borrower
12	Jeevan Jyothi General And Maternity Hospital Private Limited	Loan	0.65	0.69	Borrower
13	Deli Carrier Pack And Move Private Limited	Loan	0.18	0.21	Borrower
14	DRS Enterprises Private Limited	Loan	-	0.15	Borrower
15	NMG Food And Beverages Private Limited	Loan	-	0.05	Borrower
16	R S Vegetable Exporters India Private Limited	Loan	0.05	0.09	Borrower
17	Brand X Zone Private Limited	Loan	-	0.04	Borrower
18	Prarabdh Bharti Bhawan Opc Private Limited	Loan	0.02	0.03	Borrower
19	Shri Ganesha Global Gulal Private Limited	Loan	-	0.15	Borrower
20	Royal Friends Enterprises Private Limited	Loan	-	-0.00	Borrower
21	Raj Kumar And Sons Ornaments Pvt Ltd	Loan	-	-0.01	Borrower
22	Grahalaya Constructions Private Limited	Loan	-	-0.00	Borrower
23	Kapco Foods India Private Limited	Loan	0.18		Borrower
24	M P Appliances Private Limited	Loan	0.56		Borrower
25	PRS Gases Company LLP	Loan	0.15		Borrower
26	Indonex Services Private Limited	Loan	-	-0.00	Borrower

Note:- In the absence of purchase price of share held by Goldman Venture Private Limited face value is considered for reporting purpose.

\* Less than ₹ 1000/-.





## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 97 DETAILS OF REVENUE FROM INSURANCE SEGMENT

Particulars	As at March 31, 2024	As at March 31, 2023
Commission Income	206.73	40.89

98 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

- The Company has not traded or invested in crypto currency or virtual currency during the financial year
- There are no undisclosed transaction which have not been recorded in the books.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- The Company has not entered into any scheme of arrangement
- No Registration or satisfaction of charges are pending to be filed with ROC.

99 a) 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.

b) 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.

c) The accounting software used by the Company to maintain its books of accounts has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software.

100 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 101 DIVIDEND DISTRIBUTED TO EQUITY SHAREHOLDERS

The Company has paid an interim dividend of ₹ 2.00 per equity share during the year. Further, the Board has proposed a final dividend of ₹ 1.00 per equity share for financial year ended March 31, 2024 in the Board of Directors meeting held on April 16, 2024.

Accounting Period	Net Profit for the accounting period (₹ in Crore)	Rate of dividend (%)	Amount of Dividend (₹ in Crore)	Dividend Payout ratio (%)
FY 2023-24	2,460.84	30%	237.64	9.66%
FY 2022-23	1,959.35	20%	158.26	8.08%
FY 2021-22	1,011.40	10%	79.04	7.82%

### 102 STANDARDS ISSUED BUT NOT YET EFFECTIVE

On March 31, 2024, there is no Ind AS amendment rules / notification issued by the Ministry of Corporate Affairs ('MCA') which is not effective as on date.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353



# Independent Auditor's Report

To  
The Members of  
**HDB Financial Services Limited**

## Report on the audit of the Consolidated Financial Statements

### OPINION

1. We have audited the accompanying Consolidated Ind AS Financial Statements of HDB Financial Services Limited ('the Parent') and its controlled structured entity (the parent and its controlled structured entity together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2024 and the Consolidated Statement of Profit / Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Consolidated Financial Statements').
2. 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 Indian Accounting Standards prescribed under section 133 of the Act read with the

Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31 March 2024, and its Consolidated Profit/Loss And Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

### BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated 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 Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. 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.

Key Audit Matter	How the matter was addressed in our audit
<b>Assessment of impairment loss provision on loans based on Expected Credit Loss model (ECL) under IND AS 109.</b> Refer to the accounting policies in 'Note 3(B) to the Consolidated Ind AS Financial Statements: Expected Credit Loss', 'Note 2.11 to the Consolidated Ind AS Financial Statements: Revenue Recognition' and 'Note 2.2(G) to the Consolidated Ind AS Financial Statements: Impairment of Financial Assets and 'Note 45 to the Consolidated Ind AS Financial Statements: Risk Management'.	
Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus are: <ul style="list-style-type: none"> <li>Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> </ul>	Our audit procedures were focussed on assessing the appropriateness of management's judgement and estimates used in the impairment analysis that included, but were not limited to, the following: <ul style="list-style-type: none"> <li>Reviewed the Board approved Policy and approach concerning the management of credit and other risks.</li> <li>Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions.</li> </ul>

## Independent Auditor's Report (Contd.)

Key Audit Matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> <li>Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Consolidated Ind AS Financial Statements as a whole and hence we have identified the same as a Key Audit Matter.</p> <p>Disclosures:</p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<ul style="list-style-type: none"> <li>Assessed the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans, measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information, which included overdue reports.</li> <li>Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages.</li> <li>Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default, (EAD), probability of default (PD) or loss given default (LGD);</li> <li>Tested key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and computation of probability of default and loss given default percentages.</li> <li>Verified the manner of preparation of information w.r.t. to provisions and disclosures in the Consolidated Ind AS Financial Statement.</li> <li>Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems.</li> <li>Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>Performed test of details over model calculations testing through re-performance, where possible.</li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Consolidated Ind AS Financial Statements are appropriate and sufficient.</li> </ul> <p>Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable including the report on review of ECL model of the Company for the year, as performed by an independent expert, whose report is placed before the Board of Directors of the Company.</p>

**Independent Auditor's Report (Contd.)**

Key Audit Matter	How the matter was addressed in our audit
<b>Information Technology system used for the financial reporting process</b>	
<p>IT systems and controls</p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>These include implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, the testing of the general computer controls of these systems was considered a Key Audit Matter.</p>	<p>With the assistance of our IT specialist, our key audit procedures for assessment of the IT systems and controls over financial reporting covered following broad aspects:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management and application controls relevant to our audit.</li> <li>• Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting.</li> <li>• Reviewed user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems and related application controls.</li> <li>• Reviewed of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>• Evaluated the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> </ul> <p>Tested compensating controls or performed alternate audit procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and/or accuracy of data.</p>

**OTHER INFORMATION**

- The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the Parent's 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 auditor's 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 and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done, we conclude that there is a material misstatement of this other information, we are required to report that fact.
- When we read the Annual Report, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with

## Independent Auditor's Report (Contd.)

governance and take appropriate action as applicable under the relevant laws and regulations.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

9. The Parent's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the Parent are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Parent, as aforesaid.
10. In preparing the Consolidated Financial Statements, the Board of Directors of the Parent are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the companies included in the Parent are responsible for overseeing the financial reporting process of the Group.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

12. 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 auditor's 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 SAs 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.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 13.1. 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.
  - 13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
  - 13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
  - 13.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether





## Independent Auditor's Report (Contd.)

a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 13.5. 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.
- 13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entity included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.
14. We communicate with those charged with governance of the Parent 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.
15. 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.
16. 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 current year and are therefore the key audit matters. We describe these matters in our auditor's 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

17. We did not audit the financial information of 1 controlled structured entity, whose financial information reflect total assets of -Nil as at 31 March 2024, total revenues of Rs. -Nil and net cash flows amounting to Rs. -Nil for the year ended on that date, as considered in the Consolidated Financial Statements. These financial information are unaudited 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 controlled structured entity, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid controlled structured entity, is based solely on such unaudited financial information.

In our opinion and according to the information and explanations given to us by the Management, these unaudited financial information is not material to the Group.

18. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

19. As required by section 143(3) of the Act, based on our audit and as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - 19.1. 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.



## Independent Auditor's Report (Contd.)

- 19.2. 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.
- 19.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- 19.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
- 19.5. On the basis of the written representations received from the directors of the Parent as on 31 March 2024, taken on record by the Board of Directors of the Parent, none of the directors of the Parent, are disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- 19.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Parent, the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- 19.7. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Parent, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Parent, incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us as noted in the 'Other Matters' paragraph:
  - 20.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group – Refer Note 39.2 to the consolidated financial statements.
  - 20.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39.3 to the Consolidated Financial Statements in respect of such items as it relates to the Group.
  - 20.3. There were no sums which were required to be transferred to the Investor Education and Protection Fund by the Parent.
  - 20.4. The management of the Parent whose financial statements have been audited under the Act have represented to us, to best of their knowledge and belief, that 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 Parent 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 Parent ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - 20.5. The management of the Parent, whose financial statements have been audited under the Act have represented to us, to best of their knowledge and belief, that no funds have been received by the Parent from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Parent 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.

**Independent Auditor's Report (Contd.)**

20.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under para 20.4 and 20.5 contain any material misstatement.

20.7. In our opinion and according to the information and explanations given to us,

- a) The final dividend paid by the Parent during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- b) The interim dividend declared and paid by the Parent during the year and until the date of this report is in compliance with Section 123 of the Act.
- c) As stated in Note 58 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of

the members at the ensuing Annual General Meeting. The dividend is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

20.8. Based on our examination which included test checks, the Parent has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail feature is not applicable to the controlled structure entity as it not being audited under the act.

21. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us and as per nature of business, provisions of CARO 2020 report are not applicable to controlled structure entity.

**For B. K. Khare & Co**

Chartered Accountants

Firm Registration Number - 105102W

**Sd/-****Padmini Khare Kaicker**

Partner

Membership No. 044784

UDIN: 24044784BKFJKN9497

Place: Mumbai

Date: 16 April 2024

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji &amp; Co LLP)

Firm Registration Number 105146W/W100621

**Sd/-****Hasmukh B Dedhia**

Partner

Membership No. 033494

UDIN: 24033494BKCQZH9841

Place: Mumbai

Date: 16 April 2024

## Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024

(Referred to in paragraph 19 under 'Report on Other Legal and Regulatory Requirements' section of our report 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')

#### OPINION

1. In conjunction with our audit of the Consolidated Financial Statements of HDB Financial Services Limited as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to the Consolidated Financial Statements of HDB Financial Services Limited ('the Parent') and its controlled structured entity, which are companies incorporated in India, as of that date.
2. In our opinion, the Parent Company and its structured controlled entity, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

3. The Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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, including adherence to the respective 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, as required under the Act.

#### AUDITOR'S RESPONSIBILITY

4. Our responsibility is to express an opinion on internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs 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 the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and also refer to 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. A company's internal financial controls with reference to the 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 controls with

**Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of HDB Financial Services Limited for the year ended 31 March 2024 (Contd.)**

reference to the 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 THE CONSOLIDATED FINANCIAL STATEMENTS**

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OTHER MATTERS**

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to the Parent Company, as section 143(3)(i) of the Act is not applicable to controlled structured entity.

**For B. K. Khare & Co**

Chartered Accountants

Firm Registration Number - 105102W

Sd/-

**Padmini Khare Kaicker**

Partner

Membership No. 044784

UDIN: 24044784BKFJKN9497

Place: Mumbai

Date: 16 April 2024

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji &amp; Co LLP)

Firm Registration Number 105146W/W100621

Sd/-

**Hasmukh B Dedhia**

Partner

Membership No. 033494

UDIN: 24033494BKCQZH9841

Place: Mumbai

Date: 16 April 2024

# Consolidated Balance Sheet

as at March 31, 2024

(Currency : Indian Rupees in Crore)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS:</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	647.85	395.90
(b) Bank balances other than (a) above	5	54.66	257.92
(c) Derivative financial instruments	6	1.91	165.34
(d) Trade receivables	7	124.61	65.76
(e) Loans	8	86,721.26	66,382.67
(f) Investments	9	3,380.33	1,243.25
(g) Other financial assets	10	39.50	34.87
		<b>90,970.12</b>	<b>68,545.71</b>
<b>2 Non-Financial Assets</b>			
(a) Current tax assets (Net)	11	41.29	25.11
(b) Deferred tax assets (Net)	12	939.95	1,000.87
(c) Property, plant and equipment	13	162.53	122.37
(d) Capital work-in-progress		-	-
(e) Other intangible assets		22.15	20.41
(f) Right of use Assets	14	326.51	244.27
(g) Other non-financial assets	15	93.96	91.65
		<b>1,586.39</b>	<b>1,504.68</b>
<b>TOTAL ASSETS</b>		<b>92,556.51</b>	<b>70,050.39</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
<b>3 Financial Liabilities</b>			
(a) Derivative financial instruments	6	4.77	-
(b) Trade payables	16	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		509.00	291.84
(c) Debt securities	17	34,851.12	27,096.41
(d) Borrowings (other than debt securities)	18	33,831.38	24,227.80
(e) Subordinated liabilities	19	5,648.17	3,541.10
(f) Other financial liabilities	20	2,955.27	2,778.43
		<b>77,799.71</b>	<b>57,935.58</b>
<b>4 Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)	21	58.65	41.97
(b) Provisions	22	502.94	368.96
(c) Other non-financial liabilities	23	452.50	266.91
		<b>1,014.09</b>	<b>677.84</b>
<b>5 Equity</b>			
(a) Equity share capital	24	793.08	791.40
(b) Other equity	25	12,949.63	10,645.57
		<b>13,742.71</b>	<b>11,436.97</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>92,556.51</b>	<b>70,050.39</b>
Accounting policies and notes to the Consolidated Financial Statements.	2 - 59		

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

Place: Mumbai  
Date: April 16, 2024



# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(Currency : Indian Rupees in Crore)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1 Revenue from operations</b>			
(a) Interest income	26	11,156.72	8,927.78
(b) Sale of services		1,949.55	2,633.93
(c) Other financial charges		953.11	756.41
(d) Net gain on fair value changes	27	113.69	85.07
(e) Net gain / (loss) on derecognition of financial instruments under amortised cost category		(1.95)	(0.31)
<b>Total Revenue from operations</b>		<b>14,171.12</b>	<b>12,402.88</b>
<b>2 Expenses</b>			
(a) Finance Costs	28	4,864.32	3,511.92
(b) Impairment on financial instruments	29	1,067.39	1,330.40
(c) Employee Benefits Expenses	30	3,850.75	4,057.57
(d) Depreciation, amortisation and impairment	13,14	145.14	111.84
(e) Others expenses	31	938.85	763.75
<b>Total Expenses</b>		<b>10,866.45</b>	<b>9,775.48</b>
<b>3 Profit/(loss) before tax</b>		<b>3,304.67</b>	<b>2,627.40</b>
<b>4 Tax Expense:</b>	11,12		
(a) Current tax		770.67	621.30
(b) Deferred tax (credit)		73.16	46.75
<b>Total Tax expense</b>		<b>843.83</b>	<b>668.05</b>
<b>5 Profit for the year</b>		<b>2,460.84</b>	<b>1,959.35</b>
<b>6 Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan		(31.54)	(5.48)
- Income tax relating to items that will not be reclassified to profit or loss		7.94	1.38
<b>Sub total (a)</b>		<b>(23.60)</b>	<b>(4.10)</b>
(b) Items that will be reclassified to profit or loss			
- Movement in cash flow hedge reserve		(17.10)	19.59
- Income tax relating to items that will be reclassified to profit or loss		4.30	(4.93)
<b>Sub total (b)</b>		<b>(12.80)</b>	<b>14.66</b>
Other Comprehensive Income		(36.40)	10.56
<b>7 Total Comprehensive Income for the year</b>		<b>2,424.44</b>	<b>1,969.91</b>
<b>8 Earnings per equity share (for continuing operations)</b>	32	<b>31.08</b>	<b>24.78</b>
Basic (₹)		<b>31.04</b>	<b>24.76</b>
Diluted (₹)			
Accounting policies and notes to the Consolidated Financial Statements.	2 - 59		

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Consolidated Statement of Changes in Equity

as at March 31, 2024

(Currency : Indian Rupees in Crore)

## A EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	791.40	790.44
- 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	1.68	0.96
Balance at the end of the reporting year	793.08	791.40

## B OTHER EQUITY

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
Balance as at April 01, 2023	3,127.72	39.61	1,685.09	5,844.33	(57.65)	6.46	10,645.57
Profit for the year	-	-	-	2,460.84	-	-	2,460.84
Other Comprehensive Income	-	-	-	-	(23.60)	(12.81)	(36.41)
Total Comprehensive Income for the year	-	-	-	2,460.84	(23.60)	(12.81)	2,424.43
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	492.17	(492.17)	-	-	-
Premium on issue of shares	69.78	-	-	-	-	-	69.78
Share based payment	-	55.24	-	-	-	-	55.24
Transfer on allotment of shares pursuant to ESOP scheme	25.63	(25.63)	-	-	-	-	-
Dividends	-	-	-	(87.05)	-	-	(87.05)
Interim Dividend	-	-	-	(158.33)	-	-	(158.33)
Balance as at March 31, 2024	3,223.13	69.22	2,177.26	7,567.62	(81.25)	(6.35)	12,949.63



**Consolidated Statement of Changes in Equity  
as at March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium Account	Employee stock Options Outstanding Account	Reserve Fund U/S 45-IC (1) of Reserve Bank of India Act, 1934	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash Flow Hedges Reserve	
<b>Balance as at April 01, 2022</b>	<b>3,055.19</b>	<b>35.53</b>	<b>1,293.22</b>	<b>4,427.10</b>	<b>(53.55)</b>	<b>(8.20)</b>	<b>8,749.29</b>
Profit for the year	-	-	-	1,959.35	-	-	<b>1,959.35</b>
Other Comprehensive Income	-	-	-	-	(4.10)	14.66	<b>10.56</b>
Total Comprehensive Income for the year	-	-	-	1,959.35	(4.10)	14.66	<b>1,969.91</b>
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	391.87	(391.87)	-	-	-
Premium on issue of shares	32.96	-	-	-	-	-	<b>32.96</b>
Share based payment	-	43.64	-	-	-	-	<b>43.64</b>
Transfer on allotment of shares pursuant to ESOP scheme	39.56	(39.56)	-	-	-	-	-
Dividends	-	-	-	(79.04)	-	-	<b>(79.04)</b>
Dividend Distribution Tax	-	-	-	(71.20)	-	-	<b>(71.20)</b>
<b>Balance As At March 31, 2023</b>	<b>3,127.72</b>	<b>39.61</b>	<b>1,685.09</b>	<b>5,844.33</b>	<b>(57.65)</b>	<b>6.46</b>	<b>10,645.57</b>

As required by section 45-IC of the RBI Act 1934, the Group maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Group cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1984.

Accounting policies and notes to the Consolidated Financial Statements. Note 2 - 59

The notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

Place: Mumbai  
Date: April 16, 2024

# Consolidated Statement of Cash Flow

for the year ended March 31, 2024

(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	3,304.67	2,627.40
<b>Adjustments for</b>		
Interest Income	(11,156.72)	(8,927.78)
Interest Expenses	4,771.63	3,502.92
(Profit)/loss on sale of asset	(0.85)	(1.01)
Realised net loss/ (gain) on FVTPL investments	(89.91)	(90.67)
Unrealised gain on FVTPL investments	(23.78)	5.60
Discount on commercial paper	77.01	9.00
Provision for compensated absence and gratuity	29.87	6.59
Employee share based payment expenses	55.24	43.64
Depreciation, amortisation and impairment	145.14	111.84
Impairment on financial instruments	1,067.39	1,330.40
<b>Operating cash flow before working capital changes</b>	<b>(1,820.31)</b>	<b>(1,382.07)</b>
<b>Adjustments for working capital changes:</b>		
(Increase)/ decrease in Loans	(21,405.98)	(10,462.68)
(Increase)/ decrease in trade receivables	(58.85)	76.06
(Increase)/ decrease in other financial assets and others	291.32	(0.19)
Increase/(decrease) in other financial and non financial liabilities & provisions	(44.60)	506.53
Increase/(decrease) in trade payables	217.16	44.93
<b>Cash generated from/(Used in) operations before adjustments for interest received and interest paid</b>	<b>(22,821.26)</b>	<b>(11,217.42)</b>
Interest Paid	(4,110.50)	(3,842.14)
Interest Received	10,946.14	8,841.36
<b>Cash generated from/(Used in) operations</b>	<b>(15,985.62)</b>	<b>(6,218.20)</b>
Direct taxes (paid)/net of refunds	(750.42)	(632.41)
<b>Net cash flow generated from/(used in) operating activities (A)</b>	<b>(16,736.04)</b>	<b>(6,850.61)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(52,917.26)	(49,267.66)
Sale of investments	50,893.87	50,350.80
Purchase of fixed assets	(123.35)	(111.32)
Sale of fixed assets	1.18	1.50
<b>Net cash generated (used in)/ from investing activities (B)</b>	<b>(2,145.56)</b>	<b>973.32</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Debt securities issued	22,167.71	10,099.18
Debt securities repaid	(14,490.01)	(8,210.60)
Borrowings other than debt securities issued	29,910.87	17,207.75
Borrowings other than debt securities repaid	(20,307.29)	(12,507.21)
Subordinated debt issued	2,337.07	-
Subordinated debt repaid	(230.00)	(600.00)
Proceeds from issue of shares and security premium	71.45	33.93
Repayment of lease liabilities	(80.87)	(76.81)
Dividend paid	(245.38)	(150.25)
<b>Net cash generated (used in)/ from financing activities (C)</b>	<b>19,133.55</b>	<b>5,795.99</b>

**Consolidated Statement of Cash Flow  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>251.95</b>	<b>(81.30)</b>
Add : Cash and cash equivalents as at the beginning of the year	395.90	477.20
Cash and cash equivalents as at the end of the year*	647.85	395.90
* Components of cash and cash equivalents		
Balances with banks	606.10	358.51
Demand drafts on hand	6.30	8.87
Cash on hand	35.45	28.52
	<b>647.85</b>	<b>395.90</b>

Note:- There are no conditions or restrictions in using the cash and cash equivalents.

Accounting policies and notes to the Consolidated Financial Statements. Note 2 - 59

The notes referred to above form an integral part of the Consolidated Financial Statements.

The above Consolidated statement of cash flow has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flow.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(Currency : Indian Rupees in Crore)

## 1 GROUP OVERVIEW

HDB Financial Services Limited ('the Group'), (Corporate Identity Number U65993GJ2007PLC051028) incorporated in Ahmedabad, India, is a Systemically Important Non Deposit taking Non-Banking Financial Group ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934, is registered with the Reserve Bank of India (RBI) with registration no. N.01.00477. The Reserve Bank of India, under Scale Based Regulations has categorised the Company as Upper Layer (NBFC-UL), vide its circular dated September 14, 2023.

It provides lending services and business process outsourcing services. It also provides services related to the marketing and promotion of various financial products.

Its registered office is situated at Radhika, 2nd floor, Law Garden Road, Navrangpura, Ahmedabad - 380009, India, while its corporate office is located in Mumbai, India. It is a subsidiary of HDFC Bank Limited.

## 2 ACCOUNTING POLICIES

### 2.1 Statement of Compliance, Basis of Preparation and Presentation of Financial Statements

#### (A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. The Regulatory disclosure as required by Master Direction - Non Banking Financial company - Systemically Important Non-Deposit taking Group and Deposit taking Group (Reserve Bank) Direction, 2016, further, it has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC).CC.PD.No.109/22.10.106/ 2019-20 dated March 13, 2020, in addition to the Regulatory disclosure as required by Master Direction - Non

Banking Financial Group - Systemically Important Non-Deposit taking Group and Deposit taking Group (Reserve Bank) Direction, 2023.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. These consolidated financial statements have been subjected to audit by the Statutory Auditors, have been reviewed by the Audit Committee and approved by the Board of Directors and authorised for issue on April 16, 2026.

#### (B) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its controlled structured entities (collectively known as 'the Group') as at March 31, 2024. The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of the entity begins when the Group obtains control over the entity and ceases when the Group loses control of the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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 Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of structured entities to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The financial statement of the following controlled structured trusts (all incorporated in India) have been consolidated as per Ind-AS 110 - Consolidated Financial Statements.

Name of the entity	Proportion of Ownership Interest (%) <sup>*</sup>	
	March 31, 2024	March 31, 2023
Venus Trust March 2022	3.65%	3.65%
Venus Trust March 2021	-	1.10%
Venus Trust September 2020	-	0.84%

\* the Group's share of pass through certificates issued by the trust.

The above structured entities are the entities that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, but the relevant activities are directed by means of contractual agreements. The primary use of structured entities is to provide the Group access to liquidity through asset securitisations.

### (C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Crores in compliance with Schedule III of the Act, unless otherwise stated.

### (D) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs') which is also the Group's functional currency. All amounts are rounded-off to the nearest Crores, unless otherwise indicated.

### (E) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 2.2 Financial Instruments

#### (A) Date of recognition

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

#### (B) Initial measurement

Recognised financial instruments are initially measured at transaction price, which equates fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

Trade receivable are initially measured at transaction price.

#### (C) Classification and subsequent measurement

##### (i) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

##### (a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using Effective Interest Rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans and government securities at amortised cost.

##### (b) Financial assets at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income





## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

### (c) Financial assets at fair value through profit and loss

Financial assets, which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in statement of profit and loss.

The Group records investments in equity instruments and mutual funds at FVTPL.

### (ii) Financial liabilities and equity instrument

Debt and equity instruments issued by the 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.

#### (a) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

#### (b) Financial liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss ('ECL') calculation.

### (D) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

### (E) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Group has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (F) Derecognition

#### (i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Group neither transfers nor retains substantially all of 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 the amount it may have to pay.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

### (ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

### (G) Impairment of financial assets

The Group applies the expected credit loss ('ECL') model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase

in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Group's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Group categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: 0 to 30 days past due
- Stage 2: 31 to 90 days past due
- Stage 3: more than 90 days past due

Loan accounts where principal and/or interest are past due for more than 90 days continue to be classified as stage 3 till overdues across all loans are cleared.

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Group.

The Group incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Group forms a 'base case'



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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. The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Group regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material. Adjustments including reversal of ECL is recognised through statement of profit and loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

### (H) Write offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject

to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

### 2.3 Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

### 2.4 Foreign exchange transactions and translations

#### (A) Initial recognition

Transactions in foreign currencies are recognised at prevailing exchange rates between reporting currency and foreign currency on transaction date.

#### (B) Conversion

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 2.5 Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

#### Hedge accounting policy

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

#### Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such

as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of 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.

The Group's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

### 2.6 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

The Group follows the policy of crediting the customer's account only on receipt of amount in the bank and as such no cheques in hand are taken into consideration.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 2.7 Upfront servicers fees booked on direct assignment

Servicer fees receivable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

### 2.8 Property, plant and equipment

#### (A) Recognition and measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress

#### (B) Subsequent expenditure

Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future economic benefits / functioning capability from / of such assets.

#### (C) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Group	Estimated useful life under Schedule II of the Act
Computers	2-5 years	3 years
Software and system development	3 years	3 years
Office equipment	3-5 years	5 years

Type of Assets	Estimated useful life as assessed by the Group	Estimated useful life under Schedule II of the Act
Motor cars	4 years	8 years
Furniture and fixtures	3-7 years	10 years
Building	60 years	60 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

The Group uniformly estimates a zero residual value for all these assets. Items costing less than ₹ 5,000 are fully depreciated in the year of purchase. Depreciation is pro-rated in the year of acquisition as well as in the year of disposal.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Consequently, the useful life of certain computer-related assets, furniture and fixtures, office equipment and motor cars differ from the life prescribed in Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the year the asset is de-recognised.

### 2.9 Other intangible assets

Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 3 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

### 2.10 Dividends

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Group. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

### 2.11 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at the amount of transaction price. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

- Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

Specific policies for the Group's different sources of revenue are explained below:

#### (A) Income from lending business

##### Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

##### Other financial charges

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.





## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### (B) Income from BPO services and other financial charges

Income from BPO services comprise of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers. Performance obligations are satisfied over time and revenue is recorded on a monthly basis.

### (C) Income from direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

## 2.12 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

## 2.13 Employee benefits

### (A) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (B) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

### (C) ESIC and Labour welfare fund

The Group's contribution paid/payable during the year to ESIC and Labour welfare fund are recognised in the statement of profit and loss.

### (D) Gratuity

The Group operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Group makes annual contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### (E) Share-based payments

The Group recognises compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102 - Share-based Payment. The estimated fair value of awards

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding amount.

### 2.14 Provisions and contingences

The Group recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.15 Leases

Effective 01 April 2019, the Group has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Group is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, April 01, 2019.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised





## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

### 2.16 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

### 2.17 Income tax

#### (A) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

#### (B) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 at the reporting date.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 tax authority.

### 2.18 Earnings per share

The Group reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 2.19 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 ('MD') of the Group has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

Operating segments identified by the Group comprises as under:

- Lending services
- BPO services

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which

relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'. Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### 2.20 Repossession and Collateral

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements.

To the extent possible, the Group uses active market data and external valuers for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models or through external valuers. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

The Group physically repossess and take into custody properties or other assets and also engages external agents to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The Group does not use the assets repossessed for the internal operations. Assets held under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards. Value of the repossessed asset is not netted off from the exposure at default for calculation of expected credit loss.

### 2.21 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

#### (A) Fair value of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell 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.

Fair value measurements under Ind AS are categorised 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 measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Group can access at measurement date

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 43.

#### (B) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative

information and analysis, based on the Group's historical experience and credit assessment and including forward looking information.

The inputs used by the Group in determining the ECL have been detailed in Note 45.

#### (C) Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

#### (D) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. 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 assets.

#### (E) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### (F) Leases

- The determination of lease term for some lease contracts in which the Group is a lessee, including whether the Group is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

### (G) Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however,

could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

### (H) Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (I) Provisions and contingences

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Group's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.



## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 4 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Cash on hand	35.45	28.52
Balances with banks	606.10	358.51
Demand drafts on hand	6.30	8.87
<b>Total</b>	<b>647.85</b>	<b>395.90</b>

### 5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Deposits with bank	2.12	101.92
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments.	45.90	93.63
Collateral with Banks for Derivative	6.38	61.71
Interest accrued but not due on fixed deposits	0.26	0.66
<b>Total</b>	<b>54.66</b>	<b>257.92</b>

### 6 DERIVATIVE FINANCIAL INSTRUMENTS

	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value- Assets	Fair Value- Liabilities	Notional amounts	Fair Value- Assets	Fair Value- Liabilities
<b>Part I</b>						
<b>(i) Currency derivatives:</b>						
Currency swaps	2,085.13	-	4.77	1,889.91	166.17	-
<b>Subtotal (i)</b>	<b>2,085.13</b>	<b>-</b>	<b>4.77</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>
<b>(ii) Interest rate derivatives</b>						
Forward Rate Agreements and Interest Rate swaps	1,750.00	1.92	-	-	-	-
<b>Subtotal (ii)</b>	<b>1,750.00</b>	<b>1.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Less : Provision on derivative financial instruments</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>0.83</b>	<b>-</b>
<b>Total Derivative Financial Instruments (i)+(ii)</b>	<b>3,835.13</b>	<b>1.91</b>	<b>4.77</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
<b>(i) Fair value hedging:</b>						
Currency derivatives	-	-	-	-	-	-
Interest Rate derivatives	-	-	-	-	-	-
<b>Subtotal (i)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value-Assets	Fair Value-Liabilities	Notional amounts	Fair Value-Assets	Fair Value-Liabilities
<b>(ii) Cash flow hedging:</b>						
Currency derivatives	2,085.13	-	4.77	1,889.91	166.17	-
Interest rate derivatives	1,700.00	1.92	-	-	-	-
<b>Subtotal (ii)</b>	<b>3,785.13</b>	<b>1.92</b>	<b>4.77</b>	<b>1,889.91</b>	<b>166.17</b>	<b>-</b>
<b>(iii) Undesignated Derivatives</b>						
Currency Swaps	-	-	-	-	-	-
<b>Subtotal (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Less : Provision on derivative financial instruments</b>		<b>0.01</b>		-	0.83	-
<b>Total Derivative Financial Instruments (i)+(ii)+(iii)</b>	<b>3,785.13</b>	<b>1.91</b>	<b>4.77</b>	<b>1,889.91</b>	<b>165.34</b>	<b>-</b>

The Group enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

### 7 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Receivables Considered good - Secured	-	-
Receivables Considered good - Unsecured	124.01	59.10
Receivables which have significant increase in the credit risk	8.10	12.22
Receivables credit impaired	1.77	1.34
Unbilled Trade Receivables	-	-
	<b>133.88</b>	<b>72.66</b>
Less: Impairment loss allowance	9.27	6.90
<b>Total</b>	<b>124.61</b>	<b>65.76</b>

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

#### Reconciliation of impairment Loss allowance on trade receivables:

	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the period	6.90	3.30
Increase during the period	7.63	5.98
Decrease during the period	(5.26)	(2.38)
<b>Balance at end of the period</b>	<b>9.27</b>	<b>6.90</b>



## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Trade receivables ageing schedule :

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	123.95 (58.53)	0.06 (0.60)	- 0.03	- 0.00	- 0.00	124.01 (59.10)
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	5.00 (11.21)	1.66 (0.94)	1.27 (0.01)	0.17 (0.00)	- (0.06)	8.10 (12.22)
(iii) Undisputed Trade Receivables- credit impaired	1.12 (0.78)	0.65 (0.56)	- (0.00)	- (0.00)	- 0.00	1.77 (1.34)
(iv) Disputed Trade Receivables- considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade Receivables- which have significant increase in credit risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(vii) Unbilled Trade Receivables	- -	- -	- -	- -	- -	- -
<b>TOTAL</b>	<b>130.07</b> <b>(70.52)</b>	<b>2.37</b> <b>(2.10)</b>	<b>1.27</b> <b>0.02</b>	<b>0.17</b> <b>(0.00)</b>	<b>-</b> <b>(0.06)</b>	<b>133.88</b> <b>(72.66)</b>

### 8 LOANS (AT AMORTISED COST)

	As at March 31, 2024	As at March 31, 2023
<b>A Term Loans in India</b>	<b>90,217.93</b>	<b>70,030.70</b>
<b>B Public sector</b>	<b>-</b>	<b>-</b>
Others	90,217.93	70,030.70
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>
<b>C Secured (Secured by tangible assets)</b>	<b>67,930.51</b>	<b>53,053.24</b>
<b>Unsecured</b>	<b>22,287.42</b>	<b>16,977.46</b>
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>
Less: Impairment loss allowance	3,496.67	3,648.03
<b>Total</b>	<b>86,721.26</b>	<b>66,382.67</b>
<b>D Term Loans in India - at amortised cost</b>		
- Public sector	-	-
- Others		
Secured (Secured by tangible assets)	67,930.51	53,053.24
Unsecured	22,287.42	16,977.46
<b>Total Gross Loans</b>	<b>90,217.93</b>	<b>70,030.70</b>
Less: Impairment loss allowance	3,496.67	3,648.03
<b>Total</b>	<b>86,721.26</b>	<b>66,382.67</b>



## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

Stage	As at March 31, 2024	As at March 31, 2023
Stage 1	87,218.17	66,793.02
Stage 2	1,287.94	1,322.83
Stage 3	1,711.82	1,914.85
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person.

Particulars	As at March 31, 2024	% to the total Loans and Advances in the nature of loans	As at March 31, 2023	% to the total Loans and Advances in the nature of loans
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

## 9 INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
<b>Recorded at Fair value through statement of profit and loss</b>		
Outside India	-	-
In India		
Mutual fund units	1,753.41	411.65
Treasury bills / G-Sec	-	773.66
Securities receipt of ARC	37.33	55.99
Unquoted equity shares	2.30	1.95
<b>Recorded at Amortised Cost</b>		
Outside India	-	-
In India		
Treasury bills / G-Sec	1,587.29	-
<b>Total</b>	<b>3,380.33</b>	<b>1,243.25</b>

## 10 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Security deposits at amortised cost (Unsecured, considered good)	28.22	24.54
Prepaid rent (Security deposits, Unsecured, considered good)	10.31	7.14
Retained interest on assigned loan	0.86	2.81
Servicing assets on assigned loan	0.11	0.38
<b>Total</b>	<b>39.50</b>	<b>34.87</b>



## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 11 CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
<b>Current tax assets</b>		
Advance tax and tax deducted at source (Net of provision for tax ₹ 770.67 Crore) (Previous Year : ₹ 621.30 Crore)	41.29	25.11
<b>Total</b>	<b>41.29</b>	<b>25.11</b>

### 12 DEFERRED TAX ASSETS (NET)

	Balance as at April 01, 2022	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2023	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at March 31, 2024
<b>Deferred Tax Asset</b>							
Depreciation and amortisation	35.60	13.82	-	49.42	18.20	-	67.62
Provision for employee benefits	14.30	5.68	1.38	21.35	5.17	7.94	34.46
Loans - Impairment	1,046.03	(93.91)	-	952.12	(38.30)	-	913.82
Securitisation and others	(31.08)	47.82	-	16.74	8.11	-	24.85
Cash Flow Hedges Reserve	2.76	-	(4.93)	(2.17)	-	4.30	2.13
<b>Deferred Tax Asset</b>	<b>1,067.61</b>	<b>(26.59)</b>	<b>(3.55)</b>	<b>1,037.46</b>	<b>(6.82)</b>	<b>12.24</b>	<b>1,042.88</b>
<b>Deferred Tax Liabilities</b>							
Borrowings	(7.15)	3.86	-	(3.29)	(5.08)	-	(8.37)
Investments - MTM and others	(18.84)	1.41	-	(17.43)	(5.98)	-	(23.41)
Loans - DSA	13.00	(11.44)	-	1.56	(41.67)	-	(40.11)
Lease	(3.45)	(13.99)	-	(17.44)	(13.60)	-	(31.04)
<b>Deferred Tax Liabilities</b>	<b>(16.44)</b>	<b>(20.16)</b>	<b>-</b>	<b>(36.59)</b>	<b>(66.34)</b>	<b>-</b>	<b>(102.93)</b>
<b>Net Deferred Tax Assets</b>	<b>1,051.17</b>	<b>(46.75)</b>	<b>(3.55)</b>	<b>1,000.87</b>	<b>(73.16)</b>	<b>12.24</b>	<b>939.95</b>
Movement in Net deferred tax Asset during the year						(60.92)	

The components of income tax expense for the years ended 31 March 2024 and 2023 are:

	As at March 31, 2024	As at March 31, 2023
<b>Current tax:</b>		
In respect of current year	770.67	621.30
In respect of prior years	-	-
<b>Deferred Tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	73.16	46.75
Adjustments due to changes in tax rates		
In respect of prior years	-	-
<b>Total Income Tax recognised in statement of profit or loss</b>	<b>843.83</b>	<b>668.05</b>
Current tax	770.67	621.30
Deferred tax (Debit)	73.16	46.75

## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Income Tax recognised in Other comprehensive income

	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax related to items recognised in Other comprehensive income during the year:</b>		
Income tax relating to items that will not be reclassified to profit or loss	7.94	1.38
Income tax relating to items that will be reclassified to profit or loss	4.30	(4.93)
<b>Total Income tax recognised in Other comprehensive income (Debit)</b>	<b>12.24</b>	<b>(3.55)</b>

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at March 31, 2024	As at March 31, 2023
Profit before tax	3,304.67	2,627.40
Applicable income tax rate (%)	25.17	25.17
Income tax expense calculated at applicable income tax rate	831.72	661.26
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax	-	-
Effect of expenses/provisions not deductible in determining taxable profit	21.78	16.46
Effect of tax incentives (net)	(9.67)	(9.67)
Effects of income not considered as taxable on compliance of condition	-	-
Adjustments due to changes in tax rates	-	-
Income tax for earlier year	-	-
<b>Income tax expense recognised in profit and loss</b>	<b>843.83</b>	<b>668.05</b>

**Notes to the Consolidated Financial Statements  
as at March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**13 PROPERTY, PLANT AND EQUIPMENT (PPE) AND OTHER INTANGIBLE ASSETS**

Description	Office equipment	Furniture and fixtures	Leasehold improvements	Computers	Building	Motor cars	Total PPE Tangibles	Software and System development	Total Other Intangibles	Total
<b>Balance as at April 01, 2023</b>	<b>71.01</b>	<b>97.72</b>	<b>88.58</b>	<b>210.24</b>	<b>0.15</b>	<b>9.05</b>	<b>476.76</b>	<b>69.39</b>	<b>69.39</b>	<b>546.15</b>
Additions during the year	19.52	11.59	18.98	53.73	-	5.19	109.01	14.36	14.36	123.37
Disposals/Adjustments during the year	8.25	6.52	6.52	6.45	-	1.21	28.95	-	-	28.95
<b>Balance as at March 31, 2024</b>	<b>82.29</b>	<b>102.79</b>	<b>101.04</b>	<b>257.53</b>	<b>0.15</b>	<b>13.03</b>	<b>556.82</b>	<b>83.75</b>	<b>83.75</b>	<b>640.57</b>
<b>Accumulated Depreciation / impairment as at April 01, 2023</b>	<b>56.22</b>	<b>84.74</b>	<b>59.49</b>	<b>150.55</b>	<b>0.03</b>	<b>3.36</b>	<b>354.41</b>	<b>48.98</b>	<b>48.98</b>	<b>403.39</b>
Depreciation charge during the year	8.74	10.42	9.47	37.16	0.00	2.74	68.53	12.62	12.62	81.15
Disposals/Adjustments during the year	8.24	6.49	6.23	6.45	-	1.21	28.62	-	-	28.62
<b>Accumulated Depreciation / impairment as at March 31, 2024</b>	<b>56.72</b>	<b>88.67</b>	<b>62.73</b>	<b>181.26</b>	<b>0.03</b>	<b>4.89</b>	<b>394.29</b>	<b>61.60</b>	<b>61.60</b>	<b>455.89</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>25.57</b>	<b>14.12</b>	<b>38.31</b>	<b>76.27</b>	<b>0.12</b>	<b>8.14</b>	<b>162.53</b>	<b>22.15</b>	<b>22.15</b>	<b>184.68</b>
<b>Balance as at April 01, 2022</b>	<b>63.13</b>	<b>95.15</b>	<b>80.72</b>	<b>158.76</b>	<b>0.15</b>	<b>8.85</b>	<b>406.76</b>	<b>50.81</b>	<b>50.81</b>	<b>457.57</b>
Additions during the year	9.81	4.03	11.69	62.66	-	4.53	92.72	18.59	18.59	111.31
Disposals/Adjustments during the year	1.93	1.46	3.83	11.18	-	4.33	22.72	0.01	0.01	22.73
<b>Balance as at March 31, 2023</b>	<b>71.01</b>	<b>97.72</b>	<b>88.58</b>	<b>210.24</b>	<b>0.15</b>	<b>9.05</b>	<b>476.76</b>	<b>69.39</b>	<b>69.39</b>	<b>546.15</b>
<b>Accumulated Depreciation / impairment as at April 01, 2022</b>	<b>51.86</b>	<b>80.51</b>	<b>51.96</b>	<b>138.71</b>	<b>0.03</b>	<b>5.56</b>	<b>328.63</b>	<b>38.80</b>	<b>38.80</b>	<b>367.43</b>
Depreciation charge for the year	6.29	5.68	11.28	23.02	0.00	1.73	48.01	10.19	10.19	58.20
Disposals/Adjustments during the year	1.93	1.45	3.75	11.18	-	3.93	22.23	0.01	0.01	22.24
<b>Accumulated Depreciation / impairment as at March 31, 2023</b>	<b>56.22</b>	<b>84.74</b>	<b>59.49</b>	<b>150.55</b>	<b>0.03</b>	<b>3.36</b>	<b>354.41</b>	<b>48.98</b>	<b>48.98</b>	<b>403.39</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>14.79</b>	<b>12.98</b>	<b>29.09</b>	<b>59.69</b>	<b>0.12</b>	<b>5.69</b>	<b>122.35</b>	<b>20.41</b>	<b>20.41</b>	<b>142.76</b>

Note : No revaluation of any class of asset is carried out during the year.

## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 14 RIGHT OF USE ASSETS

	As at March 31, 2024	As at March 31, 2023
Right of Use Assets (ROU) (Refer note 34)	326.51	244.27
<b>Total</b>	<b>326.51</b>	<b>244.27</b>

### 15 OTHER NON-FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Capital advances	38.29	9.02
Advances recoverable in cash or in kind (Unsecured, considered good)	55.67	82.63
<b>Total</b>	<b>93.96</b>	<b>91.65</b>

### 16 TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Trade payables		
i) total outstanding dues to micro and small enterprises	-	-
ii) total outstanding dues of creditors other than micro and small enterprises	509.00	291.84
<b>Total</b>	<b>509.00</b>	<b>291.84</b>

**16.1** Trade Payables includes ₹ Nil payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Group during the year to “Suppliers” registered under this act. The above is based on the information available with the Group which has been relied upon by the auditors.

#### 16.2 Trade payables ageing schedule :

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
	-	-	-	-	-
ii) Others	505.84	1.71	0.62	0.83	509.00
	(288.23)	(1.59)	(0.36)	(1.66)	(291.84)
iii) Disputed dues - MSME	-	-	-	-	-
	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
v) Unbilled Trade payables	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>505.84</b>	<b>1.71</b>	<b>0.62</b>	<b>0.83</b>	<b>509.00</b>
	<b>(288.23)</b>	<b>(1.59)</b>	<b>(0.36)</b>	<b>(1.66)</b>	<b>(291.84)</b>



## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 17 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
<b>Secured</b>		
Privately placed redeemable Non Convertible Debenture	33,896.68	27,246.28
Secured by pari passu charge by mortgage of Company's Office no.130, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and receivables under financing activity.		
<b>Unsecured</b>		
Commercial paper	1,175.00	-
<b>Total</b>	<b>35,071.68</b>	<b>27,246.28</b>
Less: Unamortised borrowing cost	220.56	149.87
<b>Debt Securities (Net of unamortised cost)</b>	<b>34,851.12</b>	<b>27,096.41</b>
Debt securities in India	35,071.68	27,246.28
Debt securities outside India	-	-
<b>Total</b>	<b>35,071.68</b>	<b>27,246.28</b>
Less: Unamortised borrowing cost	220.56	149.87
<b>Debt Securities (Net of unamortised cost)</b>	<b>34,851.12</b>	<b>27,096.41</b>

17.1 - No non convertible debentures, non convertible perpetual debentures and any other borrowing is guaranteed by directors and/or others.

17.2 - Terms of repayment of privately placed redeemable non convertible debenture.

Rate of interest (%)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.5-5.5	400.00	-	-	-	400.00
	(2,423.00)	(1,593.00)	-	-	(4,016.00)
5.5-6.5	6,578.00	3,630.00	-	-	10,208.00
	(1,910.00)	(5,203.00)	(1,060.00)	-	(8,173.00)
6.5-7.5	1,650.00	936.00	-	-	2,586.00
	(5,341.10)	(1,286.00)	(130.00)	-	(6,757.10)
7.5-8.5	1,723.00	15,417.50	2,062.18	1,500.00	20,702.68
	-	(4,368.00)	(1,364.00)	(1,200.00)	(6,932.00)
8.5-9.5	-	-	-	-	-
	-	(1,045.00)	-	-	(1,045.00)
9.5-10.5	-	-	-	-	-
	-	-	(323.18)	-	(323.18)
<b>Total</b>	<b>10,351.00</b>	<b>19,983.50</b>	<b>2,062.18</b>	<b>1,500.00</b>	<b>33,896.68</b>
	<b>(9,674.10)</b>	<b>(13,495.00)</b>	<b>(2,877.18)</b>	<b>(1,200.00)</b>	<b>(27,246.28)</b>

17.3 - All the above non convertible debentures are secured by specific charge on receivables under financing activities. Minimum security cover of 1.0 times is required to be maintained throughout the year (Refer Note 53).

## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 18 BORROWINGS (OTHER THAN DEBT SECURITIES)

	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
Borrowings (other than debt securities)		
<b>Secured</b>		
(a) External commercial borrowings (ECB)	2,085.13	1,889.91
(b) Term loan against hypothecation of Receivables under financing activity	31,661.03	21,968.00
(c) Borrowing under Securitisation	85.22	370.86
<b>Total</b>	<b>33,831.38</b>	<b>24,228.77</b>
Less: Unamortised borrowing cost	-	0.97
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>33,831.38</b>	<b>24,227.80</b>
Borrowings in India	31,746.25	22,338.86
Borrowings outside India	2,085.13	1,889.91
<b>Total</b>	<b>33,831.38</b>	<b>24,228.77</b>
Less: Unamortised borrowing cost	-	0.97
<b>Borrowings (Other than Debt Securities) net of unamortised cost</b>	<b>33,831.38</b>	<b>24,227.80</b>

**18.1** - No term loans, external commercial borrowings , commercial paper and any other borrowing is guaranteed by directors and / or others.

**18.2** - During the year presented there were no defaults in the repayment of principal and interest.

**18.3** - Terms of repayment of External commercial borrowings in foreign currency

Rate of interest (%)	0-3 years	3-5 years	>5 years	Total
6- 9	2,085.13	-	-	2,085.13
	(1,889.91)	-	-	(1,889.91)

The Group had availed total External Commercial Borrowing (ECBs) of US\$ 250 Mn for financing prospective borrower as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. Out of same US\$ 250 Mn was raised in FY 2023-24. The borrowing has a maturity of three years. In terms of the RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps.

**18.4** - Terms of repayment of Term loans from Banks.

Marginal Cost of Funds Based Lending Rate (MCLR) (a)	0-1 years	1-3 years	3-5 years	>5 years	Total
Overnight MCLR + (0.00% to 0.75%)	500.00	200.00	125.00	-	825.00
	(200.00)	(200.00)	(200.00)	-	(600.00)
1 Month MCLR + (0.00% to 0.75%)	2,224.40	1,964.29	567.50	-	4,756.19
	(41.67)	-	-	-	(41.67)
3 Month MCLR + (0.00% to 1.5%)	427.50	858.75	-	-	1,286.25
	(998.39)	(2,088.81)	(526.13)	(20.00)	(3,633.33)
6 Month MCLR + (0.00% to 0.75%)	-	-	-	-	-
	(200.00)	(400.00)	(400.00)	-	(1,000.00)
<b>Total (a)</b>	<b>3,151.90</b>	<b>3,023.04</b>	<b>692.50</b>	<b>-</b>	<b>6,867.44</b>
	<b>(1,440.06)</b>	<b>(2,688.81)</b>	<b>(1,126.13)</b>	<b>(20.00)</b>	<b>(5,275.00)</b>



**Notes to the Consolidated Financial Statements  
as at March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Rate linked to T-Bills rates (b)	0-1 years	1-3 years	3-5 years	>5 years	Total
7 Days T-Bills rates (0.00% to 4.00%)	-	-	-	-	-
	(80.00)	(80.00)	-	-	(160.00)
1 Month T-Bills rates (0.00% to 4.00%)	2,741.66	4,532.50	1,795.00	-	9,069.16
	(566.66)	(1,291.67)	(452.08)	-	(2,310.41)
3 Month T-Bills rates (0.00% to 4.00%)	2,017.50	1,742.57	1,219.44	211.11	5,190.62
	(875.83)	(1,618.33)	(73.97)	-	(2,568.13)
Repo Rate (0.00% to 3.50%)	3,676.76	2,458.55	403.13	-	6,538.44
	(2,820.88)	(4,463.22)	(390.62)	-	(7,674.73)
Mumbai Interbank Offer rate (MIBOR) (0.00% to 3.50%)	-	-	-	-	-
	(30.00)	(37.50)	-	-	(67.50)
<b>Total (b)</b>	<b>8,435.92</b>	<b>8,733.62</b>	<b>3,417.57</b>	<b>211.11</b>	<b>20,798.22</b>
	<b>(4,373.37)</b>	<b>(7,490.72)</b>	<b>(916.67)</b>	<b>-</b>	<b>(12,780.76)</b>

Fixed Interest rate (c)	0-1 years	1-3 years	3-5 years	>5 years	Total
4.50% - 8.35%	1,926.80	1,943.57	125.00	-	3,995.37
	(1,725.21)	(1,903.21)	(283.82)	-	(3,912.24)
<b>Total (a)+(b)+(c)</b>	<b>13,514.62</b>	<b>13,700.23</b>	<b>4,235.07</b>	<b>211.11</b>	<b>31,661.03</b>
	<b>(7,538.64)</b>	<b>(12,082.74)</b>	<b>(2,326.62)</b>	<b>(20.00)</b>	<b>(21,968.00)</b>

**18.4.1** -Term loans includes ₹ 9,730.54 Crore (Previous year ₹ 7,082.45 Crore) from related parties.**18.5** - All the above Term loans are secured by specific charge on receivables under financing activities. Minimum security cover of 1.0 time is required to be maintained throughout the year.**18.6** - Terms of repayment of Borrowing under Securitisation.

Rate of interest (%)	0-1 years	1-3 years	3-5 years	Total
3.50% to 6.00%	85.22	-	-	85.22
	(285.09)	(85.77)	-	(370.86)

**18.7** - Term Loans were used fully for the purpose for which the same were obtained.**18.8** - Periodic Statements of securities filed with lending banks are as per book of accounts.**19 SUBORDINATED LIABILITIES**

	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
<b>Unsecured</b>		
(a) Privately placed subordinated (Tier II) redeemable bonds	4,670.00	2,900.00
(b) Redeemable non convertible perpetual bonds	1,000.00	650.00
<b>Total</b>	<b>5,670.00</b>	<b>3,550.00</b>
Less: Unamortised borrowing cost	21.83	8.90
<b>Subordinated Liabilities net of unamortised cost</b>	<b>5,648.17</b>	<b>3,541.10</b>

## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

	As at March 31, 2024	As at March 31, 2023
Subordinated Liabilities in India	5,670.00	3,550.00
Subordinated Liabilities outside India	-	-
<b>Total</b>	<b>5,670.00</b>	<b>3,550.00</b>
Add: Interest accrued	-	-
Less: Unamortised borrowing cost	21.83	8.90
<b>Subordinated Liabilities net of unamortised cost</b>	<b>5,648.17</b>	<b>3,541.10</b>

19.1 - No subordinate debts and any other borrowing is guaranteed by directors and / or others.

19.2 - Terms of repayment of Privately placed unsecured subordinated (Tier II) redeemable bonds and redeemable non convertible perpetual bonds

Rate of interest (%)	<5 year	>5 years	Total
7.35-10.50	2,070.00	3,600.00	5,670.00
	(1,400.00)	(2,150.00)	(3,550.00)

### 20 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Interest accrued	1,833.21	1,172.43
Overdrawn balances in current account with banks	679.13	1,220.95
Deposits (not as defined in Section 2(31) of Companies Act, 2013)	10.19	10.19
Creditors for other expenses	1.96	14.09
Statutory liabilities	59.57	81.80
Unclaimed Dividend	0.04	0.01
Lease Liability (ROU)	371.17	278.96
<b>Total</b>	<b>2,955.27</b>	<b>2,778.43</b>

### 21 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2024	As at March 31, 2023
Provisions for tax (Net of advance tax ₹ 565.00 Crore, Previous Year ₹ 405.00 Crore)	58.65	41.97
<b>Total</b>	<b>58.65</b>	<b>41.97</b>

Particulars	Opening Balance	Additions during the year	Reversals during the year	Closing Balance
As at March 31, 2024	41.97	20.25	3.57	58.65
As at March 31, 2023	59.73	0.04	17.80	41.97



## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 22 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits</b>		
Gratuity (funded)	107.90	78.03
Salary, bonus and reimbursements	366.26	255.07
Contribution to provident fund	28.78	35.86
<b>Total</b>	<b>502.94</b>	<b>368.96</b>

### 23 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Provision for expenses	452.50	266.91
<b>Total</b>	<b>452.50</b>	<b>266.91</b>

Particulars	Opening Balance	Additions during the year	Reversals during the year	Closing Balance
<b>As at March 31, 2024</b>	<b>266.91</b>	<b>351.59</b>	<b>166.00</b>	<b>452.50</b>
As at March 31, 2023	183.02	266.91	183.02	266.91

### 24 EQUITY SHARE CAPITAL

	Face Value ₹ each	As at March 31, 2024 Number of shares	As at March 31, 2023 Number of shares	As at March 31, 2024	As at March 31, 2023
<b>Authorised equity shares</b>	10	<b>1,00,15,50,000</b>	1,00,15,50,000	<b>1001.55</b>	1001.55
Issued, Subscribed & Paid up equity shares fully paid up	10	<b>79,30,74,566</b>	79,13,99,083	<b>793.08</b>	791.40
				<b>793.08</b>	<b>791.40</b>

#### 24.1 Reconciliation of the number of shares

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 fully paid up				
Shares outstanding at the beginning of the year	79,13,99,083	791.40	79,04,40,031	790.44
Shares issued - exercised for ESOP scheme	16,75,483	1.68	9,59,052	0.96
Shares issued - right issue	-	-	-	-
Shares outstanding at the end of the year	79,30,74,566	793.08	79,13,99,083	791.40

#### 24.2 Terms/rights attached to equity shares.

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

## Notes to the Consolidated Financial Statements as at March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 24.3 Details of shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Equity shares of ₹ 10 fully paid up						
HDFC Bank Limited (Holding Company and promoter)	75,05,96,670	94.64	0.00%	75,05,96,670	94.84	0.00%

### 24.4 Number of shares reserved for ESOPs

Particulars	As at March 31, 2024	As at March 31, 2023
Equity shares of ₹ 10 fully paid up		
<b>Number of Shares reserved for ESOPs (Refer note 35)</b>	<b>87,28,798</b>	<b>75,79,538</b>

## 25 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
<b>Other equity</b>		
(i) Securities Premium Account	3,223.13	3,127.72
(ii) Employee Stock Options Outstanding Account	69.22	39.61
(iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	2,177.26	1,685.09
(iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations	7,567.62	5,844.33
(v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations	(81.25)	(57.65)
(vi) Cash Flow Hedges Reserve	(6.35)	6.46
	<b>12,949.63</b>	<b>10,645.57</b>

#### (i) Securities Premium Account

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

#### (ii) Employee Stock Options Outstanding Account

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service.

#### (iii) Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

#### (iv) Retained Earnings-Other than Remeasurement of Post Employment Benefit Obligations

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

#### (v) Retained Earnings- Remeasurement of Post Employment Benefit Obligations

The Group recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings.

#### (vi) Cash Flow Hedges Reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**26 INTEREST INCOME**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>On Financial Assets measured at Amortised Cost :</b>		
Interest on Loans	11,043.60	8,853.58
Interest on deposits with Banks	17.10	9.30
Interest income from Investment	96.02	-
<b>On Financial Assets measured at fair value through profit or loss (FVTPL) :</b>		
Interest income from Investment	-	64.90
<b>Total</b>	<b>11,156.72</b>	<b>8,927.78</b>

**27 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Investments	113.69	85.07
	<b>113.69</b>	<b>85.07</b>
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
Realised	89.91	90.67
Unrealised	23.78	(5.60)
<b>Total</b>	<b>113.69</b>	<b>85.07</b>

**28 FINANCE COSTS**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest expenses on financial liabilities measured at amortised cost</b>		
Interest on borrowings (includes Interest on lease liabilities ₹ 26.82 Crore, Previous Year ₹ 21.23 Crore)	2,047.55	1,460.89
Interest on debt securities	2,390.10	1,661.90
Interest on subordinated liabilities	333.98	352.39
Discount on commercial paper	77.01	9.00
Other borrowing costs	15.68	27.74
<b>Total</b>	<b>4,864.32</b>	<b>3,511.92</b>

**29 IMPAIRMENT ON FINANCIAL INSTRUMENTS**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Impairment on financial instruments at amortised cost</b>		
Loans	1,065.02	1,326.80
Trade receivables	2.37	3.60
<b>Total</b>	<b>1,067.39</b>	<b>1,330.40</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 30 EMPLOYEE BENEFITS EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages (including bonus)	3,471.04	3,667.39
Contribution to provident and other funds	274.31	306.08
Employee share based payment expenses	55.24	43.64
Staff welfare expenses	50.16	40.46
<b>Total</b>	<b>3,850.75</b>	<b>4,057.57</b>

### 31 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent	15.25	7.56
Rates and taxes	3.62	1.93
Telephone	61.73	38.12
Power and fuel	34.41	32.69
Repairs and maintenance- premises	9.22	7.17
Repairs and maintenance-others	3.19	3.00
Credit report charges	45.29	49.49
Commission and brokerage	0.50	2.48
Auditor's remuneration (Refer Note No. 33)	1.74	1.50
Insurance	1.63	1.54
Loss on sale of asset	(0.85)	(1.01)
Expenses towards Corporate Social Responsibility Initiative (Refer Note No. 41)	31.30	21.78
Others administrative expenses	731.82	597.50
<b>Total</b>	<b>938.85</b>	<b>763.75</b>

### 32 EARNING PER SHARE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit (₹ in Crore)	2,460.84	1,959.35
Weighted average number of equity shares		
Basic	79,18,48,757	79,07,12,391
Diluted	79,28,40,651	79,14,93,138
Earnings per share (₹)		
Basic	31.08	24.78
Diluted	31.04	24.76
Face value per share (₹)	10.00	10.00

The dilutive effect on the earnings per share is caused by the potential shares that would be issued upon the exercise of the ESOP Options. As a result of the dilution, the denominator increased by 9,91,893 shares (Previous Year 7,80,747 shares).

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**33 AUDITOR'S REMUNERATION**

	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditor	1.54	1.30
For taxation matters	-	-
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	0.06	0.08
<b>Sub Total</b>	<b>1.60</b>	<b>1.38</b>
GST	0.14	0.12
<b>Total</b>	<b>1.74</b>	<b>1.50</b>

**34 LEASES**

The Group has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Group. ROU has been included after the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

**I. Lease disclosures under Ind-AS 116 for the current year ended March 31, 2024****(i) Amounts recognised in the Balance sheet**

Sr No.	Particulars	March 31, 2024	March 31, 2023
a)	<b>Right-of-use assets (net)</b>	<b>326.51</b>	<b>244.27</b>
b)	<b>Lease liabilities</b>		
	Current	60.38	52.61
	Non-current	310.79	226.35
	<b>Total Lease liabilities</b>	<b>371.17</b>	<b>278.96</b>
c)	<b>Additions to the Right-of-use assets</b>	<b>135.63</b>	<b>94.57</b>

**(ii) Amounts recognised in the Statement of Profit and Loss**

Sr No.	Particulars	March 31, 2024	March 31, 2023
a)	Depreciation charge for right-of-use assets	64.01	53.64
b)	Interest expense (included in finance cost)	26.82	21.23
c)	Expense relating to short-term leases	15.25	7.56

**(iii) Cash Flows**

Particulars	March 31, 2024	March 31, 2023
The total cash outflow of leases	83.85	69.89

**(iv) Future Commitments**

Particulars	March 31, 2024	March 31, 2023
Future undiscounted lease payments to which leases is not yet commenced	34.97	10.38

**(v) Maturity analysis of undiscounted lease liability**

Period	March 31, 2024	March 31, 2023
Not later than one year	87.69	72.89
Later than one year and not later than five years	263.77	196.62
Later than five years	128.28	86.70
<b>Total</b>	<b>479.74</b>	<b>356.21</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 35 ACCOUNTING FOR EMPLOYEE SHARE BASED PAYMENTS

In accordance with resolution approved by the shareholders, the Group has reserved shares, for issue to employees through Employee Stock Option Scheme (ESOP). On the approval of Nomination and Remuneration Committee (NRC), each ESOP is issued. The NRC has approved ESOP-10 on October 13, 2017, ESOP-11 on January 15, 2019, ESOP-12 on October 05, 2020, ESOP-13 on January 14, 2021, ESOP-13A on August 31, 2021, ESOP-14 on October 27, 2021, ESOP-15A on May 18, 2022, ESOP-15B on October 31, 2022, ESOP-16A on June 12, 2023, ESOP-16B on October 23, 2023 and ESOP-16C on October 23, 2023. Under the term of the ESOP, the Group may issue stock options to employees and directors of the Group, each of which is convertible into one equity share.

Such options vest at a definitive date, save for specific incidents, prescribed in the scheme as framed/approved by the NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of four years from the date of vesting.

#### Description of share based payments plans

Particulars	Vesting requirements	Maximum term of option	Method of settlement	Modifications to share based payment plans	Any other details as disclosed in the audited Ind-AS financials
i. ESOP - 10	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2017	7 years	Equity settled	NA	NA
ii. ESOP - 11	30% at the end of each 12 and 24 months and 40% at the end of 36 months from January 31, 2019	7 years	Equity settled	NA	NA
iii. ESOP - 12	60% at the end of 12 months and 40% at the end of 24 months from October 31, 2020	6 years	Equity settled	NA	NA
iv. ESOP - 13	30% at the end of each 12 and 24 months and 40% at the end of 36 months from January 31, 2021	7 years	Equity settled	NA	NA
v. ESOP - 13A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from August 31, 2021	7 years	Equity settled	NA	NA
vi. ESOP - 14	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2021	7 years	Equity settled	NA	NA
vii. ESOP - 15A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from May 31, 2022	7 years	Equity settled	NA	NA
viii. ESOP - 15B	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2022	7 years	Equity settled	NA	NA
ix. ESOP - 16A	30% at the end of each 12 and 24 months and 40% at the end of 36 months from June 30, 2023	10 years	Equity settled	NA	NA
x. ESOP - 16B	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2023	10 years	Equity settled	NA	NA
xi. ESOP - 16C	30% at the end of each 12 and 24 months and 40% at the end of 36 months from October 31, 2023	10 years	Equity settled	NA	NA

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**Method used for accounting for shared based payment plan.**

The Group uses fair value to account for the compensation cost of stock options to employees of the Group.

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2024**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	42,000	-	-	-	42,000	42,000
ESOP - 11	74,020	-	54,000	3,870	16,150	16,150
ESOP - 12	2,78,090	-	1,12,583	7,990	1,57,517	1,57,517
ESOP - 13	6,67,395	-	3,28,030	16,770	3,22,595	3,22,595
ESOP - 13A	37,000	-	14,000	-	23,000	3,000
ESOP - 14	17,99,723	-	5,28,264	61,325	12,10,134	4,14,902
ESOP - 15A	11,83,140	-	1,47,750	-	10,35,390	2,07,192
ESOP - 15B	34,98,170	-	4,90,856	2,76,492	27,30,822	5,12,907
ESOP - 16A	-	13,79,770	-	35,000	13,44,770	-
ESOP - 16B	-	4,36,400	-	9,380	4,27,020	-
ESOP - 16C	-	14,29,400	-	10,000	14,19,400	-
<b>Total</b>	<b>75,79,538</b>	<b>32,45,570</b>	<b>16,75,483</b>	<b>4,20,827</b>	<b>87,28,798</b>	<b>16,76,263</b>
Weighted average exercise price (₹)	456.57	486.66	426.48	479.42	472.43	423.28

**Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2023**

Particulars	Outstanding, beginning of year	Granted during the year	Exercised during the year	Forfeited / lapsed during the year	Outstanding, end of year	Options exercisable, end of year
ESOP - 10	42,000	-	-	-	42,000	42,000
ESOP - 11	1,06,430	-	32,410	-	74,020	74,020
ESOP - 12	7,02,910	-	3,94,140	30,680	2,78,090	2,78,090
ESOP - 13	9,33,155	-	2,13,570	52,190	6,67,395	2,64,275
ESOP - 13A	50,000	-	13,000	-	37,000	2,000
ESOP - 14	22,34,820	-	3,05,932	1,29,165	17,99,723	3,40,916
ESOP - 15A	-	11,83,140	-	-	11,83,140	-
ESOP - 15B	-	35,81,490	-	83,320	34,98,170	-
<b>Total</b>	<b>40,69,315</b>	<b>47,64,630</b>	<b>9,59,052</b>	<b>2,95,355</b>	<b>75,79,538</b>	<b>10,01,301</b>
Weighted average exercise price (₹)	383.81	496.09	353.71	425.60	456.57	352.60

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Following summarises the information about stock options outstanding as at March 31, 2024

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP – 10	213	42,000	0.59
ESOP – 11	274	16,150	1.84
ESOP – 12	300	1,57,517	2.59
ESOP – 13	348	3,22,595	3.84
ESOP – 13A	409	23,000	4.42
ESOP – 14	433	12,10,134	4.59
ESOP – 15A	457	10,35,390	5.17
ESOP – 15B	509	27,30,822	5.59
ESOP – 16A	424	13,44,770	9.25
ESOP – 16B	533	4,27,020	9.59
ESOP – 16C	533	14,19,400	9.59

Following summarises the information about stock options outstanding as at March 31, 2023

Plan	Exercise price (₹)	Number of shares arising out of options	Weighted average remaining contractual life (in years)
ESOP – 10	213	42,000	1.53
ESOP – 11	274	74,020	2.79
ESOP – 12	300	2,78,090	3.52
ESOP – 13	348	6,67,395	4.64
ESOP – 13A	409	37,000	5.42
ESOP – 14	433	17,99,723	5.58
ESOP – 15A	457	11,83,140	6.13
ESOP – 15B	509	34,98,170	6.59

### Fair Value methodology

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. The shares of Group are not listed on any stock exchange. Accordingly, the Group had considered the volatility of the Group's stock price based on historical volatility of similar listed enterprises. The various assumptions considered in the pricing model for the stock options granted by the Group are:

Particulars	ESOP 16A	ESOP 16B	ESOP 16C
Dividend yield	0.21%	0.38%	0.38%
Expected volatility	45.70%	38.75%	38.75%
Risk- free interest rate	6.83%	7.26%	7.26%
Expected life of the option	3.49	3.46	3.46

The Group recorded an employee stock compensation expense of ₹ 55.24 Crore (previous year ₹ 43.64 Crore) in Statement of Profit and Loss.

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**36 SEGMENT REPORTING**

Sr No.	Particulars	March 31, 2024	March 31, 2023
<b>i.</b>	<b>Segment Revenue</b>		
	Lending business	12,221.57	9,768.95
	BPO Services	1,949.55	2,633.93
	Unallocated	-	-
	<b>Income from Operations</b>	<b>14,171.12</b>	<b>12,402.88</b>
<b>ii.</b>	<b>Segment Results</b>		
	Lending business	3,178.35	2,508.48
	BPO Services	157.62	140.70
	Unallocated	(31.30)	(21.78)
	<b>Profit before tax</b>	<b>3,304.67</b>	<b>2,627.40</b>
	<b>Income Tax expenses</b>		
	Current tax	770.67	621.30
	Deferred tax Asset	73.16	46.75
	<b>Net Profit</b>	<b>2,460.84</b>	<b>1,959.35</b>
<b>iii.</b>	<b>Capital Employed</b>		
	Segment assets		
	Lending business	91,470.27	68,921.03
	BPO Services	105.01	103.38
	Unallocated	981.23	1,025.98
	<b>Total Assets</b>	<b>92,556.51</b>	<b>70,050.39</b>
	<b>Segment Liabilities</b>		
	Lending business	78,151.30	58,216.53
	BPO Services	192.83	180.38
	Unallocated	469.67	216.52
	<b>Total Liabilities</b>	<b>78,813.80</b>	<b>58,613.43</b>
	Net Segment assets / (liabilities)	13,742.71	11,436.96
<b>iv.</b>	<b>Capital Expenditure (including net CWIP)</b>		
	Lending business	115.03	86.48
	BPO Services	8.32	24.83
	Unallocated	-	-
	<b>Total</b>	<b>123.35</b>	<b>111.31</b>
<b>v.</b>	<b>Depreciation</b>		
	Lending business	131.47	86.49
	BPO Services	13.67	25.35
	Unallocated	-	-
	<b>Total</b>	<b>145.14</b>	<b>111.84</b>
<b>vi.</b>	<b>Other non cash expenditure</b>		
	Lending business	1,067.38	1,330.40
	BPO Services	-	-
	Unallocated	-	-
	<b>Total</b>	<b>1,067.38</b>	<b>1,330.40</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### a) Chief Operating Decision Maker

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director & CEO of the Group has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

### b) Operating Segment

#### Primary Segment (Business Segment)

The Group is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

#### Secondary Segment (Geographical Segment)

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

### c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

### d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

### e) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

## 37 RELATED PARTY DISCLOSURES

Name of the related Party and Nature of Relationship

#### Holding Company :

HDFC Bank Limited

#### Enterprise under common control of Holding Company :

HDFC Securities Limited

HDFC Ergo General Insurance Company Limited

HDFC Life Insurance Company Limited

#### Key Management Personnel (KMP) :

Arijit Basu (Part Time Non Executive Chairman & Independent Director)

Adayapalam Viswanathan (Independent Director)

Arundhati Mech (Independent Director)

Dr. Amla Samanta (Independent Director)

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Jayesh Chakravarthi (Independent Director)  
 Smita Affinwalla (Independent Director)  
 Venkatraman Srinivasan (Independent Director)  
 Jimmy Tata (Non Executive Director)  
 G Ramesh (Managing Director & CEO)

**Other related parties :**

HDBFS Employees Welfare Trust

**Details of Related Party Transactions for the Year:**

Related Party	Nature Of Transaction	March 31, 2024	March 31, 2023
HDFC Bank Limited	Bank charges	9.56	15.35
	Charges for back office support services received / recoverable	533.67	984.41
	Charges for sales support services received / recoverable	1,140.05	1,821.96
	Commission Expenses	0.81	-
	Corporate logo license fees	26.16	17.19
	Dividend paid	232.68	142.61
	Fixed deposits placed	-	-
	Interest paid on non-convertible debentures	198.23	301.45
	Interest paid on term loan and OD account	575.46	376.36
	Interest received on fixed deposits	1.79	2.71
	Investment banking fees paid	0.18	0.01
	IPA charges	0.02	0.00
	Reimbursement of IT expense, secondment charge & other common expenses	0.36	1.51
	Rent paid for premises taken on sub-lease	2.75	2.83
	Securities purchased during the year	200.00	-
	Term loan availed during the year	6,700.00	3,350.00
	Tele collection charges / field collection charges received / recoverable for collection services rendered	275.83	255.65
HDFC Securities Ltd.	Commission on sourcing of loans	-	0.01
	Rent income for premises given on sub-lease	0.09	0.10
	Recovery of expenses	0.12	0.01
Key Management Personnel	a) Short term employee benefits	7.35	6.02
	b) Post-employment benefits	-	-
	c) Other long-term benefits	-	-
	d) Termination benefits	-	-
	e) Share based Payments #	1.51	0.37
	f) Commission paid	0.81	0.74
HDFC Life Insurance Company Limited	Income from Insurance commission	46.19	7.45
	Receipt of funds	150.00	-
	Redemption of bonds(Including Premium)	42.21	-
HDFC Ergo General Insurance Company Limited	Income from Insurance commission	15.20	13.72
	Insurance Premium Expense (Car & Group policy)	2.21	0.55

#The intrinsic value of the stock options granted is Nil. However, the Company in compliance with Ind-AS 102 has been charged to the statement of profit and loss of ₹ 5.07 Crore (previous year ₹ 3.81 Crore) with a corresponding credit to the reserves.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Balances outstanding:

Related Party	Nature Of Transaction	March 31, 2024	March 31, 2023
HDFC Bank Limited	Securitisation	-	53.71
	Balance in current accounts	534.13	327.51
	Balance receivable	-	16.50
	Balance payable	0.23	0.05
	Fixed deposit	-	47.73
	Security deposit paid	0.16	0.16
	Security deposit received	9.85	9.85
	Term loan outstanding	9,634.71	7,082.45
	Non convertible debentures issued	825.00	4,155.00
	WCDL Loan Outstanding	95.83	4.16
HDFC Securities Ltd.	Balance receivable	0.15	0.04
HDFC Life Insurance Company Limited**	Balance payable - Securities	1,239.00	1,156.60
	Balance payable - Expenses	-	-
	Balance receivable	7.12	2.24
HDFC Asset Management Company Limited	Balance payable	-	640.00
HDFC Ergo General Insurance Company Limited**	Balance payable	70.00	70.00
	Balance receivable	2.53	1.98

\*\* excludes amounts pertaining to insurance premiums payable that are in the nature of pass through.

### 38 EMPLOYEE BENEFITS

#### A) Defined contribution plan

The contribution made to various statutory funds is recognised as expense and included in Note 30 'Employee benefits expense' under 'Contribution to provident and other funds' in Statement of Profit and Loss.

#### B) Defined benefit plan (Gratuity)

The Group contributes to the group gratuity fund based on the actuarial valuation determined as at the year-end through the HDFC Life Insurance Group ('HDFC Life') Limited and Life Insurance Corporation of India Limited (LIC). HDFC Life and LIC have certified the Fair Value of the Plan Assets .

#### Details of Actuarial Valuation as at March 31, 2024.

Particulars	March 31, 2024	March 31, 2023
<b>A. Change in defined benefit obligation</b>		
1 Defined benefit obligation at beginning of period	164.71	166.90
2 Service cost		
a. Current service cost	14.74	19.16
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
3 Interest expenses	12.22	7.96
4 Cash flows		
a. Benefit payments from plan	(61.24)	(33.07)
b. Benefit payments from employer	(19.00)	-
c. Settlement payments from plan	-	-
d. Settlement payments from employer	-	-



**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	March 31, 2024	March 31, 2023
5 Remeasurements		
a. Effect of changes in demographic assumptions	0.72	(5.91)
b. Effect of changes in financial assumptions	15.07	(4.03)
c. Effect of experience adjustments	14.93	13.70
6 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
7 Defined benefit obligation at end of period	142.14	164.71
<b>B. Change in fair value of plan assets</b>		
1 Fair value of plan assets at beginning of period	86.68	95.57
2 Interest income	6.43	4.56
3 Cash flows		
a. Total employer contributions		
(i) Employer contributions	3.20	21.36
(ii) Employer direct benefit payments	-	-
(iii) Employer direct settlement payments	-	-
b. Participant contributions	-	-
c. Benefit payments from plan assets	(61.24)	(33.07)
d. Benefit payments from employer	-	-
e. Settlement payments from plan assets	-	-
f. Settlement payments from employer	-	-
4 Remeasurements		
a. Return on plan assets (excluding interest income)	(0.83)	(1.73)
5 Transfer In /Out		
a. Transfer In	-	-
b. Transfer out	-	-
6 Fair value of plan assets at end of period	34.25	86.68
<b>C. Amounts recognised in the Balance Sheet</b>		
1 Defined benefit obligation	142.14	164.71
2 Fair value of plan assets	(34.25)	(86.68)
3 Funded status	107.89	78.03
4 Effect of asset ceiling	-	-
5 Net defined benefit liability (asset)	107.89	78.03
<b>D. Components of defined benefit cost</b>		
1 Service cost		
a. Current service cost	14.74	19.16
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Total service cost	14.74	19.16
2 Net interest cost		
a. Interest expense on DBO	12.22	7.96
b. Interest (income) on plan assets	6.43	4.56
c. Interest expense on effect of (asset ceiling)	-	-
d. Total net interest cost	5.79	3.40
3 Remeasurements (recognised in OCI / Retained Earnings)		
a. Effect of changes in demographic assumptions	0.72	(5.91)
b. Effect of changes in financial assumptions	15.07	(4.03)
c. Effect of experience adjustments	14.93	13.70

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Particulars	March 31, 2024	March 31, 2023
d. Return on plan assets (excluding interest income)	(0.83)	(1.73)
e. Changes in asset ceiling (excluding interest income)	-	-
f. Total remeasurements included in OCI / Retained Earnings	31.54	5.48
4 Total defined benefit cost recognised in P&L and OCI	52.07	28.04
<b>E. Re-measurement</b>		
a. Actuarial Loss/(Gain) on DBO	30.72	3.75
b. Returns above Interest Income	0.83	1.73
c. Change in Asset ceiling	-	-
Total Re-measurements (OCI / Retained Earnings)	31.54	5.48
<b>F. Employer Expense (P&amp;L)</b>		
a. Current Service Cost	14.74	19.16
b. Interest Cost on net DBO	5.79	3.40
c. Past Service Cost	-	-
d. Total P&L Expenses	20.53	22.56
<b>G. Net defined benefit liability (asset) reconciliation</b>		
1 Net defined benefit liability (asset)	78.02	71.33
2 Defined benefit cost included in P&L	20.53	22.56
3 Total remeasurements included in OCI / Retained Earnings	31.54	5.48
4 a. Employer contributions	(3.20)	(21.36)
b. Employer direct benefit payments	(19.00)	-
c. Employer direct settlement payments	-	-
5 Net transfer	-	-
6 Net defined benefit liability (asset) as of end of period	107.89	78.02
<b>H. Reconciliation of OCI (Re-measurement)</b>		
1 Recognised in OCI at the beginning of period	75.74	70.26
2 Recognised in OCI during the period	31.54	5.48
3 Recognised in OCI / Retained Earnings at the end of the period	107.28	75.74
<b>I. Sensitivity analysis - DBO end of Period</b>		
1 Discount rate +100 basis points	(3.88)	(3.19)
2 Discount rate -100 basis points	4.27	3.43
3 Salary Increase Rate +1%	3.98	3.36
4 Salary Increase Rate -1%	(3.70)	(3.18)
5 Attrition Rate +1%	(1.52)	(0.66)
6 Attrition Rate -1%	1.65	0.69
<b>J. Significant actuarial assumptions</b>		
1 Discount rate Current Year (p.a.)	7.21%	7.42%
2 Discount rate Previous Year (p.a.)	7.42%	4.77%
3 Salary increase rate (p.a.)	3.00% - 15.00%	3.00% - 10.00%
4 Attrition Rate (%)	9.00% - 89.00%	9.00% - 71.00%
5 Retirement Age (years)	60	60
6 Pre-retirement mortality	IALM (2012-14) Urban	IALM (2012-14) Urban
7 Disability	Nil	Nil

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

Particulars	March 31, 2024	March 31, 2023
<b>K. Data</b>		
1 No.	86,753.00	1,15,137
2 Average age (yrs.)	30.07	29.11
3 Average past service (yrs.)	2.49	2.47
4 Average salary monthly (₹)	9,200.53	9,159.64
5 Future service (yrs.)	29.93	30.89
6 Weighted average duration of DBO	4.00	3.00
<b>L. Expected cash flows for following year</b>		
1 Expected contributions / Addl. Provision Next Year	72.36	36.85
2 Expected total benefit payments		
Year 1	59.93	64.60
Year 2	20.54	37.29
Year 3	12.81	22.65
Year 4	10.35	15.34
Year 5	9.08	11.09
Next 5 years	34.89	27.97
<b>Category of Plan assets</b>	<b>% of Fair value to total planned assets (as at March 31, 2024)</b>	
Government securities and corporate bonds/debentures	97.07%	
Money market instruments and fixed deposits	1.92%	
Net current assets and other approved security	1.01%	
<b>Total</b>	<b>100.00%</b>	

The Group's gratuity plan obligation is determined by actuarial valuation and is funded by investments in government securities. As such, the valuation and the funding are exposed to certain risks, including mainly salary increments, attrition levels, interest rates and investment yields. If salaries and interest rates rise faster than assumed or if the attrition rates are lower than assumed, then the Group's gratuity obligation would rise faster in future periods and an increase in market yields of government securities would reduce the value of the plan's investments, leading to higher future funding requirements. The Group monitors plan obligations and investments regularly with a view to ensuring that there is adequate funding on an ongoing basis, thus mitigating any potential adverse consequences of the risks described.

**C) Compensated absences**

The Group neither has a policy of encashment of unavailed leaves for its employees nor allow the leaves to be carry forward to next year.

- D) The Parliament has approved the Code on Social Security, 2020 ("Code") which may impact the contribution by the Group towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Group will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

**39 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

Sr No.	Particulars	March 31, 2024	March 31, 2023
1	Claims against the Company not acknowledged as debt (Refer Note 39.1)	105.44	99.53
2	Estimated amount of contracts remaining to be executed on capital account and not provided for: (Net of Advances amounting to ₹ 37.13 Crore, previous year ₹ 9.02 Crore)	85.10	45.00
3	Undrawn committed sanctions to borrowers	372.07	134.31

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 39.1 Claims against the Group not acknowledged as debt

Particulars	March 31, 2024	March 31, 2023
Suit filed by borrowers	19.80	13.88
Other contingent liabilities in respect of :		
1. Provident Fund matter - (see (a) below)	50.14	50.14
2. Payment of Bonus (Amendment) Act, 2015 - (see (b) below)	34.88	34.88
3. Payment of Labour Welfare Fund	0.32	0.32
4. Maharashtra Professional Tax Assessment	0.31	0.31
<b>Total</b>	<b>105.44</b>	<b>99.53</b>

#### a) Provident Fund matter

The Group has received a notice of demand from the Provident Fund department amounting to ₹ 50.14 Crore. The Group had filed an appeal challenging the Provident Fund Commissioner's order before the Provident Fund Appellate Tribunal, wherein the Group had received a favourable outcome. However, a sum of ₹ 1 Crore has been deposited under protest with the Provident Fund Appellate Authority. This amount is shown under Other financial assets.

The Provident Fund department has challenged order of the appellate authority in the High Court. The management of the Group is of the view that no material losses will arise in respect of the legal claim and accordingly the same has been disclosed as a contingent liability. In the eventuality of any claim arising out of this case, the same will be billed to the customer in the year the claim is final and accordingly no provision has been made.

#### b) Payment of Bonus (Amendment) Act, 2015

As per the amendment to the Payment of Bonus (Amendment) Act, 2015 vide notification number DL-(N)04/70007/2003-16 issued on January 01, 2016 by Government of India, the Group would be required to pay statutory bonus to all eligible employees as per the amendments specified thereunder, with effect from April 01, 2014. However, various High Courts have granted a stay on retrospective effect of Payment of Bonus (Amendment) Act, 2015 from financial year 2014-15. In light of the above, the Group has decided to disclose such bonus amounting to ₹ 34.88 Crore as a contingent liability.

**39.2** The Group's pending litigations comprise of claims against the Group by the customers and proceedings pending with other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**39.3** The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**40 MATURITY ANALYSIS OF ASSETS & LIABILITIES**

Particulars	March 31, 2024		March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents (CCE)	647.85	-	395.90	-
(b) Bank balances other than CCE	48.28	6.38	257.92	-
(c) Derivative financial instruments	-	1.91	165.34	-
(d) Trade receivables	124.61	-	65.76	-
(e) Loans	31,476.37	55,244.89	24,418.76	41,963.91
(f) Investments	3,340.70	39.63	1,185.31	57.94
(g) Other financial assets	-	39.50	-	34.87
	35,637.81	55,332.31	26,488.99	42,056.72
<b>Non-financial Assets</b>				
(a) Current tax assets (Net)	41.29	-	25.11	-
(b) Deferred tax assets (Net)	-	939.95	-	1,000.87
(c) Property, plant and equipment	-	162.53	-	122.37
(d) Capital work-in-progress	-	-	-	-
(e) Other intangible assets	-	22.15	-	20.41
(f) Right of Use Assets	66.39	260.12	54.03	190.24
(g) Other non-financial assets	55.67	38.29	50.40	41.25
	163.35	1,423.04	129.54	1,375.14
<b>TOTAL ASSETS</b>	35,801.16	56,755.35	26,618.53	43,431.86
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Derivative financial instruments	-	4.77	-	-
(b) Trade payables	403.27	105.73	291.84	-
(c) Debt securities	11,467.72	23,383.40	9,620.89	17,475.52
(d) Borrowings other than debt securities	13,599.84	20,231.54	9,663.25	14,564.55
(e) Subordinated liabilities	499.88	5,148.29	229.42	3,311.68
(f) Other financial liabilities	2,406.58	548.69	2,310.87	467.57
	28,377.29	49,422.42	22,116.27	35,819.32
<b>Non-Financial Liabilities</b>				
(a) Current tax liabilities (net)	58.65	-	41.97	-
(b) Provisions	428.52	74.42	314.34	54.62
(c) Other non-financial liabilities	452.50	-	266.91	-
	939.67	74.42	623.22	54.62
<b>TOTAL LIABILITIES</b>	29,316.96	49,496.84	22,739.49	35,873.94
<b>NET</b>	6,484.20	7,258.51	3,879.04	7,557.92

**41 CORPORATE SOCIAL RESPONSIBILITY**

The average profit before tax of the Group for last three financial years was ₹ 1,498.34 Crore, basis which the Group's Prescribed CSR Budget for FY 2023-24 was ₹ 29.97 Crore. In FY 2022-23 an excess amount of ₹ 0.76 Crore was spent against the Prescribed CSR Budget for FY 2022-23, hence after adjusting the excess spend, the Group's CSR Obligation for FY 2023-24 was ₹ 29.21 Crore.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### a) Amount spent during the year on:

Particulars	March 31, 2024			March 31, 2023		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	31.30	Not Applicable	31.30	21.78	Not Applicable	21.78

### b) In case of Section 135(5) unspent amount:

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Not Applicable				

### c) In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
(0.76)	29.97	31.30	(2.09)

### d) In case of Section 135(6) Details of ongoing projects

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent Account
(0.76)	-	29.97	31.30	-	(2.09)	-

### e) Nature of CSR activities

CSR activities conducted during the year was focused on promoting healthcare, enhancing employability skills for unemployed individuals, supporting restoration of waterbodies and other water conservation activities, among other interventions.

## 42 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

As per the confirmation received from the parties following is the status of MSME parties.

Particulars	March 31, 2024	March 31, 2023
The Principal amount remaining unpaid at the end of the year	-	-
The Interest Amount remaining unpaid at the end of the year	-	-
Interest paid along with amount of payment made to the supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day	-	-
Amount of interest accrued and remaining unpaid	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Balance of MSME parties at the end of the year	-	-

**Note** - The above is based on the information available with the Group which has been relied upon by the auditors.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 43 FAIR VALUE MEASUREMENT

#### a) Valuation principles

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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

#### b) Total financial assets measured at fair value on a recurring basis :

The following tables show an analysis of the fair value of financial assets by level of the fair value hierarchy.

Particulars	Category	Fair value	Fair Value	
		hierarchy	March 31, 2024	March 31, 2023
Mutual fund units	FVTPL	Level 1	1,753.41	411.65
Unquoted equity shares	FVTPL	Level 3	2.30	1.95
Securities receipt of ARC	FVTPL	Level 2	37.33	55.99
Derivative financial instruments	FVTPL	Level 2	1.92	165.34

##### Level 1:

Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Treasury bills are valued based on market quotes.

##### Level 2:

Fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data. Fair valuation of cross currency swaps is achieved by estimating forward exchange rates to calculate the present value of future net cash flows, adjusted for currency-specific risks. The fair value of INR interest rate swaps is determined by discounting future fixed and floating rate payments using the appropriate floating rates, reflecting the current market conditions and interest rate expectations.

##### Level 3:

Fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Unquoted equity shares are measured at fair value using suitable valuation models viz., net asset value technique.

#### c) The table below presents information pertaining to the fair values and carrying values of the Group's financial assets and liabilities.

Particulars	Category	Fair value hierarchy	March 31, 2024		March 31, 2023	
			Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>						
(a) Cash and cash equivalents (CCE)	Amortised cost		647.85	647.85	395.90	395.90
(b) Bank balances other than CCE	Amortised cost		54.66	54.66	257.92	257.92
(c) Derivative financial instruments	FVTPL	Level 2	1.91	1.91	165.34	165.34
(d) Trade receivables	Amortised cost		124.61	124.61	65.76	65.76
(e) Loans	Amortised cost	Level 3	86,721.26	87,859.69	66,382.67	63,647.52



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Particulars	Category	Fair value hierarchy	March 31, 2024		March 31, 2023	
			Carrying value	Fair value	Carrying value	Fair value
(f) Investments - Mutual funds	FVTPL	Level 1	1,753.41	1,753.41	411.65	411.65
Investments - G-Sec & Treasury bills	FVTPL	Level 1	-	-	773.66	773.66
Investments - G-Sec & Treasury bills	Amortised cost		1,587.29	1,590.36	-	-
Investments - In Security Receipts	FVTPL	Level 2	37.33	37.33	55.99	55.99
Investments - Unquoted equity shares	FVTPL	Level 3	2.30	2.30	1.95	1.95
(g) Other financial assets	Amortised cost		39.50	39.50	34.87	34.87
			90,970.12	92,111.62	68,545.71	65,810.56
<b>Financial Liabilities</b>						
(a) Derivative financial instruments	FVTPL	Level 2	4.77	4.77	-	-
(b) Trade payables	Amortised cost		509.00	509.00	291.84	291.84
(c) Debt securities	Amortised cost	Level 2	34,851.12	35,439.59	27,096.41	27,322.07
(d) Borrowings other than Securitisation	Amortised cost	Level 2	33,746.16	34,001.76	23,856.94	23,087.21
Borrowings under Securitisation	Amortised cost	Level 2	85.22	83.40	370.86	364.45
(e) Subordinated liabilities	Amortised cost	Level 2	5,648.17	5,847.17	3,541.10	3,623.40
(f) Other financial liabilities	Amortised cost		2,955.27	2,955.27	2,778.42	2,778.42
			77,799.71	78,840.96	57,935.57	57,467.39

### (i) Short-term and other financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

### (ii) Loans

These financial assets are recorded at amortised cost, the fair values of which are estimated at portfolio level using a discounted cash flow model based on contractual cash flows discounted using market rates incorporating the counterparties' credit risk.

### (iii) Debt securities, borrowings and subordinated liabilities

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the Group's own credit risk or based on market-observable data such as secondary market prices for its traded debt, as relevant.

## 44 CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Group ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Group comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 45 RISK MANAGEMENT

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.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

#### a) Credit risk

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and industry concentrations, and by monitoring exposures in relation to such limits.

#### Financial assets measured on a collective basis

The Group splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured / unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

#### Significant increase in credit risk

The Group considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

#### Impairment assessment

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e. borrower becomes 0 days past due on its contractual payments.

#### Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

#### Loss given default

The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The Group uses data obtained from third party sources and combines such data with inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Credit quality of assets

- a) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment The amounts presented are gross of Impairment loss allowance.

Stage	March 31, 2024	March 31, 2023
Stage 1	87,218.17	66,793.73
Stage 2	1,287.94	1,322.12
Stage 3	1,711.82	1,914.85
<b>Total</b>	<b>90,217.93</b>	<b>70,030.70</b>

- b) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	66,793.02	1,322.83	1,914.85	70,030.70
Originated or new	60,425.23	333.45	140.57	60,899.25
Matured or repaid	(36,969.23)	(837.86)	(1,687.72)	(39,494.81)
Transfers to Stage 1	478.89	(270.58)	(208.31)	-
Transfers to Stage 2	(1,249.64)	1,280.69	(31.05)	-
Transfers to Stage 3	(2,260.10)	(540.59)	2,800.69	-
Amounts written off (net of recovery)	-	-	(1,217.21)	(1,217.21)
Gross carrying amount - closing balance	87,218.17	1,287.94	1,711.82	90,217.93

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	56,142.18	2,125.38	3,058.76	61,326.32
Originated or new	44,483.31	210.59	107.86	44,801.76
Matured or repaid	(31,096.12)	(1,099.72)	(2,059.75)	(34,255.59)
Transfers to Stage 1	875.26	(572.33)	(302.93)	-
Transfers to Stage 2	(1,346.94)	1,407.22	(60.28)	-
Transfers to Stage 3	(2,264.67)	(748.31)	3,012.98	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Gross carrying amount - closing balance	66,793.02	1,322.83	1,914.85	70,030.70

	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	2,028.93	372.50	1,246.60	3,648.03
Originated or new	1,011.70	121.73	111.03	1,244.46
Increase / (decrease) in provision on existing financial assets (Net of recovery)	(889.44)	34.01	676.82	(178.61)
Transfers to Stage 1	158.92	(57.01)	(101.91)	-
Transfers to Stage 2	(84.57)	97.27	(12.70)	-
Transfers to Stage 3	(251.15)	(190.05)	441.20	-
Amounts written off (net of recovery)	-	-	(1,217.21)	(1,217.21)
Impairment loss allowance - closing balance	1,974.39	378.45	1,143.83	3,496.67



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	1,996.81	511.25	1,655.81	4,163.87
Originated or new	711.35	74.53	86.91	872.79
Increase / (decrease) in provision on existing financial assets (Net of recovery)	(489.95)	(0.68)	943.79	453.16
Transfers to Stage 1	200.90	(102.26)	(98.64)	-
Transfers to Stage 2	(102.61)	122.39	(19.78)	-
Transfers to Stage 3	(287.57)	(232.73)	520.30	-
Amounts written off (net of recovery)	-	-	(1,841.79)	(1,841.79)
Impairment loss allowance - closing balance	<b>2,028.93</b>	<b>372.50</b>	<b>1,246.60</b>	<b>3,648.03</b>

### c) Modified financial assets

The Group renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as Stage 3. Such accounts are upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets	March 31, 2024	March 31, 2023
Gross carrying amount	<b>1,137.69</b>	2,384.91
Impairment allowance	<b>366.82</b>	1,091.00
Net carrying amount	<b>770.87</b>	1,293.91

### Analysis of risk concentration

The following table shows risk concentration of the Group's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

Exposure to modified financial assets	March 31, 2024	March 31, 2023
Carrying value of Loans	<b>86,721.26</b>	66,382.67
Mortgage backed loans	<b>20,658.54</b>	17,676.86
Other assets backed loans	<b>38,706.72</b>	28,669.31
Personal loans	<b>20,916.78</b>	15,828.13
Others	<b>6,439.22</b>	4,208.37
<b>Total</b>	<b>86,721.26</b>	<b>66,382.67</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees
- For retail lending, mortgages over residential properties

The Group also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

### Collateral coverage - credit impaired loans

Loan to Value (LTV) range	March 31, 2024	March 31, 2023
Upto 50 % Coverage	527.43	659.53
51-75 % Coverage	40.39	8.58
76-100 % Coverage	0.17	0.02
Above 100% Coverage	-	-
<b>Total</b>	<b>567.99</b>	<b>668.13</b>

### b) Liquidity risk and funding management

Liquidity risk arises because of the possibility that the Group 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. 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.

### Maturity profile of financial liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at 31, March.

March 31, 2024	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	403.27	105.73	-	-	509.00
Debt securities	11,467.72	19,771.45	2,112.65	1,499.31	34,851.12
Borrowings	13,514.62	15,785.35	4,235.07	211.11	33,746.16
Borrowings under Securitisation	85.22	-	-	-	85.22
Subordinated liabilities	499.87	389.45	1,177.48	3,581.37	5,648.17
<b>Total</b>	<b>25,970.70</b>	<b>36,051.98</b>	<b>7,525.20</b>	<b>5,291.79</b>	<b>74,839.67</b>

March 31, 2023	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above	Total
Trade payables	291.84	-	-	-	291.84
Debt securities	11,287.03	15,700.20	3,220.45	1,393.20	31,600.88
Borrowings	10,257.28	13,961.22	2,628.58	41.07	26,888.15
Borrowings under Securitisation	293.82	86.99	-	-	380.81
Subordinated liabilities	545.86	1,036.75	1,125.54	2,490.14	5,198.29
<b>Total</b>	<b>22,675.83</b>	<b>30,785.16</b>	<b>6,974.57</b>	<b>3,924.41</b>	<b>64,359.97</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### c) Market risk

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

#### i) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss.

	% Increase/decrease in rate		Increase/decrease in profit	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Borrowings that are re-priced	0.25%	0.25%	73.77	48.75
Loans that are re-priced	0.25%	0.25%	50.49	41.78

#### ii) Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arise majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

### d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key back up processes. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Group's readiness.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

### 46 IMPACT OF HEDGING ACTIVITIES

#### a) Disclosure of effects of hedge accounting on financial position:

##### March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
<b>Cash flow hedge</b>								
Foreign exchange forward contracts (Cross currency interest rate swaps)	2,085.13	-	-	4.77	Jan 12, 2027	(170.94)	(170.94)	Borrowings
Interest rate swaps	1,750.00	-	1.92	-	May 27, 2026 & Sep 26, 2028	1.92	1.92	Borrowings

##### March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
<b>Cash flow hedge</b>								
Foreign exchange forward contracts (Cross currency interest rate swaps)	1,889.91	-	165.34	-	June 18, 2023	33.73	33.73	Borrowings

#### b) Disclosure of effects of hedge accounting on financial performance

##### March 31, 2024

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	(170.94)	-	151.93	Finance cost
Interest rate risk	1.92	-	-	Finance cost

##### March 31, 2023

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive Income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Foreign exchange risk and interest rate risk	33.73	-	(14.13)	Finance cost



**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**47 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Particulars	April 01, 2023	Cash flows	Exchange Difference	Other	March 31, 2024
Debt securities	27,096.41	7,825.40	-	(70.69)	<b>34,851.13</b>
Borrowings other than debt securities	23,856.94	10,040.17	(151.93)	0.97	<b>33,746.16</b>
Borrowings under Securitisation	370.86	(285.64)	-	-	<b>85.22</b>
Subordinated liabilities	3,541.10	2,120.00	-	(12.93)	<b>5,648.17</b>
<b>Total</b>	<b>54,865.31</b>	<b>19,699.93</b>	<b>(151.93)</b>	<b>(82.65)</b>	<b>74,330.67</b>

Particulars	April 01, 2022	Cash flows	Exchange Difference	Other	March 31, 2023
Debt securities	25,332.31	1,738.71	-	25.39	27,096.41
Borrowings other than debt securities	18,296.08	5,534.35	-	26.51	23,856.94
Borrowings under Securitisation	1,205.64	(834.78)	-	-	370.86
Subordinated liabilities	4,139.05	(608.90)	-	10.95	3,541.10
<b>Total</b>	<b>48,973.08</b>	<b>5,829.38</b>	<b>-</b>	<b>62.85</b>	<b>54,865.31</b>

- (i) Other column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.  
(ii) Total Liabilities comprises of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

**48 EXPENDITURE / REMITTANCES IN FOREIGN CURRENCIES****a) Expenditure in Foreign Currencies**

Particulars	March 31, 2024	March 31, 2023
Processing charges for debt instrument	<b>2.49</b>	-
Professional charges	<b>0.02</b>	0.05
Annual software application fee	<b>3.30</b>	4.16
Other Expenditure	<b>0.04</b>	-

**b) There is no dividend paid in foreign currency.****49 EVENT AFTER REPORTING DATE**

There have been no events after the reporting date that require adjustment/disclosure in the financial statements.

**50 TRANSFER OF FINANCIAL ASSETS****50.1 Transferred financial assets that are not derecognised in their entirety**

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

**A) Securitisation**

The Group has transferred certain pools of fixed rate loan receivables backed by underlying assets by entering into securitisation transactions with the Special Purpose Vehicle Trusts (SPV Trust) sponsored by commercial banks for consideration received in cash at the inception of the transaction.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

The Group, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Group to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs etc. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Group is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Group has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as 'Borrowing under Securitisation' under Note 18.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	March 31, 2024	March 31, 2023
Carrying amount of transferred assets measured at amortised cost	79.94	356.14
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	85.22	370.86
Fair value of assets	71.23	337.98
Fair value of associated liabilities	83.40	364.45
Net position at Fair Value	(12.17)	(26.47)

### B) Assignment

The Group has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	March 31, 2024	March 31, 2023
Carrying amount of de-recognised financial asset	17.11	55.84
Carrying amount of retained assets at amortised cost*	1.82	6.09
Gain on sale of the de-recognised financial asset	Nil	Nil

\*excludes Excess Interest Spread (EIS) on de-recognised financial assets

### 50.2 Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

**51 DISCLOSURE PURSUANT TO REGULATION 53(F) READ WITH SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Sr No.	Particulars	March 31, 2024	March 31, 2023
a)	Loans and advances in the nature of loans to subsidiaries	-	-
	Name of the Company	-	-
	Amount	-	-
b)	Loans and advances in the nature of loans to associates	-	-
	Name of the Company	-	-
	Amount	-	-
c)	Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-
	Name of the Company	-	-
	Amount	-	-
d)	Investments by the loanee in the shares of parent company and subsidiary company, when the Company has made a loan or advance in the nature of loan.	-	-

**52 RELATIONSHIP WITH STRUCK OFF COMPANIES ON THE BASIS OF AVAILABLE DATA ON THE DATE OF REPORTING**

Sr No.	Name of Struck off Company	Nature of transactions	As at March 31, 2024 (Amt in Crore)	As at March 31, 2023 (Amt in Crore)	Relation ship with the struck off company, if any, to be disclosed
1	Goldman Venture Private limited	Shareholder	*	*	Shareholder
2	Galaxy Park Hospitality Private Limited	Loan	-	0.48	Borrower
3	Glamoroso Family Saloon And Spa Private Limited	Loan	0.26	0.28	Borrower
4	GVK Alliance Networks Private Limited	Loan	0.49	0.53	Borrower
5	Onus Labs Private Limited	Loan	0.24	0.30	Borrower
6	Peesscon India Reality Private Limited	Loan	-	0.13	Borrower
7	Shanti Sarup And Sons Private Limited	Loan	-	0.70	Borrower
8	Arun Electrochemical Systems Pvt Ltd	Loan	0.08	0.19	Borrower
9	Rushi Herbal Pvt Ltd	Loan	-	(0.02)	Borrower
10	A S P Appliances P Ltd	Loan	-	1.01	Borrower
11	Natkhat Agro Foods Private Limited	Loan	0.18	0.20	Borrower
12	Jeevan Jyothi General And Maternity Hospital Private Limited	Loan	0.65	0.69	Borrower
13	Deli Carrier Pack And Move Private Limited	Loan	0.18	0.21	Borrower
14	DRS Enterprises Private Limited	Loan	-	0.15	Borrower
15	NMG Food And Beverages Private Limited	Loan	-	0.05	Borrower
16	R S Vegetable Exporters India Private Limited	Loan	0.05	0.09	Borrower

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(Currency : Indian Rupees in Crore)

Sr No.	Name of Struck off Company	Nature of transactions	As at March 31, 2024 (Amt in Crore)	As at March 31, 2023 (Amt in Crore)	Relation ship with the struck off company, if any, to be disclosed
17	Brand X Zone Private Limited	Loan	-	0.04	Borrower
18	Prarabdh Bharti Bhawan Opc Private Limited	Loan	0.02	0.03	Borrower
19	Shri Ganesha Global Gulal Private Limited	Loan	-	0.15	Borrower
20	Royal Friends Enterprises Private Limited	Loan	-	(0.00)	Borrower
21	Raj Kumar And Sons Ornaments Pvt Ltd	Loan	-	(0.01)	Borrower
22	Grahalaya Constructions Private Limited	Loan	-	(0.00)	Borrower
23	Kapco Foods India Private Limited	Loan	0.18	-	Borrower
24	M P Appliances Private Limited	Loan	0.56	-	Borrower
25	PRS Gases Company LLP	Loan	0.15	-	Borrower
26	Indonex Services Private Limited	Loan	-	(0.00)	Borrower

**Note:** In the absence of purchase price of share held by Goldman Venture Private Limited face value is considered for reporting purpose.

\* Less than ₹ 1000/-.

### 53 DISCLOSURE PURSUANT TO REGULATION 54 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Debentures are secured by way of a first and pari passu mortgage in favour of the Security Trustee on the Company's Office no 319, 3rd Floor, Heera Panna Complex, Dr. Yagnik Road, Rajkot and/or further secured by way of hypothecation of receivables under financing activity with a minimum requirement of asset cover of 1.0 times. Assets cover as on March 31, 2024 is 1.1 times.

### 54 DETAILS OF REVENUE FROM INSURANCE SEGMENT

Particulars	As at March 31, 2024	As at March 31, 2023
Commission Income	206.73	40.89

**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

- The Company has not traded or invested in crypto currency or virtual currency during the financial year
- There are no undisclosed transaction which have not been recorded in the books.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- The Company has not entered into any scheme of arrangement
- No Registration or satisfaction of charges are pending to be filed with ROC.

**Notes to the Consolidated Financial Statements  
for the year ended March 31, 2024 (Contd.)**

(Currency : Indian Rupees in Crore)

- 56** a) 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.
- b) 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.
- c) The accounting software used by the Company to maintain its books of accounts has a feature of recording audit trail (edit log) facility and the same has been opted throughout the year for all transactions recorded in the software.

- 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.

**58 DIVIDEND DISTRIBUTED TO EQUITY SHAREHOLDERS**

The Company has paid an interim dividend of ₹ 2.00 per equity share during the year. Further, the Board has proposed a final dividend of ₹ 1.00 per equity share for financial year ended March 31, 2024 in the Board of Directors meeting held on April 16, 2024.

Accounting Period	Net Profit for the accounting period (₹ in Crore)	Rate of dividend (%)	Amount of Dividend (₹ in Crore)	Dividend Payout ratio (%)
FY 2023-24	2,460.84	30%	237.64	9.66%
FY 2022-23	1,959.35	20%	158.26	8.08%
FY 2021-22	1,011.40	10%	79.04	7.82%

**59 STANDARDS ISSUED BUT NOT YET EFFECTIVE**

On March 31, 2024, there is no Ind AS amendment rules / notification issued by the Ministry of Corporate Affairs ('MCA') which is not effective as on date.

As per our report of even date attached

**For B. K. Khare & Co.**  
Chartered Accountants  
Firms' Registration  
No: 105102W

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firms' Registration  
No: 105146W/W-100621

For and on behalf of the Board of Directors of  
**HDB Financial Services Limited**

**Sd/-**  
**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Sd/-**  
**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Sd/-**  
**Arijit Basu**  
Part Time Non-Executive  
Chairman & Independent Director  
DIN: 06907779

**Sd/-**  
**G. Ramesh**  
Managing Director & CEO  
DIN: 05291597

Place: Mumbai  
Date: April 16, 2024

**Sd/-**  
**Dipti Khandelwal**  
Company Secretary  
Membership No: F11340

**Sd/-**  
**Jaykumar P. Shah**  
Chief Financial Officer  
Membership No: 106353

## Notes

## Notes





Total Branches - 1682

Disclaimer : All efforts have been made to make this image accurate. However, the Company and it's Directors do not own the responsibility for the correctness or the authenticity of the same.

# CORPORATE INFORMATION

## Key Managerial Personnel

### Mr. Ramesh G.

Managing Director & Chief Executive Officer

### Mr. Jaykumar Shah,

Chief Financial Officer

### Ms. Dipti Khandelwal,

Company Secretary

## Joint Statutory Auditors

### M/s. KKC & Associates LLP

(formerly Khimji Kunverji & Co LLP)

(ICAI FRN: 105146W/W100621)

### M/s. B. K. Khare & Co

(ICAI FRN: 105102W)

## Secretarial Auditors

### M/s. Mehta & Mehta,

Company Secretaries

## Registered Office

Radhika, 2<sup>nd</sup> Floor, Law Garden Road,

Navrangpura, Ahmedabad - 380 009

Tel No.: +91 7045054829

Website: [www.hdbfs.com](http://www.hdbfs.com)

Email: [compliance@hdbfs.com](mailto:compliance@hdbfs.com)

CIN: U65993GJ2007PLC051028

## Corporate Information Number

U65993GJ2007PLC051028

## Corporate Office

Ground Floor, Zenith House,

Keshavrao Khadye Marg, Mahalaxmi,

Mumbai - 400 034

Tel No.: +91 22 49116300

Fax: +91 22 49116666

## Bankers

\* Axis Bank \* Bank of Baroda \* Bank of India

\* Canara Bank \* Central Bank of India \* City Union Bank

\* CSB Bank \* CTBC Bank \* Dhanlaxmi Bank

\* Federal Bank \* HDFC Bank \* HSBC Bank \* ICICI Bank

\* IDBI Bank \* IndusInd Bank \* Indian Bank

\* Jammu & Kashmir Bank \* Karur Vyasa bank

\* Karnataka Bank \* Kotak Mahindra Bank

\* Punjab & Sind Bank \* Punjab National Bank

\* Small Industries Development Bank of India

\* State Bank of India \* Union Bank of India

## Registrar & Share Transfer Agent

### M/s. Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai - 400 083

## Debenture Trustees

### M/s. IDBI Trusteeship Services Limited

Universal Insurance Building,

Ground Floor, Sir P M Road,

Fort, Mumbai - 400 001

Tel.: +91 22 40807000

Fax: +91 22 66311776

Email: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)

### M/s. Axis Trustee Services Limited

Ground Floor, Axis House, Wadia International Centre,

Pandurang Budhkar Marg, Worli,

Mumbai - 400 0025

Tel.: +91 22 62300446

Fax: +91 22 62300700

Email: [debenturetrustee@axistrustee.in](mailto:debenturetrustee@axistrustee.in)



[www.hdbfs.com](http://www.hdbfs.com)

**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED HELD ON TUESDAY, APRIL 16, 2024, AT 11:15 A.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400 034**

**Approve new limit of Rs. 10,000 Crore for issue of NCDs**

"**RESOLVED THAT** pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 ("RBI Master Direction") and Section 42, 71 and 179 of the Companies Act, 2013 read with applicable rules and regulations made there under, as amended from time to time, and subject to the approval of the members of the Company by way of a special resolution pursuant to Section 42 of the Companies Act, 2013, read with applicable rules and regulations made there under, as amended from time to time, and the provisions of Memorandum and Articles of Association of the Company, and in addition to the limit of Rs. 14,372.72 Crore (Rupees Fourteen Thousand Three Hundred Seventy-Two Crore and Seventy-Two Lakhs only) approved by the Board up to which the Company may borrow funds by issue of secured redeemable non-convertible debentures on private placement basis in one or more tranches/series pursuant to the resolution dated April 16, 2024, the consent of the Board be and is hereby accorded to borrow additional funds by issue of secured redeemable non-convertible debentures(NCDs) on private placement basis, in one or more tranches/series as may be decided by the Authorised Signatories, upto additional limit of Rs. 10,000 Crore (Rupees Ten Thousand Crore only), and within the overall limit of borrowing as approved by the members pursuant to Section 180(1)(c) of the Companies Act, 2013, from time to time, on the date of issue, as per the terms and conditions briefed as under:

<b>Issuer</b>	HDB Financial Services Ltd. ('the Issuer'/ 'the Company'/ 'the Borrower'/'HDB')
<b>Issue Size</b>	Upto Rs. 10,000 Crore in aggregate in various tranches/series, as may be decided by the Authorised Signatories (Issue of all tranches/series collectively referred to as 'Issue')
<b>Instrument</b>	Secured Redeemable Non-Convertible Debentures ('NCDs'/ 'Debentures') The appropriate description of the NCDs to be issued would be as set out in the Key information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Object of issue</b>	On-lending, general corporate purpose or such other purposes as may be identified in the transaction documents
<b>Security</b>	Exclusive charge or paripassu charge by way of hypothecation over the receivables of the Company, as may be decided by the Authorised Signatories at the time of issuance, having asset cover of not more than 1.25 / 1.1 times to be maintained during the tenor of the NCDs.
<b>Face Value</b>	Rs. 1 lakh each or as may be prescribed under applicable law, including by any regulatory authority or securities depository
<b>Rating Agency</b>	CARE Ratings Limited and/ or CRISIL Ratings Limited or such other agency as the Company may appoint from time to time



<b>Tenor</b>	For a period not exceeding ten years. Exact tenure to be identified in the Key Information Document and/or Private Placement Offer Letter issued for each tranche/series.
<b>Put / Call Option</b>	As may be decided by the Authorised Signatories and specified in the Key Information Document from time to time.
<b>Redemption</b>	As per the terms that may be agreed by the Authorised Signatories at the time of issue of each tranche/series and specified in the Key Information Document.
<b>Indicative Coupon rate</b>	To be decided by the Authorised Signatories as per market conditions at the time of issue of each tranche/series and would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Coupon payment</b>	Annual or such other frequency as may be decided for each series subject to TDS. The frequency of coupon payment would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/ series.
<b>Debenture Trustees</b>	IDBI Trusteeship Services Limited or such other agency/ company as the Company may appoint from time to time
<b>Deemed Date of Allotment</b>	As may be decided by the Authorised Signatories and specified in the Key Information Document from time to time
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment of the BSE Limited or such other stock exchanges as may be required
<b>Settlement</b>	Payment of interest and repayment of principal shall be made by way of cheque(s) / interest / redemption warrant(s)/ demand draft(s) / credit through RTGS / ECS system
<b>Issuance Format</b>	In dematerialized form

**RESOLVED FURTHER THAT** any of the Directors and Chief Financial Officer of the Company (collectively referred as the ‘**Authorised Signatories**’), be and are hereby severally authorised on behalf of the Company to discuss, negotiate and finalize the terms and conditions for each tranche(s)/series of NCDs with the investor(s), agree to such changes and modifications in the said terms and conditions as they deem fit and to further sub-delegate its powers derived hereunder to any employee of the Company;

**RESOLVED FURTHER THAT** pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies the below select group of persons as identified persons from whom the Company may borrow funds (subject to the laws applicable to such entities) by issuance of NCDs and also subject to such persons being eligible to participate in the electronic book mechanism on the electronic book platform and to whom allocation may be made by the Company pursuant to selection under the electronic book mechanism for issuance of Debentures on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers (“**EBP**”):

- (a) Banks;
- (b) Financial Institutions;
- (c) Non-Banking Financial Companies;
- (d) Company, Bodies Corporate, Statutory Corporation;
- (e) Mutual Funds;
- (f) Insurance Companies;
- (g) Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines;

- (h) Individuals;
- (i) Foreign Portfolio Investors (FPIs);
- (j) Hindu Undivided Family (HUF);
- (k) Partnership firms including Limited Liability Partnership firms;
- (l) Registered Society;
- (m) Private Trust / Public charitable trust;
- (n) Any other entity who is eligible to invest;

**RESOLVED FURTHER THAT** the Board hereby approves the enrolment of the Company with any EBP for the private placement of the Debentures as per the applicable Securities and Exchange Board of India regulations/ guidelines/ circulars read along with the operating guidelines of such Electronic Book Provider and in this regard, the Company be and is hereby authorised to finalize, execute and/ or ratify (and if required, amend and ratify) the necessary or requisite agreement(s) with such EBP and to do all such acts, deeds and things and execute or ratify such other documents, papers and writings as may be necessary for the purpose and to provide all such documents and/ or provide such information or details whether in relation to the Company's KYC or otherwise as may be required by the Electronic Book Provider in this regard;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to sign Placement Memorandum(s) / Private Placement Offer cum Application Letter(s) and all other concerned agreements, deeds, letters, documents and papers, to finalise terms and conditions for appointment of Debenture Trustee, Registrar to the issue, Arranger(s), Collecting Banker(s) and such other agencies or intermediaries as may be required and to create charge on the assets of the Company and to do all such acts as may be required, for the proposed Issue;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify, the Debenture Trustee Agreement for the appointment of the Debenture Trustee and the Debenture Trust Deed setting out *inter alia* the terms upon which the NCDs are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the Debenture Trustee in connection with the aforesaid;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to execute and ratify any such contracts, agreements, applications, deeds, indemnities, guarantees and such other documents, as may be required for creation of requisite security for the NCDs, for issue of NCDs, for submitting the same with Stock Exchange(s), or as may be required by National Securities Depository Limited, Central Depository Services (India) Limited, in connection with issuance, allotment, dematerialization, listing of the proposed NCDs or to do such actions as may be necessary for creation and perfection of security, including signing all forms, filings and documents and registration with the relevant sub-registrar of assurances, CERSAI or any other authority or to open bank accounts, or for appointment of necessary agencies and intermediaries and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and for ensuring compliance with applicable laws, and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution;

**RESOLVED FURTHER THAT** the Authorised Signatories and / or Company Secretary be and are hereby severally authorised on behalf of the Company to sign and file all such forms and returns with the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, the Stock Exchange and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to comply with applicable laws including the provisions of the Companies Act, 2013 and Rules made there under including applicable RBI Circulars (as may be amended from time to time) and applicable regulations, circulars and notifications issued by the Securities and Exchange Board of India (as may be amended from time to time);

**RESOLVED FURTHER THAT** the common seal of the Company shall be affixed wherever necessary in presence of any of the aforesaid Authorised Signatories and / or Company Secretary of the Company;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolutions certified to be true by any one of the Authorised Signatories and / or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon."

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**



**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED HELD ON FRIDAY, MAY 17, 2024, AT 03:20 P.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400 034**

**To approve issuance of Secured Redeemable Non-Convertible Debentures**

**“RESOLVED THAT** pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (“RBI Master Direction”) and Section 42, 71 and 179 of the Companies Act, 2013 read with applicable rules and regulations made there under, as amended from time to time, and subject to the approval of the members of the Company by way of a special resolution pursuant to Section 42 of the Companies Act, 2013, read with applicable rules and regulations made there under, as amended from time to time, and the provisions of Memorandum and Articles of Association of the Company, and in addition to the limit of Rs. 24,372.72 Crore (Rupees Twenty Four Thousand Three Hundred Seventy-Two Crore and Seventy-Two Lakhs only) approved by the Board up to which the Company may borrow funds by issue of secured redeemable non-convertible debentures on private placement basis in one or more tranches/series pursuant to the resolution dated April 16, 2024, the consent of the Board be and is hereby accorded to borrow additional funds by issue of secured redeemable non-convertible debentures(NCDs) on private placement basis, in one or more tranches/series as may be decided by the Authorised Signatories, upto additional limit of Rs. 12,000 Crore (Rupees Twelve Thousand crore only), and within the overall limit of borrowing as approved by the members pursuant to Section 180(1)(c) of the Companies Act, 2013, from time to time, on the date of issue, as per the terms and conditions briefed as under:

<b>Issuer</b>	HDB Financial Services Ltd. ('the Issuer'/ 'the Company'/ 'the Borrower'/'HDB')
<b>Issue Size</b>	Upto Rs. 12,000 Crore in aggregate in various tranches/series, as may be decided by the Authorised Signatories (Issue of all tranches/series collectively referred to as 'Issue')
<b>Instrument</b>	Secured Redeemable Non-Convertible Debentures ('NCDs'/ 'Debentures') The appropriate description of the NCDs to be issued would be as set out in the Key information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Object of issue</b>	On-lending, general corporate purpose or such other purposes as may be identified in the transaction documents
<b>Security</b>	Exclusive charge or paripassu charge by way of hypothecation over the receivables of the Company, as may be decided by the Authorised Signatories at the time of issuance, having asset cover of not more than 1.25 / 1.1 times to be maintained during the tenor of the NCDs.
<b>Face Value</b>	Rs. 1 lakh each or as may be prescribed under applicable law, including by any regulatory authority or securities depository
<b>Rating Agency</b>	CARE Ratings Limited and/ or CRISIL Ratings Limited or such other agency as the Company may appoint from time to time
<b>Tenor</b>	For a period not exceeding ten years. Exact tenure to be identified in the Key Information Document and/or Private Placement Offer Letter issued for each tranche/series.

<b>Put / Call Option</b>	As may be decided by the Authorised Signatories and specified in the Key Information Document from time to time.
<b>Redemption</b>	As per the terms that may be agreed by the Authorised Signatories at the time of issue of each tranche/series and specified in the Key Information Document.
<b>Indicative Coupon rate</b>	To be decided by the Authorised Signatories as per market conditions at the time of issue of each tranche/series and would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Coupon payment</b>	Annual or such other frequency as may be decided for each series subject to TDS. The frequency of coupon payment would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/ series.
<b>Debenture Trustees</b>	IDBI Trusteeship Services Limited or such other agency/ company as the Company may appoint from time to time
<b>Deemed Date of Allotment</b>	As may be decided by the Authorised Signatories and specified in the Key Information Document from time to time
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment of the BSE Limited or such other stock exchanges as may be required
<b>Settlement</b>	Payment of interest and repayment of principal shall be made by way of cheque(s) / interest / redemption warrant(s)/ demand draft(s) / credit through RTGS / ECS system
<b>Issuance Format</b>	In dematerialized form

**RESOLVED FURTHER THAT** any of the Directors and Chief Financial Officer of the Company (collectively referred as the 'Authorised Signatories'), be and are hereby severally authorised on behalf of the Company to discuss, negotiate and finalize the terms and conditions for each tranche(s)/series of NCDs with the investor(s), agree to such changes and modifications in the said terms and conditions as they deem fit and to further sub-delegate its powers derived hereunder to any employee of the Company;

**RESOLVED FURTHER THAT** pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies the below select group of persons as identified persons from whom the Company may borrow funds (subject to the laws applicable to such entities) by issuance of NCDs and also subject to such persons being eligible to participate in the electronic book mechanism on the electronic book platform and to whom allocation may be made by the Company pursuant to selection under the electronic book mechanism for issuance of Debentures on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers ("EBP"):

- (a) Banks;
- (b) Financial Institutions;
- (c) Non-Banking Financial Companies;
- (d) Company, Bodies Corporate, Statutory Corporation;
- (e) Mutual Funds;
- (f) Insurance Companies;
- (g) Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines;
- (h) Individuals;
- (i) Foreign Portfolio Investors (FPIs);
- (j) Hindu Undivided Family (HUF);
- (k) Partnership firms including Limited Liability Partnership firms;
- (l) Registered Society;
- (m) Private Trust / Public charitable trust;
- (n) Any other entity who is eligible to invest;

**RESOLVED FURTHER THAT** the Board hereby approves the enrolment of the Company with any EBP for the private placement of the Debentures as per the applicable Securities and Exchange Board of India regulations/ guidelines/ circulars read along with the operating guidelines of such Electronic Book Provider and in this regard, the Company be and is hereby authorised to finalize, execute and/ or ratify (and if required, amend and ratify) the necessary or requisite agreement(s) with such EBP and to do all such acts, deeds and things and execute or ratify such other documents, papers and writings as may be necessary for the purpose and to provide all such documents and/ or provide such information or details whether in relation to the Company's KYC or otherwise as may be required by the Electronic Book Provider in this regard;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to sign Placement Memorandum(s) / Private Placement Offer cum Application Letter(s) and all other concerned agreements, deeds, letters, documents and papers, to finalise terms and conditions for appointment of Debenture Trustee, Registrar to the issue, Arranger(s), Collecting Banker(s) and such other agencies or intermediaries as may be required and to create charge on the assets of the Company and to do all such acts as may be required, for the proposed Issue and to further sub-delegate its powers derived hereunder to any employee of the Company;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify, the Debenture Trustee Agreement for the appointment of the Debenture Trustee and the Debenture Trust Deed setting out *inter alia* the terms upon which the NCDs are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the Debenture Trustee in connection with the aforesaid;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required and to further sub-delegate its powers derived hereunder to any employee of the Company;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to execute and ratify any such contracts, agreements, applications, deeds, indemnities, guarantees and such other documents, as may be required for creation of requisite security for the NCDs, for issue of NCDs, for submitting the same with Stock Exchange(s), or as may be required by National Securities Depository Limited, Central Depository Services (India) Limited, in connection with issuance, allotment, dematerialization, listing of the proposed NCDs or to do such actions as may be necessary for creation and perfection of security, including signing all forms, filings and documents and registration with the relevant sub-registrar of assurances, CERSAI or any other authority or to open bank accounts, or for appointment of necessary agencies and intermediaries and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and for ensuring compliance with applicable laws, and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution and to further sub-delegate its powers derived hereunder to any employee of the Company;

**RESOLVED FURTHER THAT** the Authorised Signatories and / or Company Secretary be and are hereby severally authorised on behalf of the Company to sign and file all such forms and returns with the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, the Stock Exchange and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to comply with applicable laws including the provisions of the Companies Act, 2013 and Rules made there under including applicable RBI Circulars (as may be amended from time to time) and applicable regulations, circulars and notifications issued by the Securities and Exchange Board of India (as may be amended from time to time);

**RESOLVED FURTHER THAT** the common seal of the Company shall be affixed wherever necessary in presence of any of the aforesaid Authorised Signatories and / or Company Secretary of the Company;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolutions certified to be true by any one of the Authorised Signatories and / or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon.”

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED HELD ON TUESDAY, APRIL 16, 2024, AT 11:15 A.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400 034**

**Approve renewal of existing limit of Rs. 14,372.72 Crore**

**“RESOLVED THAT** the consent of the Board be and is hereby accorded to renew the limit of Rs. 14,372.72 Crore (Rupees Fourteen Thousand Three Hundred Seventy-Two Crore and Seventy-Two Lakhs only) up to which the Company may borrow funds by issue of secured redeemable non-convertible debentures (**NCDs**) on private placement basis, in one or more tranches/series, which limit was approved by the Board pursuant to the resolution passed by the Board dated May 31, 2023;

**RESOLVED FURTHER THAT** pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (“RBI Master Direction”) and Section 42, 71 and 179 of the Companies Act, 2013 read with applicable rules and regulations made there under, as amended from time to time, and subject to the approval of the members of the Company by way of a special resolution pursuant to Section 42 of the Companies Act, 2013, read with applicable rules and regulations made there under, as amended from time to time, and the provisions of Memorandum and Articles of Association of the Company, the consent of the Board be and is hereby accorded to borrow funds by issue of secured redeemable non-convertible debentures (NCDs) on private placement basis, in one or more tranches/series as may be decided by the Authorised Signatories, upto Rs. 14,372.72 Crore (Rupees Fourteen Thousand Three Hundred Seventy-Two Crore and Seventy-Two Lakhs only), and within the overall limit of borrowing as approved by the members pursuant to Section 180(1)(c) of the Companies Act, 2013, from time to time, on the date of issue, as per the terms and conditions briefed as under:

<b>Issuer</b>	HDB Financial Services Ltd. ('the Issuer'/ 'the Company'/ 'the Borrower'/'HDB')
<b>Issue Size</b>	Upto Rs. 14,372.72 Crore in aggregate in various tranches/series, as may be decided by the Authorised Signatories (Issue of all tranches/series collectively referred to as 'Issue')
<b>Instrument</b>	Secured Redeemable Non-Convertible Debentures ('NCDs'/ 'Debentures') The appropriate description of the NCDs to be issued would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Object of issue</b>	On-lending, general corporate purpose or such other purposes as may be identified in the transaction documents
<b>Security</b>	First and exclusive charge by way of hypothecation over the receivables of the Company, having asset cover of not more than 1.25/1.1 times to be maintained during the tenor of the NCDs.
<b>Face Value</b>	Rs. 1 lakh each or as may be prescribed under applicable law, including by any regulatory authority or securities depository
<b>Rating Agency</b>	CARE Ratings Limited and/ or CRISIL Ratings Limited or such other agency as the Company may appoint from time to time

<b>Tenor</b>	For a period not exceeding ten years. Exact tenure to be identified in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Put / Call Option</b>	As may be decided by the Authorised Signatories and specified in the Key Information Document from time to time
<b>Redemption</b>	As per the terms that may be agreed by the Authorised Signatories at the time of issue of each tranche/series and specified in the Key Information Document
<b>Indicative Coupon rate</b>	To be decided by the Authorised Signatories as per market conditions at the time of issue of each tranche/series and would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/series.
<b>Coupon payment</b>	Annual or such other frequency as may be decided for each series subject to TDS. The frequency of coupon payment would be as set out in the Key Information Document and/or Private Placement Offer cum Application Letter issued for each tranche/ series.
<b>Debenture Trustees</b>	IDBI Trusteeship Services Limited or such other agency/ company as the Company may appoint from time to time
<b>Deemed Date of Allotment</b>	As may be decided by the Authorised Signatories and specified in the Key Information Document from time to time
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment of the BSE Limited or such other stock exchanges as may be required
<b>Settlement</b>	Payment of interest and repayment of principal shall be made by way of cheque(s) / interest / redemption warrant(s)/ demand draft(s) / credit through RTGS / ECS system
<b>Issuance Format</b>	In dematerialized form

**RESOLVED FURTHER THAT** any of the Directors and Chief Financial Officer of the Company (collectively referred as the '**Authorised Signatories**'), be and are hereby severally authorised to discuss, negotiate and finalize the terms and conditions for each tranche(s)/series of NCDs with the investor(s), agree to such changes and modifications in the said terms and conditions as they deem fit and further to sub-delegate its powers derived hereunder to any employee of the Company;

**RESOLVED FURTHER THAT** pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies the below select group of persons as identified persons from whom the Company may borrow funds (subject to the laws applicable to such entities) by issuance of NCDs and also subject to such persons being eligible to participate in the electronic book mechanism on the electronic book platform and to whom allocation may be made by the Company pursuant to selection under the electronic book mechanism for issuance of Debentures on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers ("**EBP**"):

- (a) Banks;
- (b) Financial Institutions;
- (c) Non-Banking Financial Companies;
- (d) Company, Bodies Corporate, Statutory Corporation;
- (e) Mutual Funds;
- (f) Insurance Companies;
- (g) Provident Funds, Gratuity, Superannuation and Pension Funds, subject to their investment guidelines;



- (h) Individuals;
- (i) Foreign Portfolio Investors (FPIs);
- (j) Hindu Undivided Family (HUF);
- (k) Partnership firms including Limited Liability Partnership firms;
- (l) Registered Society;
- (m) Private Trust / Public charitable trust;
- (n) Any other entity who is eligible to invest;

**RESOLVED FURTHER THAT** the Board hereby approves the enrolment of the Company with any EBP for the private placement of the Debentures as per the applicable Securities and Exchange Board of India regulations/ guidelines/ circulars read along with the operating guidelines of such Electronic Book Provider and in this regard, the Company be and is hereby authorised to finalize, execute and/ or ratify (and if required, amend and ratify) the necessary or requisite agreement(s) with such EBP and to do all such acts, deeds and things and execute or ratify such other documents, papers and writings as may be necessary for the purpose and to provide all such documents and/ or provide such information or details whether in relation to the Company's KYC or otherwise as may be required by the Electronic Book Provider in this regard;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to sign Placement Memorandum(s) / Private Placement Offer cum Application Letter(s) and all other concerned agreements, deeds, letters, documents and papers, to finalize terms and conditions for appointment of Debenture Trustee, Registrar to the issue, Arranger(s), Collecting Banker(s) and such other agencies or intermediaries as may be required and to create charge on the assets of the Company and to do all such acts as may be required, for the proposed Issue;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify, the Debenture Trustee Agreement for the appointment of the Debenture Trustee and the Debenture Trust Deed setting out *inter alia* the terms upon which the NCDs are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the Debenture Trustee in connection with the aforesaid;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to execute and ratify any such contracts, agreements, applications, deeds, indemnities, guarantees and such other documents, as may be required for creation of requisite security for the NCDs, for issue of NCDs, for submitting the same with Stock Exchange(s), or as may be required by National Securities Depository Limited, Central Depository Services (India) Limited, in connection with issuance, allotment, dematerialization, listing of the proposed NCDs or to do such actions as may be necessary for creation and perfection of security, including signing all forms, filings and documents and registration with the relevant sub-registrar of assurances, CERSAI or any other authority or to open bank accounts, or for appointment of necessary agencies and intermediaries and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and for ensuring compliance with applicable laws, and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution;



**RESOLVED FURTHER THAT** the Authorised Signatories and / or Company Secretary be and are hereby severally authorised on behalf of the Company to sign and file all such forms and returns with the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, the Stock Exchange and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to comply with applicable laws including the provisions of the Companies Act, 2013 and Rules made there under including applicable RBI Circulars (as may be amended from time to time) and applicable regulations, circulars and notifications issued by the Securities and Exchange Board of India (as may be amended from time to time);

**RESOLVED FURTHER THAT** the common seal of the Company shall be affixed wherever necessary in presence of any of the aforesaid Authorised Signatories and / or Company Secretary of the Company;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolutions certified to be true by any one of the Authorised Signatories and / or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon."

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF  
HDB FINANCIAL SERVICES LIMITED HELD ON TUESDAY, APRIL 16, 2024, AT 11:15 A.M.  
AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG,  
MAHALAXMI, MUMBAI - 400 034**

**TO APPROVE TERMS OF ISSUE OF PERPETUAL DEBT INSTRUMENT**

**“RESOLVED THAT** the consent of the Board be and is hereby accorded to renew the limit of Rs. 500 Crore (Rupees Five Hundred Crore only) up to which the Company may borrow funds by issue of Perpetual Debt Instruments (**“PDIs”**) on private placement basis, in one or more tranches/series, which limit was approved by the Board pursuant to the resolution passed by the Board dated January 13, 2024;

**RESOLVED THAT** pursuant to the Reserve Bank of India’s Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued vide notification number RBI/DNBR/2016-17/45 dated October 19, 2023 (**“NBFC Directions”**), Chapter V of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021 dated August 9, 2021 (as amended from time to time) (**“SEBI NCS Regulations”**) read with the Securities and Exchange Board of India’s Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and Section 42, 71 and 179 of the Companies Act, 2013, read with applicable rules and regulations made thereunder, as amended from time to time, and the terms of the General Information Document issued by the Company (**“General Information Document”**), the consent of the Board be and is hereby accorded to the Company to borrow funds from time to time, by issue and allotment of perpetual debt instruments (**“PDIs”**) for cash, in dematerialized form, on a private placement basis in one or more tranches/series, up to an aggregate amount of up to Rs. 500 Crore (Rupees Five Hundred Crores Only), within the overall limit of borrowing as approved by the members of the Company, on the following broad terms and conditions:

<b>Issuer</b>	HDB Financial Services Ltd. (‘the Issuer’/ ‘the Company’/ ‘the Borrower’)
<b>Amount</b>	Upto Rs. 500 Crore (Rupees Five Hundred Crore only) in aggregate to be issued in one or more tranche/series, from time to time. (Issue of all tranches/series collectively referred to hereinafter as <b>“Issue”</b> )
<b>Instrument</b>	Unsecured Perpetual Debt Instrument ( <b>PDI</b> ) and as more particularly described in the General Information Document read with the Key Information Document and the Private Placement Offer cum Application Letter to be issued for each tranche/series.

<b>Object of issue</b>	Funds from the Issue shall be utilized for regular business activities including for financing / lending activities, working capital, general corporate purposes or such other purposes as may be identified in the transaction documents in compliance with the provisions of applicable laws.
<b>Security</b>	The PDIs shall be unsecured.
<b>Face Value</b>	As prescribed under SEBI NCS Regulations
<b>Rating Agency</b>	CARE Ratings Limited and/ or CRISIL Ratings Limited or such other agency as the Company may appoint from time to time.
<b>Tenor</b>	Perpetual, subject to the terms of the Transaction Documents
<b>Redemption</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series.
<b>Indicative Coupon Rate</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series.
<b>Frequency of Coupon payment</b>	Annual or such other frequency as specified in the General Information Document read with the Key Information Document, for the respective tranche/ series, subject to TDS.
<b>PDI Trustee</b>	Axis Trustee Services Limited or such other trustee as the Company may appoint from time to time.
<b>Registrar to the Issue</b>	Link Intime India Pvt Ltd or any other Registrar as may be decided by the management
<b>Deemed Date of Allotment</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series.
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment of the BSE Limited ('BSE') or such other stock exchanges as may be required.
<b>Issuance Format</b>	In dematerialized form

**RESOLVED FURTHER THAT** any of the Directors of the Company and Chief Financial Officer (collectively referred as the “**Authorised Signatories**”), be and are hereby severally authorised to discuss, negotiate and finalize the terms and conditions for each tranche/ series of PDIs with the investor(s) and agree to such changes and modifications in the said terms and conditions as they deem fit;

**RESOLVED FURTHER THAT** pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies the below select group of persons as identified persons from whom the Company may borrow funds (subject to the laws applicable to such entities) by issuance of PDIs and also subject to such persons being eligible to participate in the electronic book mechanism on the electronic book platform and to whom allocation may be made by the Company pursuant to selection under the electronic book mechanism for issuance of PDIs on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers (“**EBP**”):

Qualified Institutional Buyers (“QIB”) as defined in Section 2(1) (ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

**RESOLVED FURTHER THAT** the Board hereby approves the enrolment of the Company with any EBP for the private placement of the PDIs as per the applicable Securities and Exchange Board of India regulations/ guidelines/ circulars read along with the operating guidelines of such Electronic Book Provider and in this regard, the Company be and is hereby authorised to finalize, execute and/ or ratify (and if required, amend and ratify) the necessary or requisite agreement(s) with such EBP and to do all such acts, deeds and things and execute or ratify such other documents, papers and writings as may be necessary for the purpose and to provide all such documents and/ or provide such information or details whether in relation to the Company's KYC or otherwise as may be required by the Electronic Book Provider in this regard;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to finalise, sign and issue the Key Information Document(s) and Private Placement Offer cum Application Letter(s) for each tranche/ series, to finalize terms and conditions for appointment of PDI Trustee, Credit Rating Agencies, Registrar to the Issue, Arranger(s), Collecting Banker(s) (if any) and such other agencies or intermediaries, as may be required for the proposed Issue from time to time;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify, the Trustee Agreement for the appointment of the PDI Trustee and the Trust Deed setting out *inter alia* the terms upon which the PDIs are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the PDI Trustee in connection with the aforesaid;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required from time to time;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to execute any such formal contract, agreements, applications, deeds, indemnities, guarantees and such other documents, as may be required for the Issue, for submitting with Stock Exchange(s), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) in connection with allotment, dematerialization, listing of the proposed PDIs and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to sign and file all such forms and returns with the Securities and Exchange Board of India, Registrar of Companies, Reserve Bank of India, BSE Limited / such other stock exchange, as may be applicable, and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to comply with provisions of applicable law, including the Companies Act, 2013 and the rules made thereunder, applicable RBI circulars and notifications

(as may be amended from time to time) and applicable regulations, circulars and notifications issued by the Securities and Exchange Board of India (as may be amended from time to time);

**RESOLVED FURTHER THAT** the Authorised Signatories be and are severally authorised on behalf of the Company to sub-delegate any of the powers and responsibilities conferred herein by the aforesaid resolutions, to any of the employees / officials of the Company from time to time, subject to applicable law;

**RESOLVED FURTHER THAT** the common seal of the Company shall be affixed wherever necessary in presence of any of the Authorised Signatories and / or the Company Secretary of the Company;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolutions certified to be true by any one of the aforesaid Authorised Signatories and/or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon.”

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED HELD ON TUESDAY, APRIL 16, 2024, AT 11:15 A.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400 034**

**TO APPROVE TERMS OF ISSUE OF TIER – II UNSECURED REDEEMABLE NON-CONVERTIBLE SUBORDINATED BONDS**

**“RESOLVED THAT** the consent of the Board be and is hereby accorded to renew the limit of Rs. 1500 Crore (Rupees One Thousand Five Hundred Crore only) up to which the Company may borrow funds by issue of Tier – II unsecured redeemable non-convertible Subordinated Bonds (**“Subordinated Bonds”**) on private placement basis, in one or more tranches/series, which limit was approved by the Board pursuant to the resolution passed by the Board dated January 13, 2024:

**RESOLVED FURTHER THAT** pursuant to the Reserve Bank of India’s Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued vide notification number RBI/DNBR/2016-17/45 dated October 19, 2023 (**“NBFC Directions”**), Chapter V of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021 (as amended from time to time) (**“SEBI NCS Regulations”**) read with the Securities and Exchange Board of India’s Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and Section 71 and 179 of the Companies Act, 2013 read with applicable rules and regulations made there under, as amended from time to time and the terms of the General Information Document issued by the Company (**“General Information Document”**), the consent of the Board be and is hereby accorded to the Company to borrow funds from time to time, by issue and allotment of unsecured redeemable non-convertible subordinated tier II bonds (**“Subordinated Bonds”**) for cash, in dematerialized form, on a private placement basis in one or more tranches/series, up to an aggregate amount of up to Rs. 1,500 Crore Only (Rupees One Thousand Five Hundred Crores Only), within the overall limit of borrowing as approved by the members of the Company, on the following broad terms and conditions:

<b>Issuer</b>	HDB Financial Services Ltd. (‘the Issuer’/ ‘the Company’/ ‘the Borrower’/‘HDB’)
<b>Issue Size</b>	Upto Rs. 1,500 Crore Only (Rupees One Thousand Five Hundred Crores only) in aggregate to be issued in one or more tranche/series, from time to time (Issue of all tranches/series collectively referred to hereinafter as <b>“Issue”</b> )
<b>Instrument</b>	Unsecured redeemable non-convertible subordinated tier II bonds and as more particularly described in the Key Information Document and the Private Placement Offer cum Application Letter to be issued for each tranche/series.
<b>Object of issue</b>	Funds from the Issue shall be utilized for meeting capital adequacy requirements and disbursements of loans to borrowers, refinancing existing borrowings, augmenting the working capital requirements of the Company, for general corporate purposes of the Company or such other purposes as may be identified in the transaction documents.
<b>Face Value</b>	Rs. 1,00,00,000/- (Rupees One Crore only) or as prescribed under applicable law



<b>Rating Agency</b>	CARE Ratings Limited and/ or CRISIL Ratings Limited or such other rating agency as the Company may appoint from time to time
<b>Tenor</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series, but not exceeding ten years from the date of allotment.
<b>Redemption</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series.
<b>Indicative Coupon rate</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series.
<b>Frequency of Coupon payment</b>	Annual or such other frequency as specified in the General Information Document read with the Key Information Document, for the respective tranche / series, subject to TDS.
<b>Subordinated Bond Trustee</b>	IDBI Trusteeship Services Limited or such other trustee/company as the Company may appoint from time to time.
<b>Registrar to the Issue</b>	Link Intime India Pvt Ltd or any other Registrar as may be decided by the management
<b>Deemed Date of Allotment</b>	As specified in the General Information Document read with the Key Information Document, for the respective tranche/ series.
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment of the BSE Limited or such other stock exchanges as may be required
<b>Issuance Format</b>	In dematerialized form.

**RESOLVED FURTHER THAT** any of the Directors of the Company and Chief Financial Officer (collectively referred as the '**Authorised Signatories**'), be and are hereby severally authorised to discuss, negotiate and finalize the terms and conditions for each tranche/ series of Subordinate Bonds with the investor(s) and agree to such changes and modifications in the said terms and conditions as they deem fit;

**RESOLVED FURTHER THAT** pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies the below select group of persons as identified persons from whom the Company may borrow funds (subject to the laws applicable to such entities) by issuance of Subordinated Bonds and also subject to such persons being eligible to participate in the electronic book mechanism on the electronic book platform and to whom allocation may be made by the Company pursuant to selection under the electronic book mechanism for issuance of Subordinated Bonds on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers ("**EBP**"):

Qualified Institutional Buyers ("QIB") as defined in Section 2(1) (ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

**RESOLVED FURTHER THAT** the Board hereby approves the enrolment of the Company with any EBP for the private placement of the Subordinated Bonds as per the applicable Securities and Exchange Board of India regulations/ guidelines/ circulars read along with the operating guidelines of such Electronic Book Provider and in this regard, the Company be and is hereby authorised to finalize, execute and/ or ratify (and if required, amend and ratify) the necessary or requisite agreement(s) with such EBP and to do all such acts, deeds and things and execute or ratify such other documents, papers and writings as may be necessary for the purpose and to provide all such documents and/ or provide such information or details whether in relation to the Company's KYC or otherwise as may be required by the Electronic Book Provider in this regard;



**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to finalise, sign and issue the Key Information Document(s) and Private Placement Offer cum Application Letter(s) for each tranche / series, to finalize terms and conditions, for appointment of Subordinated Bond Trustee, Credit Rating Agencies, Registrar to the Issue, Arranger(s), Collecting Banker(s) (if any) and such other agencies or intermediaries, as may be required for the proposed Issue from time to time;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify, the Trustee Agreement for the appointment of the Subordinated Bond Trustee and the Trust Deed setting out *inter alia* the terms upon which the Subordinated Bonds are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the Subordinated Bond Trustee in connection with the aforesaid;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required from time to time;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to execute any such formal contract, agreements, applications, deeds, indemnities, guarantees and such other documents, as may be required for the Subordinated Bonds Issue, for submitting with Stock Exchange(s), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) in connection with allotment, dematerialization, listing of the proposed Subordinated Bonds and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution;

**RESOLVED FURTHER THAT** the Authorised Signatories be and are hereby severally authorised on behalf of the Company to sign and file all such forms and returns with the Securities and Exchange Board of India, Registrar of Companies, Reserve Bank of India, BSE Limited / such other stock exchange, as may be applicable, and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to comply with provisions of applicable law, including the Companies Act, 2013 and the rules made thereunder, applicable RBI circulars and notifications (as may be amended from time to time) and applicable regulations, circulars and notifications issued by the Securities and Exchange Board of India (as may be amended from time to time);

**RESOLVED FURTHER THAT** the Authorised Signatories be and are severally authorised on behalf of the Company to sub-delegate any of the powers and responsibilities conferred herein by the aforesaid resolutions, to any of the employees / officials of the Company from time to time, subject to applicable law;

**RESOLVED FURTHER THAT** the common seal of the Company shall be affixed wherever necessary in presence of any of the Authorised Signatories and / or the Company Secretary of the Company;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolutions certified to be true by any one of the aforesaid Authorised Signatories of the Company and / or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon."

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED HELD ON TUESDAY, APRIL 16, 2024, AT 11:15 A.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400 034**

**TO APPROVE SELLING, ASSIGNMENT OF ITS RECEIVABLES / BOOK DEBTS UPTO RS. 7,500 CRORE**

**“RESOLVED THAT** pursuant to the provisions of section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder (including any amendment, modification, variation or re-enactment thereof), consent of the Board of Directors be and is hereby accorded, subject to the approval of members of the Company, to sell / assign substantial assets including receivables / book debt of the Company (including stressed loans under the Policy on Transfer of Stressed Loans of the Company) in favour of its holding company, banks / financial institutions, other investing agencies, Asset Reconstruction Companies and trustees for the holders of debentures / bonds / Security Receipts/ other instruments and also to issue covenants for negative pledges / negative liens in respect of the said assets and properties in such form and manner as the Board may deem fit and for the said purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and also to execute the required documents including powers of attorney in favour of all or any of the persons, firms, bodies corporate, banks, financial institutions, trustees etc., from time to time provided that the aggregate amount of such transactions shall not exceed Rs. 7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only);

**RESOLVED FURTHER THAT** the any Director and / or Chief Financial Officer ('Authorised Signatories') be and are hereby severally authorized to negotiate, finalize and execute with the Lender(s) / Debenture Trustees / Financial Institutions/ Asset Reconstruction Companies such documents / agreements / undertakings / indemnities / guarantees as may be required and to propose / accept any modifications to the terms and conditions thereto and further the Authorised Signatories be and is hereby authorized to sub-delegate its powers derived hereunder to any employee of the Company, and to do all such acts, deeds and things as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole and absolute discretion deem fit to give effect to this resolution;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolution certified to be true by anyone of the Director of the Company or the Key Managerial Personnel of the Company, be furnished to appropriate entities for their records and necessary action thereon.”

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF THE MINUTES OF MEETING OF BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED HELD ON TUESDAY, APRIL 16, 2024, AT 11:15 A.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400 034**

**TO APPROVE ISSUANCE OF COMMERCIAL PAPER**

**"RESOLVED THAT** pursuant to the Reserve Bank of India (RBI), circular no. RBI/2014-15/100 IDMD.PCD.04/14.01.02/2014-15 dated July 01, 2014, circular no. RBI/2017-18/43FMRD. DIRD.2/14.01.002/2017-18 dated August 10, 2017, Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024 dated January 03, 2024 and operational guidelines issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA) as amended from time to time, approval of the Board of Directors of the Company be and is hereby given for issuance of Commercial Paper **(CP)** on private placement basis, in one or more tranches, for an aggregate amount of Rs. 15,000 Crores (Rupees Fifteen Thousand Crore Only) for the Financial Year 2024-25, within the overall limit of borrowing as approved by the members pursuant to Section 180(1)(c) of the Companies Act, 2013, from time to time on the date of issue;

**RESOLVED FURTHER THAT** the total outstanding amount under commercial paper shall not exceed Rs. 5,000 Crore (Rupees Five Thousand Crore Only) as approved by the board in its earlier meeting;

**RESOLVED FURTHER THAT** any of the Directors and Chief Financial Officer of the Company (collectively referred as the 'Authorised Signatories'), are hereby severally authorised to further sub-delegate its powers to any employee of the Company and to discuss, negotiate and finalize the terms and conditions for each tranche(s) of CPs with the investor(s), agree to such changes and modifications in the said terms and conditions as they deem fit;

**RESOLVED FURTHER THAT** the Authorised Signatories are hereby severally authorised on behalf of the Company to sign all concerned agreements, deeds, letters, documents and papers and to finalize terms and conditions for appointment of Issuing & Paying Agent and such other agencies as may be required and to do all such acts as may be required, for the proposed CPs Issue;

**RESOLVED FURTHER THAT** the Authorised Signatories and / or Company Secretary are hereby severally authorised on behalf of the Company to execute any such formal contract, agreements, applications, deeds, indemnities, guarantees, demand promissory notes and such other documents, as may be required for creation of requisite security for the CPs, for issue of CPs, for submitting the same with National Securities Depository Limited, Central Depository Services (India) Limited, in connection with allotment, dematerialization, listing of the proposed CPs and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution;

**RESOLVED FURTHER THAT** the Authorised Signatories and / or Company Secretary of the Company, are hereby severally authorised on behalf of the Company to sign and file all such forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to

comply with applicable provisions of the Companies Act, 2013 and Rules made there under including applicable RBI Circulars (as may be amended from time to time);

**RESOLVED FURTHER THAT** the common seal of the Company shall be affixed wherever necessary in presence of any of the aforesaid Authorised Signatories and/or Company Secretary of the Company;

**RESOLVED FURTHER THAT** a copy of the aforesaid resolutions certified to be true by any one of the Authorised Signatories and / or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon.”

**Certified True Copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
(Company Secretary)  
Membership No.: F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY THE MEMBERS OF THE COMPANY AT THEIR 17<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON THURSDAY, JUNE 27, 2024 AT 12:00 NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS**

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**Authority to issue redeemable non-convertible debentures and/ or other debt instruments on private placement basis**

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any of the Companies Act, 2013 (“Act”), read with the Companies (Share Capital and Debentures) Rules, 2014, and Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction - Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023 (“RBI Master Direction”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with the Securities and Exchange Board of India’s Master Circular for Issue and Listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, any other law, rules, guidelines, regulations for the time being in force and any other circulars, notifications and /or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force) and subject to such terms, conditions and modifications as may be considered necessary and proper by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee of the Board constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), the consent of the Members be and is hereby accorded to the Board to offer and/or invite for issue of non-convertible securities whether secured or unsecured, listed / unlisted, fixed rate or market /benchmark linked and /or any other debt instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital under the provisions of the RBI Master Directions, on a private placement basis (collectively “Debentures” “Instruments”), in one or more tranches /series, with the consent being valid for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium /discount, tenor etc., as may be determined by the Board (or any other person so authorised by the Board), based on the prevailing market condition;

**RESOLVED FURTHER THAT** the aggregate amount to be raised through the issuance of Debentures /Instruments pursuant to the authority under this Resolution shall be aggregating up to Rs. 38,372.72 Crore (Rupees Thirty-Eight Thousand Three Hundred Seventy-Two Crores and Seventy-Two Lakhs Only) under one or more general information document(s) read with the relevant key information document(s) and private placement offer letter(s) as may be issued by the Company and in one or more tranches /series as the Board may decide;

**RESOLVED FURTHER THAT** the Board and/or the Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to negotiate, finalise, amend, execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of their powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this Resolution.”

**Certified true copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
Company Secretary  
Membership No. F11340**

**August 28, 2024**



**CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT TO THE NOTICE OF THE 17<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON THURSDAY, JUNE 27, 2024 AT 12:00 NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS**

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The Company has been raising funds by offer and/or invite for issuing non-convertible debentures, secured or unsecured, listed/unlisted, fixed rate or market /bench mark linked and /or any other debt instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital (hereinafter referred to as “Debt Securities”) on private placement basis, from time to time.

In terms of Section 71 which deals with the issue of debentures read with Section 42 of the Companies Act, 2013, which deals with the offer or invitation for subscription of debentures of the Company on private placement basis read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make private placement of its debentures only after receipt of prior approval of its Members 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 the debentures to be issued during a year and such a special resolution is required to be passed every year.

Accordingly, the shareholders at the 16<sup>th</sup> Annual General Meeting held on June 30, 2023 and vide postal ballot dated February 28, 2024 had accorded their approval to the Company for issuance of Debt Securities as mentioned below:

A. Non-Convertible Debentures (NCDs) up to a limit of Rs. 30,697.22 Crore (Rupees Thirty Thousand Six Hundred and Ninety Seven Crore and Twenty Two Lakhs Only). During the year ended March 31, 2024, the Company had raised NCDs of Rs. 16,324.50 Crore (Rupees Sixteen Thousand Three Hundred and Twenty Four Crore and Fifty Lakhs Only) and the unutilised limit of Rs. 14,372.72 Crore (Rupees Fourteen Thousand Three Hundred and Seventy Two Crore and Seventy Two Lakhs Only) is available for issuance of NCDs.

B. Subordinated Bonds (Sub Debts) up to a limit of Rs. 3,500 Crore (Rupees Three Thousand and Five Hundred Crore Only) which included existing limit of Rs. 500 Crore (Rupees Five Hundred Crore Only) and new limit of Rs. 3,000 Crore (Rupees Three Thousand Crore Only) (which was approved vide postal ballot on February 28, 2024). During the year ended March 31, 2024 the Company had raised Sub Debts of Rs. 2,000 Crore (Rupees Two Thousand Crore Only). The unutilised limit of Rs. 1,500 Crore (Rupees Fifteen Hundred Crore Only) is available for issuance of Sub Debts.

C. Perpetual Debt Instruments (PDIs) up to a limit of Rs. 850 Crore (Rupees Eight Hundred and Fifty Crore Only) which included existing limit of Rs. 350 Crore (Rupees Three Hundred and Fifty Crore Only) and new limit of Rs. 500 Crore (Rupees Five Hundred Crore Only) (which was approved vide postal ballot on February 28, 2024). During the year ended March 31, 2024 the Company had raised PDIs of Rs. 350 Crore (Rupees Three Hundred and Fifty Crore Only). The unutilised limit of Rs. 500 Crore (Rupees Five Hundred Crore Only) is available for issuance of PDIs.

The Board, at its meeting held on April 16, 2024, has approved issuance of NCDs, Sub Debts and PDIs from the above unutilised limit of Debt Securities and in addition to the above limit, has also approved new limit for issuance of NCDs of Rs. 10,000 Crores, subject to the approval of the Members. Further, the Board at its meeting held on May 17, 2024 has approved additional new limit for issuance of NCDs of Rs. 12,000 Crore (in addition to the new limit of Rs. 10,000 crores approved in April 16, 2024, the revised new limit would sum up to Rs. 22,000 crores) within the overall limit of borrowing as approved by the members pursuant to Section 180 (1)(c) of the Companies Act, 2013, from time to time, on the date of issue. Thus, the approved limit of NCDs, Sub Debts and PDIs for Issuance is Rs. 36,372.72 Crores, Rs. 1,500 Crores and Rs. 500 Crores respectively.

In terms of the requirements of Resource Planning Policy of the Company and business planning for the FY 2024-25, it is expected that the Company will issue Debt Securities which shall not exceed the aforesaid limit.



The Debt Securities proposed to be issued by the Company will be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

Pursuant Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 certain disclosures are required to be made in the explanatory statement annexed to the notice for Members approval under Section 42 of the Companies Act, 2013. The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out herein below:

a) Particulars of the offer including date of passing of board resolution: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1(one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time;

b) Kinds of securities offered and price at which security is being offered: This special resolution is restricted to the private placement issuance of Debt Securities, with the terms of each issuance being determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time, for each issuance;

c) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable at this stage. This will be determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time, for each issuance;

d) Name and address of valuer who performed valuation: Not applicable;

e) Amount which the Company intends to raise by way of such securities: As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013 of up to Rs. 38,372.72 Crore (Rupees Thirty Eight Thousand Three Hundred Seventy Two Crores and Seventy Two Lakhs Only);

f) Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for a period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any Authorised Signatory authorised by the Board or any committee duly authorised by the Board thereof), from time to time and shall be specified in the relevant transaction documents.

In view of the aforesaid, the Board of Directors at their meetings held on April 16, 2024 and May 17, 2024, has approved issuance of Debt securities in one or more tranches, on private placement basis and within the overall borrowing limit of Rs. 1,25,000 Crore (Rupees One Lakh Twenty Five Thousand Crore Only).

Accordingly, the approval of the Members is being sought by way of special resolution as set out at Item No. 8 of this Notice authorising the Board to issue Debt Securities and /or any other debt instruments (not in the nature of equity Shares) which may or may not be classified as being Tier I or Tier II capital under the provisions of the RBI Master Directions, for an aggregate amount not exceeding Rs. 38,372.72 Crore (Rupees Thirty Eight Thousand Three Hundred Seventy Two Crores and Seventy Two Lakhs Only) on a private placement basis during a period of one year from the date of passing of the resolution.

The Board, accordingly, recommends the passing of the Special Resolution as set out at Item No. 8 of this Notice, for the approval of the Members.



HDB Financial Services Limited  
HDB House, Tukaram Sandam  
Marg, A- Subhash Road, Vile  
Parle (E), Mumbai - 400057.  
Tel: 022 – 4911 6300  
Fax: 022 – 4911 6666  
Web : [www.hdbfs.com](http://www.hdbfs.com)  
CIN: U65993GJ2007PLC051028  
Email ID: [compliance@hdbfs.com](mailto:compliance@hdbfs.com)

None of the Directors and / or Key Managerial Personnel and / or their relatives are in any way concerned or interested, financially or otherwise in the said resolution, except to the extent of Debt Securities that may be subscribed by companies/firms in which they are interested.

**Certified true copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
Company Secretary  
Membership No. F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY THE MEMBERS OF THE COMPANY AT THEIR 17<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON THURSDAY, JUNE 27, 2024 AT 12:00 NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS**

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**To approve selling, assignment, securitisation of receivables/ book debts of the Company upto Rs. 9,000 Crore**

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a), all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder including any amendments, modifications, variations or re-enactments thereof for the time being in force and the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any Committee constituted/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to sell / assign / securitise substantial assets including present and /or future receivables / book debts of the Company in favour of banks / financial institutions, other investing agencies, Asset Reconstruction Companies and trustees for the holders of Debentures /Bonds /Pass Through Certificates / Security Receipts and other instruments and also to issue covenants for negative pledges /negative liens in respect of the said assets and properties in such form and manner as the Board may deem fit and for the said purpose, to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and also to execute the required documents including power of attorney in favour of all or any of the persons, firms, bodies corporate, banks, financial institutions, trustees etc., from time to time, provided that the aggregate amount of such transactions shall not exceed Rs. 9,000 Crores (Rupees Nine Thousand Crores Only);

**RESOLVED FURTHER THAT** the Board and/or Chief Financial Officer of the Company be and are hereby severally authorised to negotiate, finalise and execute with the Lender(s)/ Debenture Trustees/ Financial Institutions / Asset Reconstruction Companies such documents/ agreements/ undertakings/ indemnities/ guarantees as may be required and to propose/ accept any modifications to the terms and conditions thereto and to do all such acts, deeds and things as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole and absolute discretion deem fit and to delegate all or any of their powers herein conferred to any Committee and/ or Director(s) and/ or Officer(s) of the Company, to give effect to this resolution.”

**Certified true copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
Company Secretary  
Membership No. F11340**

**August 28, 2024**

**CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT TO THE NOTICE OF THE 17<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON THURSDAY, JUNE 27, 2024 AT 12:00 NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS**

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The Members of the Company at the 16<sup>th</sup> Annual General Meeting held on June 30, 2023 had granted their approval by way of Special Resolution to the Board of Directors of the Company to sell /assign /securitise substantial assets including present and /or future receivables /book debts of the Company to the holders of Debentures/Bonds/ Pass Through Certificates and other instruments for an aggregate amount not exceeding ` 7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only).

Members of the Company are requested to note that Company may raise funds by way of sell/ direct assignment/ securitisation of the present and /or future receivables/ book debts of the Company to any Bank or Financial Institution or Asset Reconstruction Companies as per the terms approved by the Board of Directors.

The sell/ assignment/ securitisation of the present and /or future receivables /book debts of the Company may result into disposal of undertaking as defined in the explanation to Section 180(1)(a) of the Companies Act, 2013. As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall not sell, assign or securitise the receivables/ book debts of the Company without the consent of the Members of the Company, accorded at the Annual General Meeting by means of a Special Resolution.

In view of the aforesaid, the Board of Directors at its meeting held on May 17, 2024 has, subject to the approval of the Members, approved to sell /assign /securitise present and / or future receivables/ book debts of the Company within overall limits as approved by the Members of the Company pursuant to Section 180(1)(a) of the Act.

In view of the aforesaid, the Board of Directors at its meeting held on May 17, 2024 has, subject to the approval of the Members, approved to sell /assign /securitise present and / or future receivables/ book debts of the Company within overall limits as approved by the Members of the Company pursuant to Section 180(1)(a) of the Act.

The Board recommends the resolution as set out at Item No. 7 of the accompanying Notice for the approval of the Members. Save and except for the shareholding interest, if any, held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

**Certified true copy  
For HDB Financial Services Limited**

**Dipti Khandelwal  
Company Secretary  
Membership No. F11340**

**August 28, 2024**



**HDB/SLC/2024/1256**

**July 13, 2024**

To,

Listing Compliance Department <b>BSE Limited</b> P J Towers, Dalal Street, Mumbai - 400 001	Listing Compliance Department <b>National Stock Exchange of India Limited</b> Exchange Plaza, BKC, Bandra (East), Mumbai- 400051
--	---

**Sub: Submission of Unaudited Financial Results along with Limited Review Report for the quarter ended June 30, 2024, Security Cover Certificate and Statement of utilisation**

Dear Sir / Madam,

Pursuant to the provisions of Regulation 51(2) read with Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as amended from time to time, please note that, the Board of Directors of the Company, at its Meeting held today i.e. Saturday, July 13, 2024, have inter-alia, considered and approved the Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2024, duly reviewed by the Audit Committee.

Further, please note that the Joint Statutory Auditors of the Company, M/s. Kalyaniwalla & Mistry LLP and M/s. G D Apte & Co. has submitted Limited Review Report for the quarter ended June 30, 2024 with unmodified opinion.

In terms of Regulation 52 of the SEBI Listing Regulations and Chapter VI of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and amendments thereof, we hereby enclose the Standalone and Consolidated Unaudited Financial Results along with the Limited Review Report thereon for the quarter ended June 30, 2024.

The disclosures in compliance with Regulation 52(4) of the SEBI Listing Regulations are disclosed along with the financial results.

Pursuant to Regulation 52(7) and Regulation 52(7A) of the SEBI Listing Regulations the statement of utilisation of issue proceeds of non-convertible securities and statement of deviation/ variation in use of issue proceeds of non-convertible securities for the quarter ended June 30, 2024 are also enclosed.

Pursuant to the provisions of Regulation 54 of the SEBI Listing Regulations, please note that the disclosure of the extent and nature of security created and maintained for secured non-convertible securities of the Company and the security cover certificate is made in the Unaudited Financial Results for the quarter ended June 30, 2024.

You are requested to kindly take the same on record.

This is for your information and appropriate dissemination.

**For HDB Financial Services Limited**

**Dipti Khandelwal**  
**(Company Secretary)**  
**Membership No. F11340**

Encl.: A/a



**G. D. Apte & Co.**

**Chartered Accountants**

Neelkanth Business Park,  
5<sup>th</sup> Floor, Office No. D-509,  
Nathani Road, Vidyavihar (West),  
Mumbai - 400086, Maharashtra, India,  
Tel: +91 22 3512 3184

**Kalyaniwalla & Mistry LLP**

**Chartered Accountants**

29, Esplanade House,  
Hazarimal Somani Marg,  
Mumbai - 400001  
Maharashtra, India  
Tel: +91 22 6158 7200

**Limited Review report on unaudited standalone quarterly financial results under Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 as amended**

**TO THE BOARD OF DIRECTORS**

**HDB Financial Services Limited**

1. We have reviewed the accompanying unaudited Statement of Standalone Financial Results of HDB Financial Services Limited ("the Company") for the quarter ended June 30, 2024, together with the notes thereon, ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, duly initialled by us for identification.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors at their respective meetings held on July 13, 2024 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder as applicable and the circulars, guidelines and directions issued by Reserve Bank of India (RBI) from time to time ("RBI guidelines") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.





5.


- i. The annual financial statements of the Company for the year ended March 31, 2024, were audited by erstwhile joint auditors whose audit report dated April 16, 2024, expressed an unmodified opinion on those annual financial statements.
- ii. The interim financial results for the quarter ended June 30, 2023, was reviewed by erstwhile joint auditors, whose review report dated July 15, 2023, expressed an unmodified conclusion on those interim financial results.
- iii. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended on that date and the published unaudited year-to-date figures up to the third quarter ended December 31, 2023 prepared in accordance with the recognition and measurement principles laid down in accordance with Ind AS 34 "Interim Financial Reporting" which were subject to limited review by erstwhile auditors.

Our conclusion is not modified in respect of the above matters.

**For G. D. Apte & Co.**

Chartered Accountants

Firm Registration No: 100515W



**C.M. Dixit**

Partner

Membership Number: 017532

UDIN: 24017532BKESG2330



Place: Mumbai

Date: July 13, 2024

**For Kalyaniwalla & Mistry LLP**

Chartered Accountants

Firm Registration No: 104607W/W100166



**Roshni R. Marfatia**

Partner

Membership Number: 106548

UDIN: 24106548BKCSVO8833



Place: Mumbai

Date: July 13, 2024

**Statement of Standalone Financial Results**  
*for the quarter ended June 30, 2024*

(Rupees in million)

Sr. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Mar 31, 2024
		Reviewed	Audited (Refer Note 5)	Reviewed	Audited
<b>I</b>	<b>Revenue from operations</b>				
	Interest income	32,646	30,581	25,732	1,11,567
	Sale of services	3,130	3,061	5,766	19,496
	Other financial charges	2,862	2,734	1,969	9,531
	Net gain on fair value changes	202	285	405	1,137
	Net gain/(loss) on derecognised financial instruments	(2)	7	(4)	(20)
	<b>Total Revenue from operations</b>	<b>38,838</b>	<b>36,668</b>	<b>33,868</b>	<b>1,41,711</b>
<b>II</b>	<b>Expenses</b>				
	Finance Costs	14,964	13,769	10,725	48,643
	Impairment on financial instruments	4,125	2,416	2,666	10,674
	Employee benefits expenses	9,055	8,768	10,288	38,508
	Depreciation, amortization and impairment	438	404	314	1,451
	Others expenses	2,419	2,493	2,270	9,388
	<b>Total expenses</b>	<b>31,001</b>	<b>27,850</b>	<b>26,263</b>	<b>1,08,664</b>
<b>III</b>	<b>Profit before tax (I-II)</b>	<b>7,837</b>	<b>8,818</b>	<b>7,605</b>	<b>33,047</b>
<b>IV</b>	<b>Tax expense:</b>				
	a. Current tax	2,186	668	2,298	7,707
	b. Deferred tax	(166)	1,588	(363)	732
	<b>Total tax expense</b>	<b>2,020</b>	<b>2,256</b>	<b>1,935</b>	<b>8,439</b>
<b>V</b>	<b>Net Profit for the period/year (III-IV)</b>	<b>5,817</b>	<b>6,562</b>	<b>5,670</b>	<b>24,608</b>
<b>VI</b>	<b>Other Comprehensive Income/(Loss) (net of tax)</b>	<b>(39)</b>	<b>(91)</b>	<b>(140)</b>	<b>(364)</b>
<b>VII</b>	<b>Total Comprehensive Income/(Loss) (after tax) (V-VI)</b>	<b>5,778</b>	<b>6,471</b>	<b>5,530</b>	<b>24,244</b>
<b>VIII</b>	<b>Earnings per equity share (Refer Note 6)</b>				
	a. Basic (in Rupees)	7.33	8.28	7.16	31.08
	b. Diluted (in Rupees)	7.32	8.27	7.16	31.04
	Face value per share (in Rupees)	10	10	10	10



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- 1 HDB Financial Services Limited ('the Company') is a Non-Banking Financial Company registered with the Reserve Bank of India.
- 2 The standalone financial results for the quarter ended June 30, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 13, 2024, in terms of Regulations 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The standalone financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Limited Review' of standalone financial results for the quarter ended June 30, 2024 have been carried out by the Statutory Auditors of the Company.
- 5 The figures for the preceding quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the full previous financial year and the unpublished reviewed year-to-date figures upto third quarter of the previous financial year.
- 6 Earnings per equity share for the quarter ended June 30, 2024, March 31, 2024 and June 30, 2023 have not been annualised.
- 7 The Secured listed non-convertible debt securities of the Company are secured by first pari passu mortgage on immovable property situated at Heera Panna Commercial Complex, 3rd Floor, Dr. Yagnik Road, Rajkot and/or first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 1.0 times of the outstanding principal and interest thereon.
- 8 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 1.
- 9 The disclosure in terms of Ind-AS 108 dealing with 'Operating Segment' as specified under Section 133 of the Companies Act, 2013 is attached as Annexure 2.
- 10 As on June 30, 2024 the security cover available in respect of secured non convertible debt securities is 1.09 and the asset cover available in respect of unsecured non convertible debt securities is 2.48. The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 3.
- 11 Pursuant to Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Operational Circular dated August 10, 2021, the Company has listed its Commercial Papers on National Stock Exchange of India Limited (NSE).
- 12 The Reserve Bank of India, under Scale Based Regulations has categorised the Company as Upper Layer (NBFC-UL), vide it's circular dated September 14, 2023.
- 13 Details of loans transferred / acquired during the period ended June 30, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The company has not transferred any Non-Performing Assets.
  - (ii) The company has not transferred any loan not in default.
  - (iii) The company has not acquired any Special Mention Account.
  - (iv) The company has not acquired any stressed loan and loan not in default.
- 14 Figures for the previous period/year have been regrouped wherever necessary, in order to make them comparable with current period/year.

By Order of the Board  
For HDB Financial Services Limited

  
Ramesh G.  
Managing Director & CEO  
DIN : 05291597



Date : July 13, 2024  
Place : Mumbai





# HDB Financial Services Limited

## Annexure 1.

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2024

Sr. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Mar 31, 2024
		Reviewed	Audited	Reviewed	Audited
1	Debt-equity ratio (times) <sup>1</sup>	5.91	5.81	5.38	5.81
2	Debt service coverage ratio	NA	NA	NA	NA
3	Interest service coverage ratio	NA	NA	NA	NA
4	Outstanding redeemable preference shares (Quantity)	Nil	Nil	Nil	Nil
5	Outstanding redeemable preference shares (value) (Rs. in millions)	Nil	Nil	Nil	Nil
6	Capital redemption reserve (Rs. in millions)	Nil	Nil	Nil	Nil
7	Debenture redemption reserve (Rs. in millions)	Nil	Nil	Nil	Nil
8	Net worth (Rs. in millions) <sup>2</sup>	1,32,980	1,28,028	1,08,728	1,28,028
9	Net profit after tax (Rs. in millions)	5,817	6,562	5,670	24,608
10	<b>Earnings per equity share (Not annualised for the interim periods)</b>				
	Basic (Rs.)	7.33	8.28	7.16	31.08
	Diluted (Rs.)	7.32	8.27	7.16	31.04
11	Current ratio	1.16	1.22	1.17	1.22
12	Long term debt to working capital	9.56	7.52	9.33	7.52
13	Bad debts to accounts receivable ratio	NA	NA	NA	NA
14	Current liability ratio	39.14%	37.20%	38.74%	37.20%
15	Total debts to total assets	80.38%	80.31%	78.75%	80.31%
16	Debtors turnover	NA	NA	NA	NA
17	Inventory turnover	NA	NA	NA	NA
18	Operating margin (%)	NA	NA	NA	NA
19	Net profit margin (%)	14.98%	17.90%	16.74%	17.36%
20	<b>Sector specific equivalent ratios</b>				
	Capital adequacy ratio (%)	18.84%	19.25%	19.77%	19.25%
	Gross Stage 3 ratio (%)	1.93%	1.90%	2.48%	1.90%
	Liquidity coverage ratio (%)	240%	140%	224%	140%
	Stage 3 provision coverage ratio (%)	60.24%	66.82%	66.11%	66.82%

### Notes:

1) Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Net worth.

2) Net worth is equal to paid up equity share capital plus other equity less deferred tax.



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## Annexure 2

Standalone Segment Reporting  
for the quarter ended June 30, 2024

(Rupees in million)

Sr. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2024 Reviewed	Mar 31, 2024 Audited	Jun 30, 2023 Reviewed	Mar 31, 2024 Audited
i.	<b>Segment Revenue</b>				
	Lending business	35,708	33,608	28,102	1,22,216
	BPO Services	3,130	3,060	5,766	19,495
	Unallocated		-	-	-
	<b>Income from Operations</b>	<b>38,838</b>	<b>36,668</b>	<b>33,868</b>	<b>1,41,711</b>
ii.	<b>Segment Results</b>				
	Lending business	7,768	8,823	7,471	31,784
	BPO Services	175	68	208	1,576
	Unallocated	(106)	(73)	(74)	(313)
	<b>Profit before tax</b>	<b>7,837</b>	<b>8,818</b>	<b>7,605</b>	<b>33,047</b>
	<b>Income Tax expenses</b>				
	Current tax	2,186	668	2,298	7,707
	Deferred tax Asset	(166)	1,588	(363)	732
	<b>Net Profit</b>	<b>5,817</b>	<b>6,562</b>	<b>5,670</b>	<b>24,608</b>
iii.	<b>Capital Employed</b>				
	<b>Segment assets</b>				
	Lending business	9,65,742	9,14,703	7,30,847	9,14,703
	BPO Services	2,047	1,050	861	1,050
	Unallocated	10,000	9,812	10,737	9,812
	<b>Total Assets</b>	<b>9,77,789</b>	<b>9,25,565</b>	<b>7,42,445</b>	<b>9,25,565</b>
	<b>Segment Liabilities</b>				
	Lending business	8,29,326	7,81,513	6,16,290	7,81,513
	BPO Services	3,685	1,928	2,040	1,928
	Unallocated	2,220	4,697	4,968	4,697
	<b>Total Liabilities</b>	<b>8,35,231</b>	<b>7,88,138</b>	<b>6,23,298</b>	<b>7,88,138</b>
	<b>Net Segment assets / (liabilities)</b>	<b>1,42,558</b>	<b>1,37,427</b>	<b>1,19,147</b>	<b>1,37,427</b>

## a) Chief Operating Decision Maker

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director & CEO of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

## b) Operating Segment

**Primary Segment (Business Segment)**

The Company is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

**Secondary Segment (Geographical Segment)**

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

## c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

## d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

## e) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.



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## Annexure 3

(Rupees in million)

Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024.

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Total (C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value							Relating to Column F	
<b>ASSETS</b>														
Property, Plant and Equipment	Immovable Property (Note 1)	-	-		-		1,713	-	1,713	-	3	-	-	3
Capital Work-in-Progress		-	-		-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-		-	-	3,622	-	3,622	-	-	-	-	-
Goodwill		-	-		-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-		-	-	225	-	225	-	-	-	-	-
Intangible Assets under Development		-	-		-	-	-	-	-	-	-	-	-	-
Investments		-	-		-	-	30,313	-	30,313	-	-	-	-	-
Loans	Receivables under financing activities (Note 2)	4,28,953	3,75,875				1,16,546	-	9,21,374	-	4,28,953	-	-	4,28,953
Inventories		-	-		-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-		-	-	2,790	-	2,790	-	-	-	-	-
Cash and Cash Equivalents		-	-		-	-	5,717	-	5,717	-	-	-	-	-
Bank Balances other than Cash		-	-		-	-	-	-	-	-	-	-	-	-
Equivalents		-	-		-	-	507	-	507	-	-	-	-	-
Others		-	-		-	-	11,528	-	11,528	-	-	-	-	-
<b>Total</b>		<b>4,28,953</b>	<b>3,75,875</b>		-	-	<b>1,72,961</b>	-	<b>9,77,789</b>	-	<b>4,28,956</b>	-	-	<b>4,28,956</b>



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For



## Annexure 3

(Rupees in million)

Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024.

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Total (C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value								Relating to Column F
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains		3,93,843	-	Yes	-	-	-	-	3,93,843	-	3,93,843	-	-	3,93,843
Other debt sharing pari-passu charge with above debt			-		-	-	-	-	-	-	-	-	-	-
Other Debt(Sec)			-		-	-	566	-	566	-	-	-	-	-
Subordinated debt			-		-	-	46,619	-	46,619	-	-	-	-	-
Borrowings	not to be filled		-		-	-	-	-	-	-	-	-	-	-
Bank(TL)			3,43,642		-	-	-	-	3,43,642	-	-	-	-	-
Debt Securities(PDI)			-		-	-	11,996	-	11,996	-	-	-	-	-
Others(CP)			-		-	-	10,333	-	10,333	-	-	-	-	-
Trade payables			-		-	-	3,959	-	3,959	-	-	-	-	-
Lease Liabilities			-		-	-	4,079	-	4,079	-	-	-	-	-
Provisions			-		-	-	3,896	-	3,896	-	-	-	-	-
Others-Liab			-		-	-	16,298	-	16,298	-	-	-	-	-
<b>Total</b>		<b>3,93,843</b>	<b>3,43,642</b>		<b>-</b>	<b>-</b>	<b>97,746</b>	<b>-</b>	<b>8,35,231</b>	<b>-</b>	<b>3,93,843</b>	<b>-</b>	<b>-</b>	<b>3,93,843</b>
Cover on Book Value		1.09			-									
Cover on Market Value		1.09			-									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio	NA								
			1.09											

## Notes:

- 1) The market value of Rs 3 million of the immovable property is on the basis of certified valuation done on April 13, 2024.
- 2) Receivable under financing activities consist of large number of small ticket loans. This is part of the non trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principal and interest. Therefore company has considered the carrying value (net off allowance) for this certificate.
- 3) We confirm that the Company has complied with the covenants mentioned in the disclosure documents of the Secured Redeemable Non-convertible Debentures for the period ended June 30, 2024.



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**G. D. Apte & Co.**  
**Chartered Accountants**  
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5th Floor, Office No. D-509,  
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Mumbai - 400086, Maharashtra, India,  
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**Kalyaniwalla & Mistry LLP**  
**Chartered Accountants**  
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Tel: +91 22 6158 7200

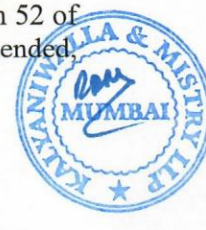
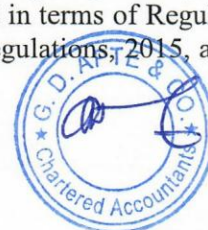
**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of HDB Financial Services Limited Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**TO THE BOARD OF DIRECTORS  
HDB FINANCIAL SERVICES LIMITED**

1. We have reviewed the accompanying unaudited Statement of Consolidated Financial Results of HDB Financial Services Limited ("the Parent") and its controlled structured entity (the Parent and its controlled structured entities together referred to as "the Group") for the quarter ended June 30, 2024, together with notes thereon, ("the Statement"), attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, duly initialled by us for identification.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time ("RBI guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:

Sr. No.	Name of the entity (Controlled Structured Entity)	Relationship
1.	HDB Financial Services Limited	Parent
2.	Venus Trust March 2022	Controlled Structured Entity

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.





including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

6. The unaudited Consolidated Financial Results includes the interim financial information of one controlled structured entity which has not been subjected to review or audit by its auditors, whose interim financial information reflect total revenues of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income Rs. Nil for the quarter ended June 30, 2024, as considered in the unaudited Consolidated Financial Results. According to the information and explanations given to us by the Management, the interim financial information of the said controlled structured entity is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.


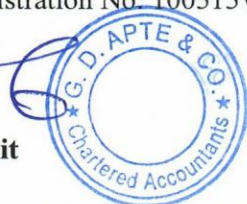
- 7.
- i. The annual financial statements of the Company for the year ended March 31, 2024, were audited by erstwhile auditors whose audit report dated April 16, 2024, expressed an unmodified opinion on those annual financial statements.
  - ii. The interim financial results for the quarter ended June 30, 2023, was reviewed by erstwhile auditors, whose review report dated July 15, 2023, expressed an unmodified conclusion on those interim financial results.
  - iii. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended on that date and the published unaudited year-to-date figures up to the third quarter ended December 31, 2023 prepared in accordance with the recognition and measurement principles laid down in accordance with Ind AS 34 "Interim Financial Reporting" which were subject to limited review by erstwhile auditors..

Our conclusion on the Statement is not modified in respect of the above matters.

**For G. D. Apte & Co.**

Chartered Accountants

Firm Registration No: 100515W

**C.M. Dixit**

Partner

Membership Number: 017532

UDIN: 24017532BKESHEH2350

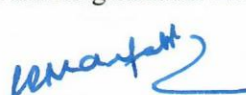
Place: Mumbai

Date: July 13, 2024

**For Kalyaniwalla & Mistry LLP**

Chartered Accountants

Firm Registration No: 104607W/W100166



**Roshni R. Marfatia**

Partner

Membership Number: 106548

UDIN: 24106548BKCSVP9541

Place: Mumbai

Date: July 13, 2024



**Statement of Consolidated Financial Results**  
for the quarter ended June 30, 2024

(Rupees in million)

Sr. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Mar 31, 2024
		Reviewed	Audited (Refer Note 5)	Reviewed	Audited
<b>I</b>	<b>Revenue from operations</b>				
	Interest income	32,646	30,581	25,732	1,11,567
	Sale of services	3,130	3,061	5,766	19,496
	Other financial charges	2,862	2,734	1,969	9,531
	Net gain on fair value changes	202	285	405	1,137
	Net gain/(loss) on derecognised financial instruments	(2)	7	(4)	(20)
	<b>Total Revenue from operations</b>	<b>38,838</b>	<b>36,668</b>	<b>33,868</b>	<b>1,41,711</b>
<b>II</b>	<b>Expenses</b>				
	Finance Costs	14,964	13,769	10,725	48,643
	Impairment on financial instruments	4,125	2,416	2,666	10,674
	Employee benefits expenses	9,055	8,768	10,288	38,508
	Depreciation, amortization and impairment	438	404	314	1,451
	Others expenses	2,419	2,493	2,270	9,388
	<b>Total expenses</b>	<b>31,001</b>	<b>27,850</b>	<b>26,263</b>	<b>1,08,664</b>
<b>III</b>	<b>Profit before tax (I-II)</b>	<b>7,837</b>	<b>8,818</b>	<b>7,605</b>	<b>33,047</b>
<b>IV</b>	<b>Tax expense:</b>				
	a. Current tax	2,186	668	2,298	7,707
	b. Deferred tax	(166)	1,588	(363)	732
	<b>Total tax expense</b>	<b>2,020</b>	<b>2,256</b>	<b>1,935</b>	<b>8,439</b>
<b>V</b>	<b>Net Profit for the period/year (III-IV)</b>	<b>5,817</b>	<b>6,562</b>	<b>5,670</b>	<b>24,608</b>
<b>VI</b>	<b>Other Comprehensive Income/(Loss) (net of tax)</b>	<b>(39)</b>	<b>(91)</b>	<b>(140)</b>	<b>(364)</b>
<b>VII</b>	<b>Total Comprehensive Income/(Loss) (after tax) (V-VI)</b>	<b>5,778</b>	<b>6,471</b>	<b>5,530</b>	<b>24,244</b>
<b>VIII</b>	<b>Earnings per equity share (Refer Note 6)</b>				
	a. Basic (in Rupees)	7.33	8.28	7.16	31.08
	b. Diluted (in Rupees)	7.32	8.27	7.16	31.04
	Face value per share (in Rupees)	10	10	10	10



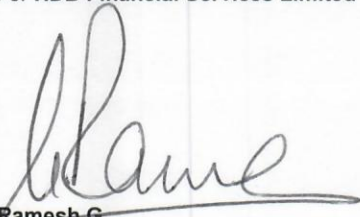
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- 1 HDB Financial Services Limited ('the Group') is a Non-Banking Financial Group registered with the Reserve Bank of India.
- 2 The consolidated financial results for the quarter ended June 30, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 13, 2024, in terms of Regulations 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The consolidated financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Limited Review' of consolidated financial results for the quarter ended June 30, 2024 have been carried out by the Statutory Auditors of the Group.
- 5 The figures for the preceding quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the full previous financial year and the unpublished reviewed year-to-date figures upto third quarter of the previous financial year.
- 6 Earnings per equity share for the quarter ended June 30, 2024, March 31, 2024 and June 30, 2023 have not been annualised.
- 7 The Secured listed non-convertible debt securities of the Group are secured by first pari passu mortgage on immovable property situated at Heera Panna Commercial Complex, 3rd Floor, Dr. Yagnik Road, Rajkot and/or first and exclusive charge on receivables of the Group by way of hypothecation to the extent of minimum 1.0 times of the outstanding principal and interest thereon.
- 8 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 1.
- 9 The disclosure in terms of Ind-AS 108 dealing with 'Operating Segment' as specified under Section 133 of the Companies Act, 2013 is attached as Annexure 2.
- 10 As on June 30, 2024 the security cover available in respect of secured non convertible debt securities is 1.09 and the asset cover available in respect of unsecured non convertible debt securities is 2.48. The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 3.
- 11 Pursuant to Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Operational Circular dated August 10, 2021, the Group has listed its Commercial Papers on National Stock Exchange of India Limited (NSE).
- 12 The Reserve Bank of India, under Scale Based Regulations has categorised the Group as Upper Layer (NBFC-UL), vide it's circular dated September 14, 2023.
- 13 Details of loans transferred / acquired during the period ended June 30, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The Group has not transferred any Non-Performing Assets.
  - (ii) The Group has not transferred any loan not in default.
  - (iii) The Group has not acquired any Special Mention Account.
  - (iv) The Group has not acquired any stressed loan and loan not in default.
- 14 Figures for the previous period/year have been regrouped wherever necessary, in order to make them comparable with current period/year.

By Order of the Board  
For HDB Financial Services Limited

  
**Ramesh G.**  
Managing Director & CEO  
DIN : 05291597

Date : July 13, 2024  
Place : Mumbai





HDB Financial Services Limited

Annexure 1

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2024

Sr. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Mar 31, 2024
		Reviewed	Audited	Reviewed	Audited
1	Debt-equity ratio (times) <sup>1</sup>	5.91	5.81	5.38	5.81
2	Debt service coverage ratio	NA	NA	NA	NA
3	Interest service coverage ratio	NA	NA	NA	NA
4	Outstanding redeemable preference shares (Quantity)	Nil	Nil	Nil	Nil
5	Outstanding redeemable preference shares (value) (Rs. in millions)	Nil	Nil	Nil	Nil
6	Capital redemption reserve (Rs. in millions)	Nil	Nil	Nil	Nil
7	Debenture redemption reserve (Rs. in millions)	Nil	Nil	Nil	Nil
8	Net worth (Rs. in millions) <sup>2</sup>	1,32,980	1,28,028	1,08,728	1,28,028
9	Net profit after tax (Rs. in millions)	5,817	6,562	5,670	24,608
10	<b>Earnings per equity share (Not annualised for the interim periods)</b>				
	Basic (Rs.)	7.33	8.28	7.16	31.08
	Diluted (Rs.)	7.32	8.27	7.16	31.04
11	Current ratio	1.16	1.22	1.17	1.22
12	Long term debt to working capital	9.56	7.52	9.33	7.52
13	Bad debts to accounts receivable ratio	NA	NA	NA	NA
14	Current liability ratio	39.14%	37.20%	38.74%	37.20%
15	Total debts to total assets	80.38%	80.31%	78.75%	80.31%
16	Debtors turnover	NA	NA	NA	NA
17	Inventory turnover	NA	NA	NA	NA
18	Operating margin (%)	NA	NA	NA	NA
19	Net profit margin (%)	14.98%	17.90%	16.74%	17.36%
20	<b>Sector specific equivalent ratios</b>				
	Capital adequacy ratio (%)	18.84%	19.25%	19.77%	19.25%
	Gross Stage 3 ratio (%)	1.93%	1.90%	2.48%	1.90%
	Liquidity coverage ratio (%)	240%	140%	224%	140%
	Stage 3 provision coverage ratio (%)	60.24%	66.82%	66.11%	66.82%

Notes:

- 1) Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Net worth.  
2) Net worth is equal to paid up equity share capital plus other equity less deferred tax.

7





## Annexure 2

Consolidated Segment Reporting  
for the quarter ended June 30, 2024

(Rupees in million)

Sr. No.	Particulars	Quarter ended		Year ended	
		Jun 30, 2024 Reviewed	Mar 31, 2024 Audited	Jun 30, 2023 Reviewed	Mar 31, 2024 Audited
i.	<b>Segment Revenue</b>				
	Lending business	35,708	33,608	28,102	1,22,216
	BPO Services	3,130	3,060	5,766	19,495
	Unallocated		-	-	-
	<b>Income from Operations</b>	<b>38,838</b>	<b>36,668</b>	<b>33,868</b>	<b>1,41,711</b>
ii.	<b>Segment Results</b>				
	Lending business	7,768	8,823	7,471	31,784
	BPO Services	175	68	208	1,576
	Unallocated	(106)	(73)	(74)	(313)
	<b>Profit before tax</b>	<b>7,837</b>	<b>8,818</b>	<b>7,605</b>	<b>33,047</b>
	<b>Income Tax expenses</b>				
	Current tax	2,186	668	2,298	7,707
	Deferred tax Asset	(166)	1,588	(363)	732
	<b>Net Profit</b>	<b>5,817</b>	<b>6,562</b>	<b>5,670</b>	<b>24,608</b>
iii.	<b>Capital Employed</b>				
	<b>Segment assets</b>				
	Lending business	9,65,742	9,14,703	7,30,847	9,14,703
	BPO Services	2,047	1,050	861	1,050
	Unallocated	10,000	9,812	10,737	9,812
	<b>Total Assets</b>	<b>9,77,789</b>	<b>9,25,565</b>	<b>7,42,445</b>	<b>9,25,565</b>
	<b>Segment Liabilities</b>				
	Lending business	8,29,326	7,81,513	6,16,290	7,81,513
	BPO Services	3,685	1,928	2,040	1,928
	Unallocated	2,220	4,697	4,968	4,697
	<b>Total Liabilities</b>	<b>8,35,231</b>	<b>7,88,138</b>	<b>6,23,298</b>	<b>7,88,138</b>
	<b>Net Segment assets / (liabilities)</b>	<b>1,42,558</b>	<b>1,37,427</b>	<b>1,19,147</b>	<b>1,37,427</b>

## a) Chief Operating Decision Maker

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director & CEO of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

## b) Operating Segment

**Primary Segment (Business Segment)**

The Group is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

**Secondary Segment (Geographical Segment)**

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

## c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

## d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

## e) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.



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## Annexure 3

(Rupees in million)

Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024.														
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Total (C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value							Relating to Column F	
<b>ASSETS</b>														
Property, Plant and Equipment	Immovable Property (Note 1)	-	-		-		1,713	-	1,713	-	3	-	-	3
Capital Work-in-Progress		-	-		-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-		-	-	3,622	-	3,622	-	-	-	-	-
Goodwill		-	-		-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-		-	-	225	-	225	-	-	-	-	-
Intangible Assets under Development		-	-		-	-	-	-	-	-	-	-	-	-
Investments		-	-		-	-	30,313	-	30,313	-	-	-	-	-
Loans	Receivables under financing activities (Note 2)	4,28,953	3,75,875				1,16,546	-	9,21,374	-	4,28,953	-	-	4,28,953
Inventories		-	-		-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-		-	-	2,790	-	2,790	-	-	-	-	-
Cash and Cash Equivalents		-	-		-	-	5,717	-	5,717	-	-	-	-	-
Bank Balances other than Cash		-	-		-	-	-	-	-	-	-	-	-	-
Others		-	-		-	-	11,528	-	11,528	-	-	-	-	-
<b>Total</b>		<b>4,28,953</b>	<b>3,75,875</b>		-	-	<b>1,72,961</b>	-	<b>9,77,789</b>	-	<b>4,28,956</b>	-	-	<b>4,28,956</b>



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## Annexure 3

(Rupees in million)

Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024.														
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Total (C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value							Relating to Column F	
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains		3,93,843	-	Yes	-	-	-	-	3,93,843	-	3,93,843	-	-	3,93,843
Other debt sharing pari-passu charge with above debt			-		-	-	-	-	-	-	-	-	-	-
Other Debt(Sec)			-		-	-	566	-	566	-	-	-	-	-
Subordinated debt			-		-	-	46,619	-	46,619	-	-	-	-	-
Borrowings	not to be filled		-		-	-	-	-	-	-	-	-	-	-
Bank(TL)			3,43,642		-	-	-	-	3,43,642	-	-	-	-	-
Debt Securities(PDI)			-		-	-	11,996	-	11,996	-	-	-	-	-
Others(CP)			-		-	-	10,333	-	10,333	-	-	-	-	-
Trade payables			-		-	-	3,959	-	3,959	-	-	-	-	-
Lease Liabilities			-		-	-	4,079	-	4,079	-	-	-	-	-
Provisions			-		-	-	3,896	-	3,896	-	-	-	-	-
Others-Liab			-		-	-	16,298	-	16,298	-	-	-	-	-
<b>Total</b>		<b>3,93,843</b>	<b>3,43,642</b>		-	-	<b>97,746</b>	-	<b>8,35,231</b>	-	<b>3,93,843</b>	-	-	<b>3,93,843</b>
Cover on Book Value		1.09			-	-								
Cover on Market Value		1.09			-	-								
		Exclusive Security Cover Ratio		1.09	Pari-Passu Security Cover Ratio	NA								

## Notes:

- 1) The market value of Rs 3 million of the immovable property is on the basis of certified valuation done on April 13, 2024.
- 2) Receivable under financing activities consist of large number of small ticket loans. This is part of the non trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principal and interest. Therefore the Group has considered the carrying value (net off allowance) for this certificate.
- 3) We confirm that the Group has complied with the covenants mentioned in the disclosure documents of the Secured Redeemable Non-convertible Debentures for the period ended June 30, 2024.



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July 13, 2024

To,  
 BSE Limited  
 P. J. Towers,  
 Dalal Street, Mumbai – 400 001

**K.A.: Listing Compliance Department**

**Sub.: Statement of utilisation of issue proceeds under Regulation 52(7) and Statement of deviation/ variation under Regulation 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

**Statement of utilisation of issue proceeds under Regulation 52(7) and Statement of deviation/ variation under Regulation 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

A. Pursuant to the Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that, the proceeds of the below Non-Convertible Securities issued by the Company during the quarter ended June 30, 2024, listed on the Stock Exchange, have been utilised for the purpose for which these proceeds were raised in accordance with the respective Offer Documents of the issues:

Name of the issuer: **HDB Financial Services Limited**

ISIN	Mode of Fund Raising (Public issues / Private placement)	Type of instrument	Date of raising funds	Amount Raised (Face Value Rs. in Crore)	Fund utilised (Face Value Rs.in Crore)	Any deviation (Yes/No)	If Yes, then specify the purpose of for which the funds were utilised	Remarks, if any
INE756I07EY1	Private Placement	NCD	April 10, 2024	500.00	500.00	No	NA	NA
INE756I07ES3	Private Placement	NCD	April 22, 2024	1,500.00	1,500.00	No	NA	NA
INE756I07EY1	Private Placement	NCD	April 29, 2024	70.00	70.00	No	NA	NA
INE756I07EL8	Private Placement	NCD	May 9, 2024	1,075.00	1,075.00	No	NA	NA
INE756I07EZ8	Private Placement	NCD	May 9, 2024	1,500.00	1,500.00	No	NA	NA





ISIN	Mode of Fund Raising (Public issues / Private placement)	Type of instrument	Date of raising funds	Amount Raised (Face Value Rs. in Crore)	Fund utilised (Face Value Rs.in Crore)	Any deviation (Yes/No)	If Yes, then specify the purpose of for which the funds were utilised	Remarks, if any
INE756I07FA8	Private Placement	NCD	June 7, 2024	475.00	475.00	No	NA	NA
INE756I08272	Private Placement	PDI	June 13, 2024	150.00	150.00	No	NA	NA
INE756I07EP9	Private Placement	NCD	June 20, 2024	525.00	525.00	No	NA	NA
INE756I07EW5	Private Placement	NCD	June 20, 2024	100.00	100.00	No	NA	NA
INE756I07EJ2	Private Placement	NCD	June 28, 2024	1,103.00	1,103.00	No	NA	NA

**B. Statement of deviation/ variation in use of Issue proceeds for the quarter ended June 30, 2024:**

Particulars	Remarks
Name of the listed entity	HDB Financial Services Limited
Mode of fund raising	<del>Public issue</del> / Private placement
Type of Instrument	Non-convertible Securities
Date of raising funds	As mentioned in above table
Amount raised	As per mentioned in above table
Report filed for quarter ended	June 30, 2024
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	No
If yes, details of the approval so required?	Not Applicable
Date of approval	Not Applicable
Explanation for the deviation/ variation	Not Applicable
Comments of the audit committee after review	None
Comments of the auditors, if any	None
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:	



Original object	<b>Purpose</b>	<b>Percentage of fund raised (%)</b>
	For disbursements of loans to borrowers	Upto 100
	For refinancing existing borrowings/ repayment of existing borrowings	Upto 75
	For general corporate purposes	Upto 50
	Further, pending utilisation, the issue proceeds may be utilised / invested as may be approved from time to time in the ordinary course of business, in fixed deposits with banks, mutual fund units, etc.	
	Additionally the proceeds of the issuance shall be in accordance with RBI guidelines applicable for bank finance to NBFCs.	
Modified object, if any	Nil	
Original allocation	Funds have been allocated as per the objects stated above in compliance with the applicable laws.	
Modified allocation, if any	Nil	
Funds utilised	Funds have been utilised as per the objects stated above in compliance with the applicable laws.	
Amount of deviation/ variation for the quarter according to application object (in Rs. crore and in %)	Not Applicable	
Remarks, if any	Nil	

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilised as against what was originally disclosed.

Please take the above on record.

**For HDB Financial Services Limited**



**Jaykumar Shah**  
 (Chief Financial Officer)






**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED THROUGH CIRCULAR RESOLUTION ON THURSDAY, OCTOBER 10, 2024**

**TO APPROVE GENERAL INFORMATION DOCUMENT AND KEY INFORMATION DOCUMENT**

**“RESOLVED THAT** pursuant to SEBI (Issue and Listing of Non-Convertible Securities) (Second Amendment) Regulations, 2024, the Board of Directors be and hereby confirm and approve the contents of the General Information Document bearing reference no 2024-25/GID and Key Information Document bearing reference no 2024-25/KID/NCD-01;

**RESOLVED FURTHER THAT** the Managing Director & Chief Executive Officer and/ or the Chief Financial Officer of the Company be and are hereby authorised to attest the same and submit to the stock exchange and any other regulatory authority.

**RESOLVED FURTHER THAT** any of the Director(s) and / or Key Managerial Personnel of the Company, be and are hereby authorized to do all such acts, deeds and things necessary and incidental to give effect to the aforesaid resolution.”

**Certified True Copy  
For HDB FINANCIAL SERVICES LIMITED**

  
**Dipti Khandelwal  
Company Secretary  
Membership No. F11340**



**October 10, 2024**

DCS/COMP/AA/IP-PPDI/138/24-25

October 08, 2024

**HDB Financial Services Limited**

Radhika, 2 nd Floor, Law Garden Road,  
Navrangpura, Ahmedabad 380 009

**Re: Private Placement of**

**1. Issue of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (“Secured Debentures”);**

**2. Issue of Unsecured, Rated, Listed, Perpetual debt instruments in the nature of Non-Convertible Debentures (“PDI”);**

**3. Issue of Unsecured, Rated, Listed, Redeemable, Non-Convertible Subordinated (Tier II) bonds (“Subordinated Bonds”);and**

**4. Issue of Unsecured, Rated, Listed, Commercial Papers which shall be issued / offered by the company during the validity of this General Information Document, in accordance with the master directions –Reserve Bank of India (Commercial Paper and Non-Convertible debentures of originalor initial maturity upto one year) Directions, 2024 (“CPs”). GID Dated- 08 October 2024**

We acknowledge receipt of your application on the online portal on October 03, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>



7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

***9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

***10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18> and ensure compliance of the same.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, whichever ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,  
**For BSE Limited**



**Anurag Jain**  
Manager



**Akshay Arolkar**  
Deputy Manager