

Sundaram Home Finance Limited

24th Annual Report
2022-23



sf | *SUNDARAM HOME*

Board of Directors

T.T. Srinivasaraghavan	Chairman
Harsha Viji	Non-Executive Director
A.N. Raju	Non-Executive Director
Bhavani Balasubramanian	Independent Director
Mahesh Parasuraman	Independent Director
S. Mahalingam	Independent Director
C. Sruthi	Independent Director
Lakshminarayanan Duraiswamy	Managing Director

Audit Committee

Bhavani Balasubramanian	Chairperson
Mahesh Parasuraman	
Mahalingam	(w.e.f. 11th May 2023)

Executive Committee

T.T. Srinivasaraghavan	Chairman
A.N. Raju	
Lakshminarayanan Duraiswamy	

Asset Liability Management Committee

Lakshminarayanan Duraiswamy	Chairman
S. Sridhar	
R Venkatasubramanian	

Risk Management Committee

A.N. Raju	Chairman
Bhavani Balasubramanian	
Lakshminarayanan Duraiswamy	

Corporate Social Responsibility Committee

Harsha Viji	Chairman
Bhavani Balasubramanian	
Lakshminarayanan Duraiswamy	

Nomination and Remuneration Committee

Mahesh Parasuraman Chairman
Harsha Viji
Bhavani Balasubramanian

Stakeholders Relationship Committee

A.N. Raju Chairman
C Sruthi
Lakshminarayanan Duraiswamy

IT Strategy Committee

Mahesh Parasuraman Chairman
Sudheer Warriier
Lakshminarayanan Duraiswamy

Key Managerial Personnel

Lakshminarayanan Duraiswamy Managing Director
S. Sridhar Chief Financial Officer
R. Venkatasubramanian Company Secretary

Senior Executives

Gaurav Mittal Chief Business Officer
Hema Ganapathy Chief Operating Officer
V. Janaki Chief Technology Officer
Anitha Srinivasan Chief Risk officer
S. Ganapathi Subramanian Chief Human Resources Officer
T. Kailashapathy Head-Internal Audit

Statutory Auditors

M/s. Suri & Co.
Chartered Accountants
Guna Complex, No. 443 & 445
4th Floor Main Building
Anna Salai, Teynampet,
Chennai 600 018

Secretarial Auditor

M/s. M. Damodaran & Associates LLP
 New No.6, Old No.12
 Appavoo Gramani 1st Street
 Mandaveli, Chennai - 600 028

Information Security Assurance Services

M/s. C.V. Ramaswamy & Co.
 No.1, Vidwan Sundaram Street
 Nungambakkam
 Chennai 600 034

Bankers

Axis Bank	Federal Bank
HDFC Bank	ICICI Bank
IndusInd Bank	State Bank of India
IDBI Bank	UCO Bank
Karnataka Bank	

Trustee for Debentures/Public Deposits

IDBI Trusteeship Services Limited
 Universal Insurance Building
 Ground Floor, Sir. P.M. Road
 Fort, Mumbai 400 001

Trustee for Securitisation

Vistra ITCL (India) Limited
 (Formerly IL & FS Trust Company Limited)
 The IL & FS Financial Centre
 Plot C-22, G Block, Bandra-Kurla Complex
 Bandra (E), Mumbai – 400 051

Registered Office

21, Patullos Road, Chennai - 600 002
 Phone: 044 2852 1181
 Fax: 044 2858 6641

Corporate Office

‘Sundaram Towers’
 46, Whites Road, Chennai – 600 014
 Phone: 044 2851 5267
 Fax: 044 2858 2235

Email

compsec@sundaramhome.in

Website

www.sundaramhome.in

Corporate Identity Number

U65922TN1999PLC042759

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HIGHLIGHTS

(₹ in Crore)

	2022-23	2021-22	2020-21	2019-20	2018-19
OPERATIONAL HIGHLIGHTS	Ind AS				
Approvals	4310	2476	1446	2240	2672
Disbursements	3901	2311	1254	2113	2449
Loans outstanding	11147	9432	9061	9479	9043
Loans under Management (including assets sold)	11181	9495	9173	9638	9258
FINANCIAL HIGHLIGHTS					
Paid-up capital	101.25	101.25	101.25	101.25	101.25
Reserves and Surplus	1703.77	1553.72	1457.45	1319.81	1150.84
Networth	1805.02	1654.97	1558.70	1421.06	1252.09
Total borrowings	9873.14	8549.21	8234.10	8601.23	8037.39
Fixed Deposits	2026.78	2024.20	1875.24	1657.20	1230.13
Profit before tax	281.70	212.72	251.30	218.08	224.17
Profit after tax (before exceptional item)	215.41	167.70	191.64	157.90	145.48
Profit after tax (after exceptional item)	215.41	167.70	191.64	218.15	145.48
Total Comprehensive Income for the period comprising Profit and other comprehensive income for the period	215.50	166.94	191.24	217.87	145.55
Dividend %	100%	80%	70%	42%	35%
Dividend (including tax) - Amount in cr	101.25	81.00	70.88	42.53	42.72
Return on Average Networth (%)	12.45	10.44	12.86	11.81	12.12
Book value (₹)	178.27	163.45	153.94	140.35	123.66
Earnings per share (₹)	21.27	16.56	18.93	21.54	14.37
Capital Adequacy Ratio (%)	23.5	25.7	24.9	23.0	23.5
Cost-to-income ratio (%)	33.56	30.83	26.67	30.83	29.31
Stage 3 Assets (%)	2.26	3.00	4.48	4.78	3.88
Net non performing loans (%)	1.13	1.57	1.09	1.63	0.93

BOARD'S REPORT

To the Members

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of the Company together with the audited accounts for the year ended 31st March 2023.

FINANCIAL RESULTS

The summarised financial results are given hereunder:

(₹ in Crore)
(as per Ind AS)

	Year ended 31st March 2023	Year ended 31st March 2022
Income from Operations	1139.45	955.81
Other income	0.74	1.18
Total Revenue	1140.19	956.99
Less: Total Expenses	858.49	744.27
Profit Before Tax	281.70	212.72
Profit After Tax before Exceptional Item	215.41	167.70
Exceptional Item	-	-
Profit After Tax after Exceptional Item	215.41	167.70
Other comprehensive income	0.09	(0.76)
Total Profit & Other comprehensive income	215.50	166.94
Add: Balance brought forward from the previous year	354.05	291.53
Amount available for appropriation	569.55	458.47

Appropriations

(₹ in Crore)

	Year ended 31st March 2023	Year ended 31st March 2022
Transfer to Special Reserve under Section 36(1) (viii) of the Income-tax Act, 1961	37.00	32.85
Transfer to Special Reserve relating to earlier years	-	0.15
Transfer to Additional Reserve under Section 29C of National Housing Bank Act, 1987	6.08	0.54
Other Comprehensive Income		-
Final Dividend paid for FY 2020-21	-	55.69
Interim Dividend paid for FY2021-22	-	15.19
Final Dividend for the year 2021-22	65.82	-
Dividend Distribution Tax	-	-
Transfer to General Reserve	-	-
Surplus carried to the Balance Sheet	460.65	354.05
Total	569.55	458.47

DIVIDEND

During the year 2022-23, the following dividends were paid:

Final Dividend for the year 2021-22	65%	₹ 65.82 crore
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Your Directors are pleased to recommend a dividend of ₹10.00 per share (100%) for the Financial Year 2022-23 on the total paid-up capital of ₹101.25 crore.

In terms of the Companies (Accounting Standard) Rules, 2006, as amended, the proposed dividend is not recorded as a liability as on 31st March 2023. The liability will be recognised after the dividend is approved by the Members in the ensuing Annual General Meeting and duly reflected in the accounts for the year 2023-24.

OPERATING AND FINANCIAL PERFORMANCE

Gross income of the Company during the year ended 31st March 2023 amounted to ₹ 1140.19 crore, higher by 19.1% over the previous year. Profit before tax was ₹ 281.70 crore, higher by 32.4% compared to the previous year. At ₹ 215.41 crore, profit after tax was higher by 28.5% over the previous year. The Company's net worth stood at ₹1805.02 crore as on 31st March 2023 (₹1654.97 crore at the end of the previous year). As on that date, the regulatory capital adequacy ratio (CRAR) was 23.5%, well above the regulatory minimum of 15%.

The Company approved loans totaling ₹4310 crore during the year, as against ₹2476 crore in FY22, registering an increasing of 74.07%. Disbursements during the year amounted to ₹3901 crore as against ₹2311 crore in FY22, an increase of 68.80%. The average ticket size of home loans disbursed to individuals during the year was ₹27 lakh.

Gross Non-Performing Loans (NPLs) (loans in continuing default for more than 90 days) amounted to ₹251.39 crore as on 31st March 2023 which constituted 2.26% of the total loans, down from 3.00%, a year ago. Net NPLs after provisioning under ECL were 1.13% (0.85% excluding restructured NPLs), down from 1.57% last year.

The Company continues to follow a prudent loan provisioning policy, as a result of which the provisions for Expected Credit Loss (ECL) allocated to NPL accounts is considerably higher than the regulatory requirement.

During the year, the Company disbursed loans amounting to ₹327.10 crore to Affordable Housing Finance Companies through Line of Credit (LOC).

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has duly constituted a Corporate Social Responsibility Committee as per the provisions of Section 135 of the Companies Act, 2013 and devised a Policy for the implementation of the CSR framework, broadly defining the areas of spending, of at least two per cent of the average net profits made during the last three immediately preceding Financial Years on the activities mentioned under Schedule VII of the Companies Act, 2013.

The CSR Committee monitors the Policy of the Company from time to time to ensure that the requisite amount is spent on CSR activities as per the framework.

As of 31st March 2023, the CSR Committee consisted of three Members, viz. Mr. Harsha Viji, Ms. Bhavani Balasubramanian and Mr. Lakshminarayanan Duraiswamy. Mr. Harsha Viji was the Chairman of the Committee.

During the Financial Year 2022-23, your Company has spent ₹7.02 crore which is in excess of the statutorily required amount of ₹4.39 crore. A Report on CSR Activities undertaken by the Company for the Financial Year 2022-23 is annexed as part of this Board's Report (Annexure I).

The Policy on Corporate Social Responsibility has been hosted on Company's website <http://www.sundaramhome.in>

CORPORATE GOVERNANCE

Reserve Bank of India, vide its Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated 17th February 2021, has mandated all Housing Finance Companies to follow the guidelines on Corporate Governance as per the Housing Finance Companies – Corporate Governance (NHB) Directions, 2016. The Company has accordingly framed internal guidelines on Corporate Governance which have been hosted on its website <http://www.sundaramhome.in>

Your Company is committed to achieving the highest standards of Corporate Governance and it aspires to benchmark itself with the best practices in this regard. The Board regularly reviews the Management's reports on statutory and regulatory compliances.

A detailed report on corporate governance, together with a certificate from the Practising Company Secretary, in compliance with the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as part of this report, vide Annexure II (i).

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3) (c) read with 134(5) of the Companies Act, 2013, the Board of Directors hereby state that:

- a. in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- b. the Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of the profit of the Company for that period;
- c. proper and sufficient care has been exercised for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Annual Accounts have been prepared on a going concern basis;
- e. adequate internal financial controls have been put in place and they are operating effectively; and
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

During the year, the Company did not enter into any materially significant transaction with related parties, i.e., its Promoters, Directors, Key Managerial Personnel and their relatives, conflicting with the Company's interests as laid down under Section 188(1) of the Companies Act, 2013.

Approval of the Audit Committee is obtained by the Company before entering into any related party transaction as per the applicable provisions of Companies Act, 2013. In accordance with the provisions of Section 188 of the Companies Act, 2013, approval of the Board of Directors is also obtained for entering into related party transactions

by the Company. An update is also given to the Audit Committee and the Board of Directors on the related party transactions undertaken by the Company on a quarterly basis for their review and consideration.

All the transactions entered into by the Company with any of the related parties during the year were in the ordinary course of business and on an arm's length basis. Form AOC-2, as required under Section 134(3) (h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is annexed as part of this Board's Report (Annexure II (ii)).

Further, as mandated under the Directions issued by the Reserve Bank of India under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated 17th February 2021, the Company has formulated a Policy on Related Party Transactions and Policy on Related Party Transactions has been hosted on the Company's website <http://www.sundaramhome.in>

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy for prevention of Sexual Harassment, in line with the requirements of the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013." An Internal Complaints Committee (ICC) has been set up to redress complaints, as and when received, regarding sexual harassment and all employees are covered under this Policy.

The Policy has been hosted on the Company's website <http://www.sundaramhome.in>

There were no complaints during the year 2022-23.

WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism with effect from 1st April 2014, for Directors and Employees to report genuine concerns about unethical behaviour, pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014. The vigil mechanism provides

for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. It is hereby affirmed that no personnel of the Company has been denied access to the Audit Committee under the vigil mechanism. The Whistle Blower Policy has been hosted on the Company's website <http://www.sundaramhome.in>

There were no complaints during the year 2022-23.

SIGNIFICANT AND MATERIAL ORDERS

During the year under review, no significant and material orders were passed by the regulators, courts or tribunals against the Company, impacting its "going concern" status or its future operations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDIAN ECONOMIC SCENARIO

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. The year FY23 so far for India has reinforced the country's belief in its economic resilience. The economy has withstood the challenge of mitigating external imbalances caused by the Russian-Ukraine conflict without losing growth momentum in the process. As expected of a nation of this size, the Indian economy in FY23 has nearly "recouped" what was lost, "renewed" what had paused, and "re-energised" what had slowed during the pandemic and since the conflict in Europe.

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. The private sector – financial and non-financial – was repairing balance sheets, which led to a slowdown in capital formation in the previous decade. The financial system stress experienced in the second decade of the millennium, evidenced by rising nonperforming assets, low credit growth and declining growth rates of capital formation, caused by excessive

lending witnessed in the first decade-plus, is now behind us. Aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible. More importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially. Budgeted capital expenditure rose 2.7X in the last seven years, from FY16 to FY23, re-invigorating the Capex cycle. Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance.

Even as India's outlook remains bright, global economic prospects for the next year have been weighed down by the combination of a unique set of challenges expected to impart a few downside risks. Multi-decadal high inflation numbers have compelled central banks across the globe to tighten financial conditions. The impact of monetary tightening is beginning to show in slowing economic activity, especially in Advanced Economies. Besides this, adverse spill overs from the prolonged strains in supply chains and heightened uncertainty due to geo-political conflict have further deteriorated the global outlook. Hence, global growth is forecasted to slow from 3.2 per cent in 2022 to 2.7 per cent in 2023 as per IMF's World Economic Outlook, October 2022. A slower growth in economic output coupled with increased uncertainty will dampen trade growth. This is seen in the lower forecast for growth in global trade by the World Trade Organisation, from 3.5 per cent in 2022 to 1.0 per cent in 2023.

The survey projects a baseline GDP growth of 6.5 per cent in real terms in FY24. The projection is broadly comparable to the estimates provided by multilateral agencies such as the World Bank, the International Monetary Fund (IMF), and the Asian Development Bank (ADB) and by Reserve Bank of India (RBI), domestically. The actual outcome for real GDP growth will probably lie in the range of 6.0 per cent to 6.8 per cent, depending on the trajectory of economic and political developments globally.

HOUSING FINANCE SECTOR

The Covid-19 crisis significantly impacted the residential real estate market. Health concerns and stay-at-home orders led to fewer

buyers looking for homes during the initial phase of the pandemic in April-June, 2020. Subsequently, India's real estate industry gained momentum from September 2020 onwards and peaked in the quarter ending in March 2021. The second wave of the pandemic affected the real estate sector yet again when home buyers delayed purchases due to mounting uncertainty and restricted movement. However, timely policy intervention by the government coupled with low home loan interest rates propped up demand and attracted buyers more readily in the affordable segment in FY23. The overall increase in composite HPI assessment and HPI market prices indicates a revival in the housing finance sector. A stable to moderate increase in HPI also offers confidence to homeowners and home loan financiers in terms of the retained value of the asset.

The geopolitical tensions between Russia and Ukraine have again raised concerns regarding disruption in the global supply chain and its consequent impact on the real estate sector. Notwithstanding the current impediments, such as rising interest rates on home loans and an increase in property prices, the sector has witnessed resilient growth in the current year, with housing sales and the launch of new houses in Q2 of FY23 surpassing the pre-pandemic level of Q2 of FY20. This comes on the back of sustained sales momentum as the sector steadily recovers from the impact of the pandemic. Going forward, the recent government measures, such as the reduction in import duties on steel products, iron ore, and steel intermediaries, will cool off the construction cost and help to check the rise in housing prices.

REGULATORY CHANGES

The Reserve Bank of India ('RBI') had, on October 22, 2021, announced the Scale Based Regulations (SBR): 'A Revised Regulatory Framework for NBFCs'. Through SBR, various governance guidelines have been newly introduced while the existing guidelines have been modified to keep up with the current market practices and one of the requirements is the introduction of Core Financial Services Solution (CFSS) for NBFCs vide RBI circular dated February 23, 2022. The SBR framework is stated to go into effect on October 1, 2022.

Reserve Bank of India vide its circular dated February 03, 2021, mandates all deposit taking NBFCs to have a Risk Based Internal Audit (RBIA) framework to enhance the quality and effectiveness of their internal audit system.

Reserve Bank of India mandates all Deposit-taking NBFCs (NBFCs-D) with 10 or more branches having public customer interface to appoint Internal Ombudsman (IO). The IO shall deal only with the complaints that have already been examined by the NBFC but have been partly or wholly rejected by the NBFC.

The Company is in compliance with the applicable provisions of the RBI HFC Directions and other directions/guidelines issued by RBI/NHB as applicable.

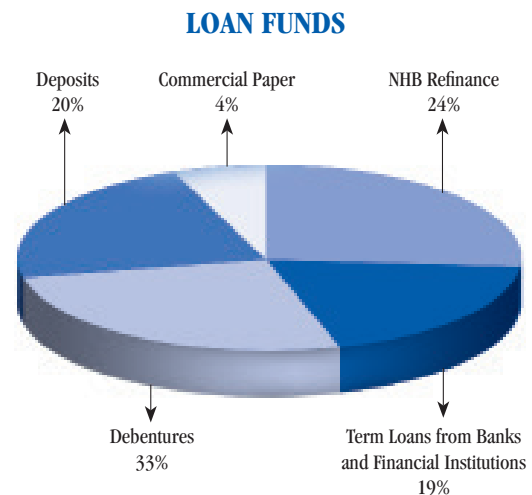
RESOURCE MOBILISATION

FRESH EQUITY

During the year, the Company did not raise funds by way of infusion of fresh equity. The Company did not face any liquidity pressure.

BORROWINGS

Total borrowings as on 31st March 2023 stood at ₹9873.14 crore as against ₹8549.21 crore a year earlier. Of the total borrowings, NHB Refinance constituted 24%, Non-Convertible Debentures (NCDs) 33%, Term Loans from Banks and Financial Institutions 19% and Public Deposits 20% and Commercial Paper 4%.



During the year, the Company obtained fresh refinance of ₹1000 crore from NHB and repaid ₹548 crore of refinance. It raised long-term funds to the extent of ₹1450 crore through non-convertible debentures and ₹1500 crore from banks. The Company duly repaid its term borrowings including debentures as and when they became due for payment and no debentures remained unclaimed by the investors at the year end. The Company did not opt for a moratorium with any of its lenders.

DEPOSITS

The Company mobilized fresh public deposits of ₹456 crore during FY23. Fixed Deposits outstanding at the year-end were ₹1956 crore (₹1941 crore at the end of FY22).

The Company notifies depositors well ahead of the maturity of their deposits and thereafter issues periodical reminders if the deposits are not renewed or unclaimed on or after maturity. As of 31st March 2023, deposits totaling ₹17.82 crore from 907 depositors had matured for payment but the depositors concerned had sought neither renewal nor repayment of their deposits. The Company is closely following up these cases and, as of date, such deposits stand reduced to ₹11.90 crore from 692 depositors.

As of 31st March 2023, there were no amounts pending to be transferred to the Investor Education and Protection Fund (IEPF).

The Sections and Rules under Chapter V under the Companies Act, 2013, relating to acceptance of deposits, do not apply to Housing Finance Companies registered with the Reserve Bank of India and, therefore, are not applicable to the Company. The Company has, however, complied with the provisions of the National Housing Bank Directions in relation to acceptance of public deposits.

COMMERCIAL PAPER

The Company issued commercial paper aggregating ₹1250 crore (face value) during the year. The maximum amount of commercial paper outstanding at any time during the year was ₹1000 crore (face value) and the amount outstanding at the end of the year ₹400 crore (face value).

The Company has listed its commercial paper with the NSE as required under SEBI (Guidelines).

CREDIT RATINGS

The Company's borrowings enjoy the following credit ratings:

Borrowing through	Rating/Outlook and the date of Rating/ Outlook by Rating Agencies		
	ICRA	CRISIL	CARE
Short-Term Debt / Commercial Paper	(ICRA) A1+	CRISIL A1+	CARE A1+
Fixed Deposits	AAA/Stable	AAA/Stable	-
Non-Convertible Debentures	(ICRA) AAA/ Stable	CRISIL AAA/ Stable	CARE AA+/ Stable
Subordinated Debt	(ICRA) AAA/ Stable	-	CARE AA+/ Stable
Long-term Bank Loans	(ICRA) AAA/ Stable	CRISIL AAA/ Stable	CARE AA+/ Stable
Structured Obligations	(ICRA) AAA	(CRISIL) AAA	-

During the year, ICRA Limited has upgraded ratings for Non-Convertible debentures, Subordinated Debts and Long term loans from (ICRA) AA+ /Stable to (ICRA) AAA/Stable and CRISIL Ratings Limited has upgraded rating for Fixed deposits, Long term Bank loan facilities, Non-Convertible debentures from CRISIL AA+ /Stable to CRISIL AAA/ Stable.

INTERNAL FINANCIAL CONTROLS

The Company has well defined and adequate internal financial controls and procedures, commensurate with the size and nature of its operations. This is further strengthened by the robust Internal Audit system that is in place.

Besides, the Company has an Audit Committee of the Board, comprising Independent Directors and Non-Executive Directors, which reviews internal financial controls, systems control, financial management and operations of the Company.

RISK MANAGEMENT POLICY

As mandated under the Directions issued by the Reserve Bank of India and National Housing Bank (NHB), the Company has constituted a Risk Management Committee which is responsible for putting in place a progressive risk management system, risk management policy and strategy to be followed by the Company.

NHB mandated that HFCs with asset size of more than ₹5000 crore shall appoint a Chief Risk Officer (CRO) with a clearly specified role and responsibilities. Complying with the above requirements, the Company has appointed a senior official as its Chief Risk Officer with effect from 25th October 2019 for a period of two years and has reappointed for a further period of 2 years commencing from 25th October 2021.

The Company has to manage various risks such as credit risk, liquidity risk, interest rate risk and operational risk. The Risk Management Committee and the Asset Liability Management Committee review and monitor these risks at regular intervals.

The Company manages its credit risk through strict credit norms in line with business requirements and continues to follow the time-tested practice of personally assessing every borrower, before committing credit exposure. This process ensures that the expertise in lending operations acquired by the Company over the past years is put to best use and acts to mitigate credit risks.

Successful mortgage lending calls for timely identification, careful assessment and effective management of the credit, operational, market (interest-rate and liquidity) and reputation risks. The Company has adopted efficient risk management policies, systems and processes that seek to strike an appropriate balance between risk and returns.

The Company has also introduced appropriate risk management measures, such as accessing the applicant's credit history with credit information bureaus, field investigation of the applicant's credentials, adoption of prudent loan to value ratio and analysis of the borrower's debt-service capacity. This is in addition to in-house appraisal of the legal documents, monitoring the end-use of approved loans, lending only against approved properties, risk-based loan pricing and property insurance.

The Company has employed qualified personnel to value properties and track property price movements, besides engaging qualified external valuers in appropriate cases. A separate recovery vertical has been set up to monitor recovery of dues from the borrowers. The Recovery Team constantly follows up with the borrowers for the collection of outstanding dues.

The Company monitors its Asset Liability Mismatch on an on-going basis to mitigate the liquidity risk, while interest rate risks arising out of Maturity Mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. The Company also measures the interest rate risk by the Duration Gap Method.

Operational risks arising from inadequate internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored. The Senior Management Team regularly assesses the risks and takes appropriate measures to mitigate them. Process improvements and quality control are on-going activities and are built into the employees' training modules as well. The Company has well documented systems to ensure better control over transaction processing and regulatory compliance.

During the year 2022-23, there were no instances of frauds that are required to be reported by the Statutory Auditors with respect to Sub-Section 3(ca) of Section 134 of the Companies Act, 2013.

INTERNAL AUDIT

In compliance with the requirements of the Companies Act, 2013 and Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, the Company has appointed an Internal Auditor to carry out an effective internal audit and such other audit functions in addition to their existing assignment on Audit of Corporate Office, Branch Inspection and Docket Verification.

The Internal Auditors review all the internal control and risk-management measures, highlight areas requiring attention and report the main findings and recommendations to the Audit Committee of the Board. The Committee regularly reviews the audit findings and

the actions taken thereon, as well as the adequacy and effectiveness of the internal systems and controls. The internal control systems are being tested on an on-going basis and necessary actions are initiated wherever necessary.

INFORMATION SECURITY ASSURANCE SERVICES – SYSTEMS AUDIT

The Company's operations have a high degree of automation. Information security assurance service is provided by M/s. C.V. Ramaswamy & Co., whose recommendations have led to the introduction of several additional safeguards in operational, accounting and security-related areas.

HUMAN RESOURCES AND TRAINING

Employees' contribution is vital to the Company's performance - both qualitative and quantitative. Accordingly, the Company's performance management system is used effectively to improve staff capabilities in areas such as leadership, team building, knowledge accessibility and productivity enhancement. An exclusive Training and Development Department, headed by a senior officer, has been set up to give additional impetus to the growing training needs of the employees. In-house on-the-job coaching and enhanced training programmes in various other functional areas were conducted during the year to upgrade the skills of employees and achieve functional effectiveness. In addition, executives were seconded to various external training programmes and seminars on risk management, regulatory know-your-customer guidelines, anti-money laundering and fair practices code. These training programmes enabled the staff members to sharpen their knowledge in their areas of responsibility. New employees are put through an induction programme covering business requirements, Company's processes, regulatory prescriptions, and contours of personality development.

There are no material developments in the human resources/industrial relations front adversely affecting the Company's business.

The number of permanent employees on the rolls of the Company as on 31st March 2023 was 1108.

MATERIAL CHANGES AFTER BALANCE SHEET DATE (31ST MARCH 2023)

No material changes and commitments favourably or unfavourably affecting the financial position of the Company have occurred between the end of the Financial Year (FY23) of the Company to which the Financial Statements relate and the date of this Board's Report.

BOARD OF DIRECTORS

During the year, the Board appointed Ms. C. Sruthi as a Non-Executive Independent Director of the Company with effect from 14th May 2022.

Ms. Radha Unni, serving as an Independent Director, resigned from the Board with effect from 30th June 2022.

The Company has received necessary declarations from the Independent Directors of the Company under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of Independence as provided in Section 149 (6). Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

The appointment of the Independent Directors has been made in accordance with the provisions of Section 152(5) of the Companies Act, 2013 and other applicable Rules and Regulations. Details of the terms and conditions of the appointment of the Independent Directors have been hosted on the Company's website <http://www.sundaramhome.in>

KEY MANAGERIAL PERSONNEL

Mr. Lakshminarayanan Duraiswamy, Managing Director, Mr. S. Sridhar, Chief Financial Officer and Mr. R. Venkatasubramanian, Company Secretary are deemed to be Key Managerial Personnel of the Company as per the provisions of Section 203 of the Companies Act, 2013 and the Rules made there under.

BOARD AND COMMITTEE MEETINGS

Details regarding the number of Board and Committee Meetings held during the Financial Year and the composition of the various Committees of the Board are furnished in the Corporate Governance Report.

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Nomination and Remuneration Committee formulates the criteria for determining qualifications, positive attributes and independence of a Director and its policy on remuneration of Directors, Key Managerial Personnel and other employees and ensures that:

- 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.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

The Remuneration Policy has been hosted on the website of the Company <http://www.sundaramhome.in>

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023, is available on the Company's website at <http://www.sundaramhome.in>

CEO AND CFO CERTIFICATION

In terms of Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015, a certificate from the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company confirming, amongst other aspects, the correctness of the financial statements, adequacy

of internal control measures and matters to be reported to the Audit Committee, were taken on record at the Board meeting held on May 11, 2023 convened for approval of the audited financial results of the Company for the year under review. The said certification has been placed as Annexure III to this report.

STATUTORY AUDITORS' REPORT

The Statutory Auditors' Report on the Accounts for the year ended 31st March 2023 does not contain any qualification, reservation, or adverse observation. The Notes on the Financial Statements referred to in the Auditors' Report are self-explanatory.

STATUTORY AUDITORS

Your Directors, with the approval of the Members at the Extraordinary General Meeting on 7th September 2021, have appointed M/s. Suri & Co (Registration No. 004283S), Chartered Accountants, Chennai, as the Statutory Auditors of the Company in terms of Section 139(1) of the Companies Act, 2013 for a period of three (3) consecutive years.

SECRETARIAL AUDITORS

In terms of Section 204 of the Companies Act, 2013 and the Rules thereunder, the Company has appointed Mr. M. Damodaran, Company Secretary in Practice, for conducting Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Year in Form MR-3 as prescribed under the Companies Act, 2013 is annexed to this Board's Report (Annexure IV).

The responses of your Directors on the observations made by the Secretarial Auditors are as follows:

In reply to observation by Secretarial Audit in Point No.1 and 2, we hereby inform that there were delays in intimation to Stock Exchange for the record date and details of interest repayments due to technical and operations reasons. NSE has levied penalty for the delay in compliances. The Company has made a representation to NSE Limited to waive off the penalties levied. However, the reply from NSE Limited is awaited.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Since the Company is not engaged in any manufacturing activity and its operations are not energy intensive, the disclosure relating to conservation of energy and technology absorption as stipulated under Section 134(3) (m) read with Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable to the Company. However, adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy. The Company on its lending side, associates itself in all programmes and schemes of the Government and NHB, in promoting energy efficient homes.

The Company actively pursues a culture of technology adoption, prudently leveraging on the advancements in technology to serve customers better, manage process more efficiently and economically and strengthen control systems. The Company has maintained a technology friendly working environment for its employees. In keeping with the current trends in the areas of digital marketing, the Company has effectively used these avenues in positioning itself in the market to gain better customer engagement.

FOREIGN EXCHANGE OUTGO

During the year, there was no foreign exchange earnings. The Company incurred ₹0.008 crores in foreign currency towards subscription charges for maintaining public IP.

LOANS AND INVESTMENTS

During the year, the Company duly complied with the provisions of Section 186(1) of the Companies Act, 2013. The Company did not make any investment through more than two layers of investment companies.

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose are provided in the Financial Statements. The Company, being a Housing Finance Company,

is exempt from the provisions of Section 186(11) of the Companies Act, 2013.

BOARD EVALUATION

The Companies Act, 2013 states that a formal annual evaluation of the performance of the Board, its committees and of individual directors needs to be carried out. Further, Schedule IV of the Companies Act, 2013, lays down that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board as recommended by the Nomination and Remuneration Committee and a statement indicating the criteria for formal annual evaluation as required under Section 134(3) (p) of the Companies Act, 2013, is available on the Company's website at <http://www.sundaramhome.in>

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As required under Clause VII of Schedule IV of the Companies Act, 2013 on the Code for Independent Directors, a separate Meeting of all the Independent Directors on the Company's Board, viz. Ms. Bhavani Balasubramanian, Mr. Mahesh Parasuraman, Mr. S. Mahalingam and Ms. C. Sruthi was held on 27th March 2023, without the attendance of the Non-Independent Directors and the Members of the Management.

At this Meeting, the Independent Directors -

- reviewed the performance of the Non-Independent Directors and the Board as a whole.
- reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and the (Non-Independent) Non-Executive Directors; and
- assessed the quality, quantity, and timeliness of the flow of information between the Company's Management and the Board

that was necessary for the Board to effectively and reasonably perform its duties.

Besides, the Independent Directors discussed other matters of interest concerning the Company.

LISTING WITH STOCK EXCHANGES

The Company is up to date in the payment of annual listing fees to National Stock Exchange (NSE) located at Exchange Plaza, C-1, Block G, Banda Kurla Complex, Bandra(E), Mumbai 400051, on which its debentures are listed.

STATUTORY AND REGULATORY COMPLIANCE

The Company has complied with the applicable statutory provisions, including those of the Companies Act, 2013, the Income-tax Act, 1961 and other laws related to Goods and Services Tax (GST). Further, the Company has complied with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, NHB’s Housing Finance Companies Directions, 2010, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Accounting Standards issued by the Ministry of Corporate Affairs (MCA), Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), Anti-Money Laundering guidelines, applicable labour laws and forex laws.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company’s objectives, expectations or predictions

may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statements, since various economic, legal, policy and regulatory factors may affect or influence the performance of the Company.

ACKNOWLEDGEMENT

The Directors extend their sincere thanks to all the customers of the Company, its shareholders, executives of Sundaram Finance, vendors, depositors, investors, mutual funds and bankers for their support and co-operation during the year. The Directors also thank the National Housing Bank, the Securities and Exchange Board of India, the Financial Intelligence Unit, the Ministry of Corporate Affairs, the Reserve Bank of India, the Depositories and the Stock Exchanges, for their valuable guidance and look forward to their continued support.

The Directors record their grateful appreciation to the covid warriors like doctors, healthcare and medical staff, police and law enforcement agencies who battled the pandemic tirelessly at the frontline.

The Directors record their appreciation of the dedication and contribution made by the employees of the Company at all levels and look forward to their continued support in the years ahead.

For and on behalf of the Board of Directors

Chennai
11th May 2023

T T Srinivasaraghavan
Chairman

Annual Report on CSR Activities for the Financial Year 2022-23

1. Brief outline on CSR Policy of the Company.

The Company has formulated its Corporate Social Responsibility (CSR) Policy for implementing the CSR framework, broadly defining the areas in which the Company proposes to spend for CSR promotion / development. The Company has contributed and will contribute further towards the areas mentioned in Schedule VII of the Companies Act, 2013. The CSR Policy of the Company is available on its website: <https://www.sundaramhome.in>

2. Composition of CSR Committee:

The CSR Committee consists of the following Members (as on 31st March 2023):

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	Mr. Harsha Viji	Chairman	1	1
2	Ms. Bhavani Balasubramanian	Member	1	1
3	Mr. Lakshminarayanan Duraiswamy	Member	1	1

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:

https://www.sundaramhome.in/uploads/downloads/CSR_Policy.pdf?v=2.0.68

Composition of CSR Committee:

https://www.sundaramhome.in/uploads/investorinfo/72/Composition_of_Various_Committees_of_the_Board.pdf

CSR projects approved by the board: Not applicable

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).

Not applicable

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).

₹219.47 crore

7. (a) Two percent of average net profit of the company as per section 135(5): ₹4.39 crore
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil
- (c) Amount required to be set off for the financial year, if any - Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹4.39 crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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	Amount	Date of Transfer
₹ 7.02 crore	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
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		Project Duration	Amount allocated for the project (₹ in crores)	Amount spent in the current financial year (₹ in crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Register number
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year: (in ₹ lakhs)

(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 ₹ lakhs)	Mode of implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency.	
				State.	District.			Name	CSR registration number.
1.	Promoting preventive and general health care	Health	Yes	Tamil Nadu	Chennai	3.00	No	Cancare Foundation	CSR00008907
		Health	Yes	Tamil Nadu	Chennai	3.00	No	Cancer Research And Relief Trust	CSR00009049
		Health, Eradicating Hunger and Poverty	Yes	Tamil Nadu	Chennai	1.00	No	Dharma Paripalana Sabha Annadhanam And Charitable Trust	CSR00024373
		Health	Yes	Tamil Nadu	Chennai	1.00	No	Dr. Mehta's Medical Trust	CSR00012776
		Health	Yes	Tamil Nadu	Chennai	10.00	No	Hindu Mission Hospital	CSR00005035
		Health	Yes	Tamil Nadu	Chennai	50.00	No	Medical Research Foundation	CSR00002623
		Health	Yes	Tamil Nadu	Chennai	15.00	No	Sri Ramachandra Educational And Health Trust	CSR00001622
		Health	Yes	Tamil Nadu	Chennai	400.00	No	Sundaram Medical Foundation	CSR00018426
2.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Education	Yes	Tamil Nadu	Chennai	2.00	No	Aim For Seva	CSR00003273
		Education	Yes	Tamil Nadu	Chennai	1.00	No	Bhumi - Pioneer Music Gym	CSR00001059
		Education	Yes	Tamil Nadu	Chennai	3.00	No	P S Educational Society	CSR00027626
		Education	Yes	Tamil Nadu	Madurai	50.00	No	Lakshmi Vidya Sangham	CSR00023619
		Education	Yes	Tamil Nadu	Chennai	130.00	No	Laxmi Charities	CSR00005940
		Education, Livelihood enhancement projects	Yes	Tamil Nadu	Chennai	2.00	No	Sri Ramakrishna Math	CSR00002806
		Education	Yes	Tamil Nadu	Chennai	0.50	No	Vedanta Institute (Madras)	CSR00011478

(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 ₹ lakhs)	Mode of implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency.	
				State.	District.			Name	CSR registration number.
3.	Protection of National Heritage, Art and Culture	Art & Culture	Yes	Tamil Nadu	Chennai	10.00	No	Dharma Rakshana Samithi Trust	CSR00018616
		Art & Culture	Yes	Tamil Nadu	Chennai	2.00	No	Kartik Art Festival Trust	CSR00013759
		National Heritage	Yes	Tamil Nadu	Thiruvavur	0.50	No	Swami Dayananda Educational Trust	CSR00003383
		Art & Culture	Yes	Tamil Nadu	Chennai	1.00	No	Soroptimist International Chennai Downtown Trust	CSR00028534
		National Heritage	Yes	Tamil Nadu	Chennai	15.00	No	The Kuppaswami Sastri Research Institute	CSR00008155
4.	Environmental Sustainability, Ecological balance, Conservation of Natural resources	Animal welfare	Yes	Tamil Nadu	Chennai	0.50	No	The Madras Pinjrapole	CSR00026661
		Ensuring environmental sustainability	Yes	Tamil Nadu	Tirunelveli	1.00	No	Vetry-Voluntary Organisation For People Empowerment Of Rural Areas By Youth	CSR00009409
5.	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Empowering women	Yes	Tamil Nadu	Chennai	1.00	No	Lotus Blind Welfare Trust	CSR00021568
Total						702.50			

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent in Impact Assessment, if applicable:

Not applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e):

₹7.02 crore

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	₹4.39 Crore
(ii)	Total amount spent for the Financial Year	₹7.02 Crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹2.63 Crore
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years	₹2.63 crore

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
NIL							

(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)
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 ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project – Completed/ Ongoing
NIL								

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). Not applicable

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Place: Chennai
Date: 11th May 2023

Lakshminarayanan Duraiswamy
Managing Director

Harsha Viji
Chairman – CSR Committee

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To the Members of

SUNDARAM HOME FINANCE LIMITED

We have examined the compliance of Corporate Governance for the year ended 31.03.2023, with respect to Regulation 16 to 27 by Sundaram Home Finance Limited, which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of Rupees Five Hundred Crore and above, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance with respect to Regulation 16 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance with respect to the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance for the year ended 31.03.2023, under Regulation 16 to 27 by Sundaram Home Finance Limited, which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of Rupees Five Hundred Crore and above as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it.

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.

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P.No. 6032

Peer Review Cert. No.: 667/2020

UDIN: F002969E000295571

Place: Chennai

Date: 11th May 2023

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:

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

Chennai
11th May 2023

T T SRINIVASARAGHAVAN
Chairman

CEO/CFO CERTIFICATION FOR THE YEAR ENDED MARCH 31, 2023

[Pursuant to Regulation 17(8) and Part B of Schedule II of SEBI (LODR) Regulations, 2015]

The Board of Directors
Sundaram Home Finance Limited
Chennai

Dear Board Members

Sub: CEO and CFO certification for the year ended March 31, 2023 in terms of Regulation 17(8) and Part B of SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015

In terms of Regulation 17(8) read with Part B of the SEBI (Listing obligations & Disclosure Requirements) Regulations 2015, we certify that:

- a) We have reviewed Financial Statements and the Cash Flow statement for the 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 or 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 ended March 31, 2023, 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 taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee
 - i. Significant changes in internal control over, financial reporting during the year;
 - ii. Significant changes in accounting policies, if any, during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. Instances during the year of significant fraud, if any, with involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Chennai
Date: May 11, 2023

S. Sridhar
Chief Financial Officer

Lakshminarayanan Duraiswamy
Managing Director

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

[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 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Sundaram Home Finance Limited,
(CIN: U65922TN1999PLC042759),
21, Patillos Road,
Chennai – 600002.

I M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries, Chennai have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Sundaram Home Finance Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (v) The following act and directions applicable specifically to the Company:-
 - (a) The National Housing Bank Act, 1987.
 - (b) The Housing Finance Companies (NHB) Directions, 2010.
 - (c) Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016.
 - (d) Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

I have also examined compliance with the applicable Clauses of the following:

- (i) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited; and
- (ii) Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting issued by the Institute of Company Secretaries of India.

During the period under review, except as below, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

-
- a. There was a delay in intimation to National Stock Exchange of India Limited (NSE) about the details of Interest/principal obligations payable during the quarter from 01.10.2022 to 31.12.2022 with respect to some of the listed NCDs as required u/r. 57(4) of SEBI LODR. However, it was also observed that there were no delay in remitting the interest payment to the debenture holder. NSE vide its e-mail communication dated 27.10.2022 has levied a fine of ₹6,000/- plus tax for the aforesaid delay in compliance. The Company has made a representation to NSE Limited vide e-Mail dated 01.11.2022 to waive off the penalty levied. Reply from NSE Limited is awaited.
- b. There was a delay in intimation to NSE by two working days about the record date for the payment of interest/principal due falling in the month of August 2022 for the listed NCDs as required u/r. 60(2). NSE vide its e-mail communication dated 30.08.2022 has levied a fine of ₹10,000/- plus tax for the aforesaid non-compliance. The Company has made a representation to NSE Limited vide e-Mail dated 01.09.2022 to waive-off the penalty levied. A reply from NSE Limited is awaited.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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. Agenda and detailed note 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I 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.

I further report that the Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to Structured Digital Database.

I further report that during the audit period;

- i. Mr. R. Venkatasubramanian was appointed as the Company Secretary & Compliance Officer of the Company with effect from 26th April, 2022.
- ii. Mrs. Radha Unni (DIN: 03242769), Independent Director of the Company, has resigned from the Board w.e.f. 30th June, 2022.
- iii. Ms. C. Sruthi (DIN: 07253998) was appointed as an Additional cum Independent Director of the Company vide Board Meeting dated 14th May, 2022. Her appointment was subsequently approved by the shareholders of the Company by passing Special Resolution at the Annual General Meeting held on 27th July, 2022.

I further report that during the audit period the Company has:

- (i) passed a Special Resolution under section 42 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on 27th July, 2022 to issue secured/unsecured Redeemable Non-convertible Debentures on private placement basis up to an aggregate amount not exceeding ₹2,000 Crores (Rupees Two Thousand Crores Only) during a period of one year w.e.f. 27th July, 2022.
- (ii) issued listed Secured Redeemable Non-Convertible Debentures on Private Placement Basis.
- (iii) redeemed the debentures on the respective due dates.

Place: Chennai

Date: 11.05.2023

For **M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN : F005837E000291287

(This report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report)

Annexure-A

To,
The Members,
Sundaram Home Finance Limited,
(CIN: U65922TN1999PLC042759),
21, Patullos Road,
Chennai – 600 002.

My Secretarial Audit 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My 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.

Place: Chennai
Date: 11.05.2023

For **M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000291287

SECRETARIAL COMPLIANCE REPORT OF SUNDARAM HOME FINANCE LIMITED FOR THE FINANCIAL YEAR ENDED 31.03.2023

(Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019)

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP Practicing Company Secretaries, Chennai have examined:

- a) all the documents and records made available to me and explanation provided by SUNDARAM HOME FINANCE LIMITED (“the Company”),
- b) the filings/ submissions made by the Company to the stock exchanges,
- c) website of the Company,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2023 (“Review Period”) in respect of compliance with the provisions of:
 - i. Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
 - ii. Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations prescribed under the SEBI Act whose provisions and the circulars/guidelines issued thereunder, (wherever applicable), have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’)
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the Company during the Review Period.
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not Applicable to the Company during the Review Period.
- d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company during the Review Period.
- e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
- f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not Applicable during the review period.
- j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable during the review period.

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified in Annexure – A.
- b) The Company was not required to take any actions as there were no observations made by the Secretarial Auditor in previous reports.

- c) There was no appointment/re-appointment of Statutory Auditors of the Company during the period. Hence, the compliance of SEBI circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019 is not applicable.

I hereby further report that, during the Review Period the compliance status of the Company is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	Secretarial Standards: The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI. 	Yes	-
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> • The Company is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 	Yes	-
4.	Disqualification of Director: None of the Director(s) of the Company is disqualified under Section 164 of Companies Act, 2013 as confirmed by the Company.	Yes	-
5.	Details related to Subsidiaries of the Company have been examined w.r.t.: <ul style="list-style-type: none"> (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries. 	Yes	-
6.	Preservation of Documents: The Company is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	Performance Evaluation: The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-
8.	Related Party Transactions:		
	(a) The Company has obtained prior approval of Audit Committee for all related party transactions; or	Yes	-
	(b) The Company has provided detailed reasons along with confirmation whether the transactions were subsequently approved/raified/rejected by the Audit Committee, in case no prior approval has been obtained.	Not Applicable	

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
9.	Disclosure of events or information: The Company has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-
10	Prohibition of Insider Trading: The Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11	Actions taken by SEBI or Stock Exchange(s), if any: Action(s) has been taken against the Company / its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	Please refer Annexure - A
12	Additional Non-compliances, if any: No additional non-compliance observed under any other SEBI regulations/ circulars/guidance notes etc.	Yes	-

Place: Chennai

Date: 11.05.2023

For **M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000291311

Annexure - A

The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below;

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.)	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Re- marks
1.	As per Regulation 57(4) of SEBI LODR, The listed entity shall within five working days prior to the beginning of the quarter provide details for all the NCDs for which interest/dividend/principal obligations shall be payable during the quarter.	Regulation 57(4) of SEBI LODR.	There was a delay in intimation to National Stock Exchange of India Limited (NSE) about the details of Interest/principal obligations payable during the quarter from 01.10.2022 to 31.12.2022 with respect to some of the listed NCDs as required u/r. 57(4) of SEBI LODR.	NSE	Levied a fine	There was a delay in intimation to NSE about the details of Interest/ principal obligations payable during the quarter from 01.10.2022 to 31.12.2022 with respect to some of the listed NCDs as required u/r. 57(4) of SEBI LODR.	₹ 6,000/- plus tax	There was a delay in intimation to NSE about the details of Interest/ principal obligations payable during the quarter from 01.10.2022 to 31.12.2022 with respect to some of the listed NCDs as required u/r. 57(4) of SEBI LODR. However, it was also observed that there was no delay in remitting the interest payment to the debenture holder. NSE vide its e-mail communication dated 27.10.2022 has levied a fine of ₹6,000/- plus tax for the aforesaid delay in compliance.	The Company has made a representation to NSE vide e-Mail dated 01.11.2022 to waive off the penalty levied. Reply from NSE Limited is awaited.	-
2.	As per Regulation 60(2) of SEBI LODR, The listed entity shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s) of the record date or of as many days as the stock exchange(s) may agree to or require specifying the purpose of the record date.	Regulation 60(2) of SEBI LODR.	There was a delay in intimation to NSE by two working days about the record date for the payment of interest / principal due falling in the month of August 2022 for the listed NCDs as required u/r. 60(2).	NSE	Levied a fine	There was a delay in intimation to NSE by two working days about the record date for the payment of interest/ principal due falling in the month of August 2022 for the listed NCDs as required u/r. 60(2).	₹10,000/- plus tax	There was a delay in intimation to NSE by two working days about the record date for the payment of interest / principal due falling in the month of August 2022 for the listed NCDs as required u/r. 60(2). NSE vide its e-mail communication dated 30.08.2022 has levied a fine of ₹10,000/- plus tax for the aforesaid non-compliance.	The Company has made a representation to NSE vide e-Mail dated 01.09.2022 to waive-off the penalty levied. A reply from NSE is awaited.	

Report on Corporate Governance

Sponsored by the Sundaram Finance Group, the Company has imbibed the Group's corporate philosophy laying strong emphasis on ethical business practices with transparency and accountability, dedicated customer service and efficient and prudent financial policies. While striving to enhance shareholder value, the Company has adopted the sound corporate-governance and financial-disclosure policies and practices that its holding company, Sundaram Finance Ltd. (SFL), has been consistently following for over six decades.

The Company has been following the principles of Corporate Governance even before it was made mandatory. Reserve Bank of India has issued Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 mandated all Housing Finance Companies to follow the guidelines on Corporate Governance. The Company has accordingly framed the internal guidelines on Corporate Governance and the guidelines have been hosted on the Company's website www.sundaramhome.in

The Company's Corporate Governance is a reflection of its value system, encompassing its culture, policies and relationships with its stakeholders. The Directors present below a detailed review of the Company's policies and practices on Corporate Governance.

1 BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is governed by the relevant provisions of the Companies Act, 2013 and the Rules made thereunder. The Company's Board has an optimum combination of executive and non-executive Directors with expertise and experience in the field of banking, finance, operations management, engineering, auditing and accounting. The Company is immensely benefitted by the range of experience and skills that the Directors bring to the Board.

As on 31st March 2023, the Company's Board consisted of Eight Directors as under:

1) Composition of the Board

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation (₹ in lakh)	Sitting Fee (₹ in lakh)	Commission (₹ in lakh)	
1.	Mr. T.T. Srinivasaraghavan, Chairman	02.07.1999	Chairman	00018247	8	8	8	-	2.15	15.00	1**
2.	Mr. Harsha Viji	24.01.2020	Non-Executive	00602484	8	7	10	-	-	-	-
3	Mr. A.N. Raju	20.05.2021	Non-Executive	00036201	8	7	2	-	-	-	1**
4.	Ms. Bhavani Balasubramanian	04.02.2022	Independent	09194973	8	7	3	-	3.15	10.00	-
5.	Mr. Mahesh Parasuraman	04.02.2022	Independent	00233782	8	8	5	-	3.25	10.00	-
6.	Mr. S. Mahalingam	04.02.2022	Independent	00121727	8	8	15	-	2.10	10.00	-
7.	Ms. C. Sruthi*	14.05.2022	Independent	07253998	6	5	2	-	1.45	9.17	-
8.	Mr. Lakshminarayanan Duraiswamy	25.10.2019	Executive	07988186	8	8	1	220.29	-	160.00	-
9	Ms. Radha Unni #	05.03.2015	Independent	03242769	2	2	7	-	0.95	-	-

* Appointed as an Independent Director with effect from 14th May 2022

Resigned from the Board with effect from 30th June 2022

** Held as nominee of Sundaram Finance Limited

Details of change in composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date	Reason for Resignation
1.	Mr. A.N. Raju	Non-Executive	Appointment	20.05.2021	-
2.	Mr. P.N. Venkatachalam	Independent	Resignation	21.03.2022	Due to other professional commitments
3.	Mr. S. Mahalingam	Independent	Appointment	04.02.2022	-
4.	Ms. Bhavani Balasubramanian	Independent	Appointment	04.02.2022	-
5.	Mr. Mahesh Parasuraman	Independent	Appointment	04.02.2022	-
6.	Ms. C. Sruthi	Independent	Appointment	14.05.2022	-
7.	Ms. Radha Unni	Independent	Resignation	30.06.2022	Due to other professional commitments

The Independent Directors have affirmed compliance with the provisions of Section 149 and adherence to the Code for Independent Directors as set out in Schedule IV to the Companies Act, 2013.

All the Directors of the Company have declared compliance of the 'Fit and Proper' Criteria for Directors of Housing Finance Companies' in compliance with the Directions laid down by the Reserve Bank of India.

No Director is related to any other Director of the Company.

1.1 DIRECTORS' TERM

The Company's Articles of Association require that at least two-thirds of the Directors retire by rotation. However, as per the provisions of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation.

One-third of the Directors (other than Independent Directors) is liable to retire every year and, if eligible, may offer themselves for re-appointment.

The details of shareholding of the non-executive Directors

Name of the non-executive Director	Total No. of Shares	% of Capital
Mr. T.T. Srinivasaraghavan	1	Negligible
Mr. A.N. Raju	1	Negligible

1.2 MEMBERSHIP OF OTHER BOARDS

No Director is a Director in more than twenty Companies or is a Member of more than ten committees or chairs more than five committees, within the meaning of the Securities and Exchange Board of India (SEBI) Regulations, across all public limited companies of which he is a Director.

Details of directorships held by the Directors in other Indian Public Limited Companies as on 31st March 2023 are given below:

S. No.	Director	DIN	Attendance Particulars		Directorships in other public limited companies (as on 31st March 2023) **		Chairmanship/ Membership of Committees of other Companies**	
			Board Meetings	AGM	Chairman	Director	Chairman	Member
1.	Mr. T.T. Srinivasaraghavan	00018247	8	Yes	1	4	-	1
2.	Mr. Harsha Viji	00602484	7	Yes	-	5	1	3
3.	Mr. A.N. Raju	00036201	7	Yes	-	2	-	1
4.	Ms. Bhavani Balasubramanian	09194973	7	Yes	-	2	-	2
5.	Mr. Mahesh Parasuraman	00233782	8	No	-	1	-	-
6.	Mr. S. Mahalingam	00121727	8	Yes	-	7	3	3
7.	Ms. C. Sruthi*	07253998	5	Yes	-	-	-	-
8.	Mr. Lakshminarayanan Duraiswamy	07988186	8	Yes	-	1	-	1

* Appointed as an Independent Director with effect from 14th May 2022

** Foreign companies, private companies and companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose. Audit Committee and Stakeholders Relationship Committee have been considered

1.3 BOARD PROCEDURE AND RESPONSIBILITIES

The Board plays a key role in ensuring that the Company adopts good corporate governance practices.

The Board has a formal schedule of matters reserved for its consideration and decision. Amongst other things, the Board considers and approves:

- operational and financial policies;
- annual business strategy, plans and budgets;
- loan proposals exceeding the delegated authority of the Executive Committee of the Board;
- strategy and plans for mobilization of resources and larger borrowing arrangements; and
- quarterly/half-yearly/annual results.

The Board takes decisions after careful consideration of the issues involved with inputs from the Management, wherever needed, and ensures that appropriate action is taken by the Company to implement Board decisions and directions.

The Board also reviews periodically the Company's compliance with various statutory and regulatory requirements.

In accordance with the code of corporate governance and to facilitate closer attention to particular facets of the Company's operations, systems and practices, the Board has constituted Committees with appropriate delegated authority.

The day-to-day operations of the Company are looked after by the Managing Director under the overall superintendence, guidance and control of the Board. The Managing Director is assisted by senior officers with well-defined responsibilities.

The expertise/skills/competencies identified by the Board and available with the Directors are detailed below:

Category	Expertise	Skills/Competencies
Non-Executive Promoter Directors Mr. T.T. Srinivasaraghavan, Chairman Mr. Harsha Viji Mr. A.N. Raju Managing Director Mr. Lakshminarayanan Duraiswamy	<ul style="list-style-type: none"> • In-depth Industry Knowledge • Audit and Financial Management • Wealth Management • Treasury Operations and Management • Business Policies • Legal and Regulatory Framework • Capital Markets • Risk Assessment and Management • Asset Liability Management • Strategic Management 	<ul style="list-style-type: none"> • Entrepreneurial • Governance • Leadership • Technical • Analytical • Organisational • Technological • Planning • Resource Management and utilisation • People Management • Communication • Behavioural
Non-Executive Independent Directors Ms. Bhavani Balasubramanian Mr. Mahesh Parasuraman Mr. S. Mahalingam Ms. C. Sruthi	<ul style="list-style-type: none"> • In-depth Industry Knowledge • Audit and Financial Management • Treasury • Legal and Regulatory Framework • Risk Assessment and Management • Business Policies • Capital Markets 	<ul style="list-style-type: none"> • Technical/Professional • Analytical • Technological • Behavioural

2 BOARD MEETINGS

Board meetings are held in Chennai. The Board meets at least once a quarter, inter-alia, to review the operations and financial results. The Company also holds additional Board Meetings to address any specific requirement, as and when required. The Directors are informed of the main items on the agenda for every Board meeting along with the Notice of the meeting. Detailed agenda notes are sent to them in advance of the meetings. All the urgent matters approved by way of Circular Resolutions are placed and noted at the subsequent Board meeting. The intervening gap between any two meetings is within the period prescribed by the Companies Act, 2013.

During the year ended 31st March 2023, the Board met eight times as noted below:

2022 – 2023	
26th April 2022	28th October 2022
14th May 2022	28th December 2022
27th July 2022	31st January 2023
21st September 2022	29th March 2023

In our opinion, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and are independent of the management.

A Certificate issued by Mr. M. Damodaran, Partner, M/s. M. Damodaran & Associates LLP, Practising Company Secretaries, under Schedule V Para C.10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as part of this report – Annexure (a)

The Managing Director, on behalf of the Board, has periodically reviewed compliance reports pertaining to all laws applicable to the Company and submitted his consolidated report indicating therein that the Company was fully compliant with all applicable laws.

3 BOARD COMMITTEES

The Board has reconstituted the following eight Committees during the year:

3.1 EXECUTIVE COMMITTEE

As on 31st March 2023, the Executive Committee consisted of three Members, viz.

1. Mr. T.T. Srinivasaraghavan, Chairman
2. Mr. A.N. Raju
3. Mr. Lakshminarayanan Duraiswamy

Any two Members form the quorum for meetings. The Company Secretary serves as the Secretary to the Committee.

- The Committee approves loans, borrowings, and investments beyond the limits of the Managing Director and within limits specified by the Board.
- Besides, the Committee reviews the conduct of business and operations, considers new products and parameters and suggests business re-orientation as and when necessary.
- Review and approve builder loans up to Rs.40 Crores (co-investment proposals with AIF).
- Review of status of pending original title deeds.
- Approve write-offs of loans (both Principal and Interest) over and above the powers of the Managing Director and upto ₹5 crore (on an individual account) and such write-offs be placed to the Board for information.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. T.T. Srinivasaraghavan	31.12.1999	Chairman	7	7	1**
2.	Mr. A.N. Raju	25.06.2021	Non-Executive	7	7	1**
3.	Mr. Lakshminarayanan Duraiswamy	30.09.2019	Executive	7	7	-

** Held as nominee of Sundaram Finance Limited

The Committee met seven times during the year.

3.2 AUDIT COMMITTEE

In accordance with the provisions of Section 177 of the Companies Act, 2013, the Audit Committee consists of three Directors as Members, with Independent Directors forming a majority. All the Members of the Audit Committee have the requisite knowledge and experience in finance and accounting. Any two Members form the quorum for the meetings of the Committee. The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The Company Secretary serves as the Secretary to the Committee.

As of 31st March 2023, the Committee consisted of three Members. viz.

1. Ms. Bhavani Balasubramanian, Chairperson
2. Mr. Mahesh Parasuraman *
3. Mr. Harsha Viji

* Inducted as Member of the Committee with effect from 20th July 2022

The Statutory Auditors and the Internal Auditors of the Company as well as the Managing Director and the senior executives of the Company are invited to the meetings of the Committee.

The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing and the Committee's functions include:

- a. examination of the Financial Statements and the Auditors' Report thereon;
- b. review and evaluation of the effectiveness and adequacy of the internal financial controls and risk management systems of the Company and its statutory and regulatory compliance;
- c. the recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- d. review and monitoring of the Auditors' independence and performance, and effectiveness of audit process;
- e. reviewing the scope and plans of statutory, internal, and systems audits, and discussing the main audit findings and comments with the Management and the Auditors to focus on any significant area of concern and to ensure expeditious rectification of shortcomings, if any noticed;
- f. reviewing the non-performing and delinquent loans;
- g. reviewing frauds committed against the Company;
- h. approval or any subsequent modification of transactions of the Company with related parties;
- i. scrutiny of inter-corporate loans and investments;
- j. valuation of undertakings or assets of the Company, wherever it is necessary; and
- k. monitoring the end use of funds, if any, raised through public offers and related matters.

The Audit Committee met four times during the year under review. Details of the meetings attended by the Members are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Ms. Bhavani Balasubramanian	21.03.2022	Chairperson	4	4	-
2.	Ms. Radha Unni #	05.03.2015	Independent	1	1	-
3.	Mr. Mahesh Parasuraman *	20.07.2022	Independent	3	3	-
4.	Mr. Harsha Viji	24.01.2020	Non-Executive	4	3	-

* Inducted as Member of the Committee with effect from 20th July 2022

Resigned from the Board with effect from 30th June 2022

3.3 ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

As of 31st March 2023, ALCO consisted of three Members, viz.

1. Mr. Lakshminarayanan Duraiswamy, Chairman
2. Mr. S. Sridhar
3. Mr. R. Venkatasubramanian *

* Inducted as Member of the Committee with effect from 21st September 2022

Functioning under the supervision of the Board of Directors, ALCO lays down policies and quantitative limits relating to assets and liabilities, based on an assessment of the various risks involved in managing them.

The ALCO met six times during the year. Details of the meetings attended by the Members are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Lakshminarayanan Duraiswamy	21.05.2019	Chairman	6	5	-
2.	Mr. S. Sridhar	20.05.2021	Executive	6	5	-
3.	Mr. R. Venkatasubramanian*	21.09.2022	Executive	3	3	-

* Inducted as Member of the Committee with effect from 21st September 2022

3.4 RISK MANAGEMENT COMMITTEE (RMC)

In accordance with the Directions issued by the National Housing Bank Directions known as the “Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016”, the Risk Management Committee was constituted in March 2017.

The Company Secretary serves as the Secretary to the Committee.

As of 31st March 2023, the Risk Management Committee consisted of three Members viz.

1. Mr. A.N. Raju Chairman
2. Ms. Bhavani Balasubramanian *
3. Mr. Lakshminarayanan Duraiswamy

* Inducted as Member of the Committee with effect from 14th May 2022

In accordance with the Circular No. NHB/ND/DRS/ Policy Circular No. 95/2018-19 dated 29th May 2019 issued by the National Housing Bank, Ms. Anitha Srinivasan has appointed as the Chief Risk Officer of the Company for a period of 2 years commencing from 25th October 2019. The Board, vide its Circular Resolution dated 22nd October

2021 has re-appointed Ms. Anitha Srinivasanas the Chief Risk Officer of the Company for a further period of 2 years commencing from 25th October 2021.

The functions of the Committee includes:

- a) Review the risk management framework of the company – ensure that the identification, measurement and mitigation strategies are in line with the objectives of the company and as agreed to by the Board.
- b) Review Risk categorization of customers as formulated by NHB.
- c) Review Internal Audit findings as part of the risk management process
- d) Review ALCO minutes as a part of ALM risk management
- e) Review fraud identification and progress on fraud related cases
- f) The Risk Management Committee shall have access to any internal and external (legal, technical or accounting) information necessary to fulfill its role.
- g) Perform such other activities related to this terms of reference as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

The Risk Management Committee met three times during the year. Details of the meetings attended by the Members are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. A.N. Raju	21.03.2022	Chairman	3	3	1**
2.	Ms. Bhavani Balasubramanian#	14.05.2022	Independent	2	2	-
3.	Mr. Lakshminarayanan Duraiswamy	01.04.2020	Executive	3	3	-

Inducted as Member of the Committee with effect from 14th May 2022

** Held as nominee of Sundaram Finance Limited

3.5 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

In keeping with the Company's Social Responsibilities and in accordance with the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee was constituted consisting of three Directors of whom two are Independent Directors.

The Company Secretary serves as the Secretary to the Committee.

As of 31st March 2023, the CSR Committee consisted of three Members, viz.

1. Mr. Harsha Viji, Chairman
2. Ms. Bhavani Balasubramanian
3. Mr. Lakshminarayanan Duraiswamy

The functions of the Committee include:

- (i) formulation and recommendation to the Board of Corporate Social Responsibility Policy which will indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- (ii) recommendation of the amount of expenditure to be incurred on the activities referred to in (i) and
- (iii) monitoring the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Committee met one time during the year. Details of the meeting attended by the Members are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Harsha Viji	25.06.2021	Chairman	1	1	-
2.	Ms. Bhavani Balasubramanian	21.03.2022	Independent	1	1	-
3.	Mr. Lakshminarayanan Duraiswamy	01.04.2020	Executive	1	1	-

3.6 NOMINATION AND REMUNERATION COMMITTEE (NRC)

In accordance with the provisions and Section 178 of the Companies Act, 2013, Nomination and Remuneration Committee (NRC) was constituted and consists of three Non-Executive Directors, of whom two are Independent Directors.

The Company Secretary serves as the Secretary to the Committee.

As of 31st March 2023, the Nomination and Remuneration Committee consisted of three Members, viz.

1. Mr. Mahesh Parasuraman, Chairman *
2. Mr. Harsha Viji
3. Ms. Bhavani Balasubramanian #

* Re-designated as Chairman of the Committee with effect from 20th July 2022

Inducted as Member of the Committee with effect from 20th July 2022

The functions of the Committee include:

- a. identifying persons who are qualified to become Directors and who may be appointed in senior management;
- b. formulation of the criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board, a policy relating to the remuneration of Directors, key managerial personnel and other employees;
- c. formulation of criteria for evaluation of Independent Directors and the Board;
- d. devising a policy on Board diversity;
- e. undertaking the process of due diligence to determine the suitability of Directors, based upon qualification, track record, integrity and other fit and proper criteria;
- f. recommending the Director's appointment and continuation as a Director;
- g. ensuring that persons proposed to be appointed as Directors meet the relevant criteria prescribed under applicable laws;
- h. reviewing the said criteria from time to time;
- i. fixing/re-fixing the remuneration of the Executive Directors (Whole-time Directors) of the Company; and
- j. approving the remuneration/any change therein of the managerial personnel of the Company when there are no profits/inadequate profits/negative effective capital as per Schedule V to the Companies Act, 2013.

The Nomination and Remuneration Committee met two times during the year. Details of the Meetings attended by the Members are as under:

Sl. No.	Nomination and Remuneration Committee	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Mahesh Parasuraman *	21.03.2022	Chairman	2	2	-
2.	Ms. Radha Unni #	05.03.2015	Independent	2	2	-
3.	Mr. Harsha Viji	24.01.2020	Non-Executive	2	2	-
4	Ms. Bhavani Balasubramanian	20.07.2022	Independent	-	-	-

* Re-designated as Chairman of the Committee with effect from 20th July 2022

Resigned from the Board with effect from 30th June 2022

The Nomination and Remuneration Committee has formulated criteria for evaluation of the Board and Non-Independent Director for the purpose of review of their performance at a separate meeting of the Independent Directors. Further, the Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel, senior management, and other employees, which, inter alia, includes the principles for identification of persons who are qualified to become directors.

The criteria laid down for evaluation of the directors, as approved and adopted by the Board, details of which is covered in the Boards' Report forming part of this Annual Report. The remuneration policy is disclosed on the company's website <http://www.sundaramhome.in>

3.7 STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

In accordance with the provisions of Section 178(5) of the Companies Act, 2013, Stakeholders Relationship Committee (SRC) was constituted and consists of three Non-Executive Directors, of whom one is an Independent Director.

As of 31st March 2023, the Stakeholders Relationship Committee consisted of three Members, viz.

1. Mr. A.N. Raju, Chairman *
2. Ms. C. Sruthi #
3. Mr. Lakshminarayanan Duraiswamy

* Re-designated as Chairman of the Committee with effect from 14th May 2022

Inducted as Member of the Committee with effect from 20th July 2022

The functions of the Committee include:

- approval and monitoring of transfers, transmission, split and consolidation of shares of the Company;
- monitoring the compliances with various statutory and regulatory requirements; and
- redressal of grievances of investors and security holders of the Company.

The SRC Committee met once during the year on 28th March 2023.

The Company Secretary acts as the Secretary to the Committee. Mr. R. Venkatasubramanian, Company Secretary is the Compliance Officer.

No investor complaint was pending unresolved as on 31st March 2023.

The Chairman of the Nomination and Remuneration Committee and of the Stakeholders Relationship Committee or any other Member authorised in this behalf by the respective Chairman attend the General Meetings of the Company.

Details of the Meetings attended by the Members are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. A N Raju	21.03.2022	Chairman	1	1	1**
2.	Ms. C. Sruthi	20.07.2022	Independent	1	1	-
3.	Mr. Lakshminarayanan Duraiswamy	01.04.2020	Executive	1	1	-

**Held as nominee of Sundaram Finance Limited

3.8 IT STRATEGY COMMITTEE

In accordance with the Guidelines issued by the National Housing Bank Directions known as the “Guidelines on Information Technology Framework”, the IT Strategy Committee was constituted in August 2018.

As of 31st March 2023, the IT Strategy Committee consisted of three Members viz.

- Mr. Mahesh Parasuraman, Chairman
- Mr. Sudheer Warriar
- Mr. Lakshminarayanan Duraiswamy

The functions of the Committee include:

- Approving IT Strategy and Policy documents and ensuring that the Management has put an effective strategic planning process in place;
- Ascertaining that the Management has implemented processes and practices to ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that the 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
- Ensuring proper balance of IT investments for sustaining the Company’s growth and becoming aware about exposure towards IT risks and controls.

The IT Strategy Committee met two times during the year.

Details of the Meetings attended by the Members are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Mahesh Parasuraman	21.03.2022	Chairman	2	2	-
2.	Mr. Sudheer Warriar	21.03.2022	Member	2	2	-
3.	Mr. Lakshminarayanan Duraiswamy	01.04.2020	Executive	2	2	-

4 SEPARATE MEETING OF INDEPENDENT DIRECTORS

As required under Clause VII of Schedule IV of the Companies Act, 2013 on the Code for Independent Directors, a separate Meeting of all the Independent Directors on the Company's Board, viz. Ms. Bhavani Balasubramanian, Mr. Mahesh Parasuraman, Mr. S. Mahalingam and Ms. C. Sruthi was held on 27th March 2023, without the attendance of the Non-Independent Directors and the Members of the Management.

At this Meeting, the Independent Directors-

- reviewed the performance of the Non-Independent Directors and the Board as a whole;
- reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and the (Non-Independent) Non-Executive Directors; and
- assessed the quality, quantity and timeliness of the flow of information between the Company's Management and the Board that was necessary for the Board to effectively and reasonably perform its duties. Besides, they discussed other matters of interest concerning the Company.

5 FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The company has familiarised the Independent Directors with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model etc. through familiarisation programmes. Details of the familiarisation programmes have been disclosed on the company's website <http://www.sundaramhome.in>

6 REMUNERATION OF DIRECTORS

6.1 NON-EXECUTIVE DIRECTORS

The Non-Executive Directors are remunerated by way of commission for each financial year as decided by the Board of Directors within the ceiling of 1% of the net profits of the Company approved by the shareholders. The details of remuneration paid to the Non-Executive Director and number of shares held are as follows:

S. No.	Director	Commission ₹	Sitting Fees ₹	No. of shares held (as on 31.03.2023)
1.	Mr. T.T. Srinivasaraghavan, as a nominee of Sundaram Finance Limited	15,00,000	2,15,000	1

6.2 INDEPENDENT DIRECTORS

Independent Directors are paid sitting fees for attending Board and Committee meetings. Details of the fees paid to them for the year 2022-23 are as under:

S. No.	Director	Sitting Fees Paid ₹	Commission Paid ₹
1.	Ms. Radha Unni	95,000	-
2.	Ms. Bhavani Balasubramanian	3,15,000	10,00,000
3.	Mr. Mahesh Parasuraman	3,25,000	10,00,000
4.	Mr. S. Mahalingam	2,10,000	10,00,000
5.	Ms. C. Sruthi	1,45,000	9,17,000

6.3 MANAGING DIRECTOR

Details of remuneration paid to the Key Managerial Personnel of the Company for the year 2022-23 are as under:

Amount in ₹

Particulars	Mr. Lakshminarayanan Duraiswamy, Managing Director
Salary & Allowances	1,77,57,380
Commission	1,60,00,000
Contribution to Provident, Superannuation, and Gratuity Funds	15,07,857
Perquisites	10,56,683
Employee Stock Option	17,07,679

7 DIRECTORS' DEPOSITS WITH THE COMPANY

As on 31st March 2023, Directors and their relatives held deposits aggregating ₹419.62 lakhs with the Company. The interest paid on the deposits of Directors and their relatives during the year amounted to ₹24.79 lakhs.

8 RELATED PARTY TRANSACTIONS

During the year, the Company did not enter into any materially significant transaction with related parties, i.e., its Promoters, Directors and their relatives, conflicting with the Company's interests. All related party transactions were being transacted on an arm's length basis.

The Policy on Related Party Transactions has been disclosed on the company's website <http://www.sundaramhome.in>

9 CODE OF CONDUCT :

The Company has adopted the “Code of Conduct for Directors and Senior Management of Sundaram Home Finance Limited”. The Code is available on the website of the Company at www.sundaramhome.in

The Managing Director of the Company has given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of conduct of Board of Directors and Senior Management respectively, during the FY23. The said declaration has been placed as Annexure (b) to this Report.

10 DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2023

No. of Equity Shares held by each Shareholder	No. of Shareholders	Total No. of Shares	% of Capital
1	6*	6	Negligible
1,00,001 and above	1	10,12,54,432	100%
Total	7	10,12,54,438	100%

* Nominees of Sundaram Finance Limited, Holding Company.

The Company is a Wholly Owned Subsidiary of Sundaram Finance Limited and the Equity Shares are held by Sundaram Finance Limited and its nominees in dematerialised form.

11 SHARE PRICE PERFORMANCE

Share Price Performance is not applicable since the Company's equity shares are not listed.

12 SHARE TRANSFER AND INVESTOR GRIEVANCES COMMITTEE

Since the shares of the Company are not listed, Share Transfer and Investors Grievances Committee is not required to be constituted.

Share transfer, transmission, split, consolidation and grievances of investors and security holders are taken care of by the Stakeholders Relationship Committee set up by the Board. There were no investor complaints pending resolution at the beginning of the year and no fresh investor complaints were received during the year. Also, during the Financial Year, Company did not receive any complaint from its debenture holders.

13. REMUNERATION TO STATUTORY AUDITORS

As required under Part C of the Schedule V of the SEBI LODR Regulations, the total fee to the statutory auditor is given in Notes to accounts point no 34.17

14 LISTED DEBENTURES

The Company has so far privately placed a total of 333 series of secured/unsecured Non-Convertible Debentures (NCDs) of the total face value of ₹10700.50 crore. The NCDs have been listed on the National Stock Exchange of India Ltd. (NSE) for trading in compulsory dematerialized form. The Company is up to date in the payment of annual listing fees to NSE.

During the year, the Company issued fresh NCDs aggregating ₹1350 crore (face value) (excluding partly paid NCD issued during FY:2018-19 of which ₹100 crore each received during FY19, FY20, FY21, FY22 & FY 23 (face value - ₹500 crore)) and redeemed NCDs aggregating ₹812 crore (including debenture application money and subordinated debentures) outstanding is ₹3105 crore (face value) was outstanding as on 31st March 2023.

15. DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under:

Name : IDBI Trusteeship Services Limited
 Universal Insurance Building
 Ground Floor, Sir. P.M. Road
 Fort, Mumbai 400 001
 Tel. No.: 022- 40807000
 Email: itsl@idbitrustee.com

16 COMMERCIAL PAPER

During the year, the Company privately placed commercial paper aggregating ₹1250 crore (face value) with mutual funds and banks/ companies.

17 REGISTRAR AND TRANSFER AGENT

Cameo Corporate Services Ltd. has been appointed as the Registrar and Transfer Agent of the Company, and can be contacted by investors at the following address:

Cameo Corporate Services Ltd.
 'Subramaniam Building'
 #1, Club House Road, Chennai 600 002
 Phone : 044 – 40020700
 Fax : 044 – 2846 0129
 Email : cameo@cameoindia.com
 Contact Person : Mr. R.D. Ramasamy, Whole-Time Director

18 ANNUAL GENERAL MEETING

The following table shows when and where the last three Annual General Meetings were held:

Financial Year	Date of Meeting	Time	Venue	Special Resolutions passed
2021-22	27th July 2022	9.00 a.m.	No.21, Patullos Road, Chennai 600 002	For issuance of Non-Convertible Debentures on private placement basis
2020-21	6th September 2021	9.00 a.m.	No.21, Patullos Road, Chennai 600 002	For issuance of Non-Convertible Debentures on private placement basis
2019-20	17th July 2020	10.00 a.m.	No.21, Patullos Road, Chennai 600 002	For issuance of Non-Convertible Debentures on private placement basis

No resolutions were passed through postal ballot during the year ended 31st March 2023. None of the resolutions being placed at the ensuing Annual General Meeting is covered by the Postal Ballot Rules.

19 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The disclosure under the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013 have been covered in the Boards' Report forming part of this annual report.

20 WHISTLE BLOWER POLICY

The Company adopted a Whistle Blower Policy and established the necessary vigil mechanism with effect from April 1, 2014, for Directors and Employees to report genuine concerns about unethical behaviour, pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. It is hereby affirmed that no personnel of the Company has been denied access to the Audit Committee. There were no complaints from the employees during the year 2022-23.

The Whistle Blower Policy has been hosted on the Company's website www.sundaramhome.in

21 SEBI COMPLAINTS REDRESS SYSTEM (SCORES) AND NHB GRIEVANCE REGISTRATION & INFORMATION DATABASE SYSTEM (GRIDS)

The Company is registered with SEBI Complaints Redress System (SCORES) and NHB Grievance Registration & Information Database System (GRIDS). Under both SCORES and GRIDS, the investor/customer complaints are processed in a centralised web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) and online viewing by investors/customers of actions taken on the complaints and their current status.

22 DISCLOSURE

Details of non-compliance with requirements of Companies Act, 2013:

There has been no instance of non-compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

Details of penalties and strictures:

1. The Company has received a notice from National Stock Exchange of India (NSE) dated 30th August 2022 for non-compliance with Regulation 60 (2) of SEBI (LODR) Regulations, 2015 ("Listing Regulations") for delay in record date intimation.

The Company has applied to the NSE for waiver of penalty on 01st September 2022 and their reply is awaited.

2. The Company has received a notice from National Stock Exchange of India (NSE) dated 27th October 2022 for non-compliance with Regulation 57 (4) of SEBI (LODR) Regulations, 2015 ("Listing Regulations") for the delay in submission of details of non-convertible securities for which interest/principal obligations shall be payable during the quarter.

The Company has applied to the NSE for waiver of penalty on 01st November 2022 and their reply is awaited.

23 MEANS OF COMMUNICATION

The primary source of information to the shareholders, customers, analysts and other stakeholders of the Company and to the public at large is through the website of the Company www.sundaramhome.in

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement with NSE, Quarterly, half-yearly and annual financial results of the Company in respect of financial year 2022-23 have been sent to NSE in the prescribed format. Further, the results have been published in newspapers, "Financial Express" (English) and "Makkal Kural" (Tamil) and are hosted on the Company's website www.sundaramhome.in

The annual report has been sent in electronic form also to the Members.

24 CORPORATE IDENTITY NUMBER

The Corporate Identity Number (CIN), allotted to the Company by the Ministry of Corporate Affairs, Government of India is U65922TN1999PLC042759. With the MCA21 initiative of the Ministry of Corporate Affairs going live, the Company's master data and details of the compliance filings of the Company with the Ministry may be viewed by the Members and other stakeholders at www.mca.gov.in using the CIN.

25 REGISTRATION WITH THE RESERVE BANK OF INDIA

The Registration Number allotted to the Company by the National Housing Bank (NHB) is 01.0010.01 in pursuance to Section 29A of the National Housing Bank Act, 1987. The Company has been granted Certificate of Registration to carry on the business of a Housing Finance Institution along with permission to accept deposits from the public.

The Finance (No.2) Act, 2019 has amended the National Housing Bank Act, 1987 has conferred certain powers for regulation of Housing Finance Companies (HFCs) with Reserve Bank of India and was published in the Official Gazette on 09th August 2019. HFCs will be treated as one of the categories of Non-Banking Financial Companies (NBFCs) for regulatory purposes. NHB will continue to carry out supervision of HFCs including Grievance Redressal Mechanism. Reserve Bank of India has issued Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

Reserve Bank of India has granted Certificate of Registration No. DOR-00010 in pursuance to Section 29A of the National Housing Bank Act, 1987, in lieu of Certificate of Registration No.01.0010.01 issued by National Housing Bank, to carry on the business of a Housing Finance Institution along with permission to accept deposits from the public.

26 ADDRESS FOR CORRESPONDENCE AND ANY ASSISTANCE OR CLARIFICATION

Mr. R. Venkatasubramanian is the Company Secretary & Compliance Officer. He can be contacted at the following address for any assistance or clarification:

Mr. R. Venkatasubramanian
Company Secretary & Compliance Officer
Sundaram Home Finance Ltd.
Sundaram Towers, 46, Whites Road, Chennai-600 014
Phone: 044-28515267
E-mail: venkat.r@sundaramhome.in

27 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of the Board's Report.

28 GENERAL SHAREHOLDER INFORMATION

Twenty Fourth Annual General Meeting

Date	Time	Venue
7th July 2023	9.30 am	No.21, Patullos Road, Chennai 600002

- Financial year 1st April 2022 to 31st March 2023
- The Company's Board considered the financial results for the year ended 31st March 2023 as under:

A	First Quarter ended 30 June 2022	27 July 2022
B	Second Quarter ended 30 September 2022	28 October 2022
C	Third Quarter ended 31 December 2022	31 January 2023
D	Fourth Quarter ended 31 March 2023	11 May 2023

- The Company's Board is tentatively scheduled to consider the financial results for the year ending 31st March 2024 as under:

A	First Quarter ending 30 June 2023	4th Week of July, 2023
B	Second Quarter ending 30 September 2023	4th Week of October, 2023
C	Third Quarter ending 31 December 2023	4th Week of January, 2024
D	Fourth Quarter ending 31 March 2024	2nd Week of May, 2024

- Date of payment of dividend for the year ending 31st March 2022 : 27 th July 2022.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To.

The Members of SUNDARAM HOME FINANCE LIMITED
21, Patullos Road, Chennai – 600 002.

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SUNDARAM HOME FINANCE LIMITED having CIN - U65922TN1999PLC042759 and having registered office at 21, Patullos Road, Chennai – 600002 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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 Company
1.	Mr. Thiruvallur Thattai Srinivasaraghavan	00018247	02/07/1999
2.	Mr. Harsha Viji	00602484	24/01/2020
3.	Mr. Ayalur Natarajan Raju	00036201	20/05/2021
4.	Mr. Mahalingam Seturaman	00121727	04/02/2022
5.	Ms. Bhavani Balasubramanian	09194973	04/02/2022
6.	Mr. Mahesh Parasuraman	00233782	04/02/2022
7.	Mr. Lakshminarayanan Duraiswamy	07988186	25/10/2019
8.	Ms. Charukuru Sruthi	07253998	14/05/2022

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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 **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000291353

Place: Chennai
Date: 11.05.2023

DECLARATION BY THE CEO - CODE OF CONDUCT

[Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To.

The Board of Directors,
Sundaram Home Finance Limited.
Chennai

Dear Members of the Board,

Sub: Compliance with Code of conduct by the Board of Directors and Senior Management Personnel

I, Lakshminarayanan Duraiswamy, Managing Director of Sundaram Home Finance Limited ., hereby declare that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the financial year ended March 31, 2023.

Place: Chennai

Date: May 11, 2023

Lakshminarayanan Duraiswamy

Managing Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNDARAM HOME FINANCE LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH, 2023

REPORT ON FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of Sundaram Home Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31st March 2023, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 our audit addressed the key audit matter
<p>Impairment Loss Allowance:</p> <p>Management’s judgements in the calculation of impairment allowances have significant impact on the financial statements. The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of expected credit loss (“ECL”) approach as required by Ind AS 109 relating to “Financial instruments.”</p> <p>The Management is required to determine ECLs that may occur depending on the staging of the individual asset.</p> <p>This staging is determined by an assessment of whether there has been a significant increase in credit risk of the borrower since loan origination. It is also necessary to consider the impact of different future macroeconomic conditions in the determination of ECLs.</p> <p>The accuracy of the assumptions used in the models, including the macroeconomic scenarios, impacts the level of impairment provisions. The management monitors the precision of the ECL models, to ensure that the models appropriately estimate losses comparing to actual results (“back-testing procedures”) and that the level of the impairment allowances is adequate. ECL provision calculations require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL, management’s Judgement and evaluation regarding the impact Covid 19 Pandemic and the regulatory requirements on such calculation we considered this area as a key audit matter.</p>	<p>We have started our audit procedures with updating our understanding of the internal control environment related to recognition and measurement of impairment allowances and tested the effectiveness of the selected key controls implemented by the Company, in particular:</p> <ul style="list-style-type: none"> • procedures in the area of recording, processing and amending of key customer data applied in the calculation of expected credit losses; • data flows between the Company’s core IT systems and ECL calculation tool; • procedures in the area of timely and complete identification of significant increase in credit risk (stage 2) and default (stage 3). <p>We also assessed the approach of the Company regarding application of significant increase in credit risk criteria, definition of default, probability of default, loss given date and incorporation of forward-looking information in the calculation of ECL.</p> <p>We have focused on the analysis of the results of the back-testing procedures, by assessing the Company’s assumptions and the expert adjustments applied in the model taking into account the empirical data and the existing credit and monitoring processes.</p> <p>For individually insignificant loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:</p> <ul style="list-style-type: none"> • we tested the reliability of key data inputs and related management controls • we verified the key judgements and assumptions relating to the macro-economic scenarios, regulatory requirements and the associated probability weights; • we analyzed impairment coverage of credit portfolio and its changes. <p>We applied our professional judgement in the selection of significant loans and advances assessed for impairment on an individual basis – we selected the sample taking into account different risk criteria:</p> <ul style="list-style-type: none"> • for selected loans and advances we checked the stage classification as at the Balance sheet date, • for selected impaired loans and advances (Stage 3) we tested the assumptions used in the impairment allowances’ calculation, particularly expected scenarios and probabilities assigned to them and the timing and amount of expected cash flows, including cash flows from repayments, valuation of collaterals, application of haircuts and realisation of collaterals. <p>As a result of the above audit procedures no material differences were noted.</p> <p>We confirm the adequacy of disclosures made in the Financial Statements.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the financial highlights, board's report and report on corporate governance but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we 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 Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

- 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 Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We

consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" to this Report, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) 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;

- (b) 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;
- (c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note no.34.12 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts, required to be transferred, to Investor Education Protection Fund during the year by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or

indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (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 Companies Act 2013 to the extent it applies to payment of dividend.
- (b) The company has not paid any interim dividend during the year
- (c) As stated in Note No.34.7 to the 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.

- vi Proviso to Rule 3(1) of the Companies (Accounts) Rules ,2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1 ,2023 and accordingly ,reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules ,2014 is not applicable for the financial year ended 31st March 2023

For **Suri & Co**
Chartered Accountants
Firm Registration. No. 004283S

M.Sivaram
Partner

Place: Chennai
Date : 11.05.2023

M.No :211916
UDIN:23211916BGWKGJ2474

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in our report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the company on the financial statements for the year ended 31st March 2023, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment and right-of-use assets is physically verified at reasonable intervals by the management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, and the books and records verified by us, and based on the examination of the registered sale deeds we report that, the title deeds of immovable properties of Land and Buildings which are freehold, are held in the name of the Company as at Balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under Clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has been sanctioned working capital limits in excess of ₹5 crore, during the year, from banks or financial institutions on the basis of security of Loan assets. There are no material discrepancies between the statements submitted to the bank and the books of accounts.

(iii) The Company has not provided any guarantee or security but has made investments and granted loans or advances in the nature of loans, secured, to companies, firms, Limited Liability Partnerships or any other parties. The reporting as required under this clause is given below:

- (a) Since the company is a NBFC, the reporting under the Clause (iii)(a) is not applicable.
- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest. The company has not provided any guarantee and the security given are not prejudicial to the Company's Interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation except for the disclosure made in Note 8 in the financial statements.
- (d) The total amount overdue for more than ninety days is Rs 251.40 Crores and reasonable steps have been taken for the recovery of the principal and interest.

No of Cases	Principal Amount Overdue	Interest Amount Overdue	Total Overdue
556	₹ 210.80 Crores	₹40.60 Crores	₹251.40 Crores

- (e) The Company is a NBFC, whose principal business is to provide loans. Hence, reporting under clause 3(iii)(e) is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has not granted any loans or given guarantees or provided security to directors or topersons in whom the directors are interested except for a loan provided to the Managing Director and the provisions of Section 185 the Companies Act, 2013 has been complied with. The company has not made investment through investment companies. Other

-
- provisions of Section 186 of the Act are not applicable to the company and hence not commented upon.
- (v) As per the notification by the Ministry of Corporate Affairs (GSR 256(E) dated March 31, 2014) the provisions of sections 73 to 76 or any other provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company and hence the reporting under clause 3(v) of the Order is not applicable. The Company has complied with the directions issued by the National Housing Bank with regard to deposits accepted from the public.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) There are no dues of Income tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has taken term loans during the year and the term loans were applied for the purpose for which the loans was obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has raised moneys by way of offer of Non convertible debentures during the year and the same has been utilised for the lending purposes in their financing activities and other activities in the normal course of business.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) No whistle blower complaints was received by the company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details

of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) 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. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The company has obtained a certificate of registration under section 29A of the National Housing Bank Act, 1987
- (b) The company has not conducted any Housing finance activities without valid Certificate of registration
- (c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(c) &(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans

and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer 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. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which has to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For **Suri & Co**
Chartered Accountants
Firm Registration. No. 004283S

M.Sivaram
Partner

Place: Chennai
Date : 11.05.2023

M.No :211916
UDIN:23211916BGWKGJ2474

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT (Referred to in our report of even date) Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Sundaram Home Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of 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. 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Suri & Co**
Chartered Accountants
Firm Registration. No. 004283S

M.Sivaram
Partner

Place: Chennai
Date : 11.05.2023

M.No :211916
UDIN:23211916BGWKGJ2474

Balance Sheet as at 31st March, 2023

(₹ in lakhs)

Particulars	Note No.	31st March 2023	31st March 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	5	1172.92	863.02
Bank Balances other than Cash and cash equivalents	6	2177.81	3961.77
Receivables			
- Trade Receivables	7	8.51	18.09
Loans	8	1088785.51	918376.18
Investments	9	64888.10	87628.05
Other Financial assets	10	474.30	404.41
Non-financial Assets			
Current tax Assets (Net)	11	3891.12	3842.57
Deferred tax Assets (Net)	12	5665.08	5400.24
Property, Plant and Equipment	13	3019.27	2547.54
Right of Use Assets	14	1066.59	567.48
Other Intangible assets	15	191.22	261.19
Other Non-Financial assets	16	2204.99	1042.62
Total Assets		1173545.42	1024913.16
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	17	3.42	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1495.07	1128.67
(II) Other Payables			
(i) Total outstanding dues of micro enterprises and small enterprises			
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			
Debt Securities	18	354156.11	321230.62
Borrowings (Other than Debt Securities)	19	423905.51	317984.63
Deposits	20	200641.05	200042.21
Subordinated Liabilities	21	6575.00	13286.70
Lease Liabilities		1125.10	615.66
Other financial liabilities	22	2314.61	2861.58
Non-Financial Liabilities			
Provisions	23	968.18	769.50
Other non-financial liabilities	24	1858.63	1495.96
EQUITY			
Equity Share capital	25	10125.44	10125.44
Other Equity	26	170377.30	155372.19
Total Liabilities and Equity		1173545.42	1024913.16

The Notes from 1 to 34 are an integral part of these standalone financial statements.

As per our report of even date attached
For **Suri and Co**
Chartered Accountants
FRN : 004283S
M.Sivaram
Partner
Membership No. 211916
Chennai
11th May 2023

T.T. Srinivasaraghavan
Chairman

Lakshminarayanan Duraiswamy
Managing Director

Venkatasubramanian R
Company Secretary

Bhavani Balasubramanian
Director

Sridhar. S
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in lakhs)

Particulars	Note No.	April 2022 - March 2023	April 2021 - March 2022
Revenue from operations			
Interest Income	27	107395.06	91897.49
Fees and commission Income		845.34	813.41
Net gain on fair value changes	28	2826.92	1975.53
Other Operating Income	29	2877.42	894.74
Total Revenue from operations		113944.74	95581.17
Other Income			
Gain on derecognition of Property Plant & Equipment		20.41	11.23
Miscellaneous Income		54.12	106.31
Total Other Income		74.53	117.54
Total Income		114019.27	95698.71
Expenses			
Finance Costs	30	62015.79	53242.96
Impairment on financial instruments	31	6380.13	8093.92
Employee Benefits Expenses	32	10186.62	7270.91
Depreciation, Amortization and Impairment	13, 14 & 15	1327.45	1155.79
Administrative and other expenses	33	5939.30	4663.39
Total Expenses		85849.29	74426.97
Profit/(Loss) before exceptional items and tax		28169.98	21271.74
Exceptional item		-	-
Profit before tax		28169.98	21271.74
Tax Expense:			
Current Tax		6894.04	5409.40
Deferred Tax		(264.85)	(907.31)
Total Tax Expense		6629.19	4502.09
Profit after tax		21540.79	16769.65
Other Comprehensive Income (OCI)			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		11.75	(100.93)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(2.96)	25.40
Subtotal (A)		8.79	(75.53)
(B) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		8.79	(75.53)
Total Comprehensive Income for the period comprising Profit and other comprehensive income for the period		21549.58	16694.12
Earnings per equity share on Face Value of ₹10/- per share			
Basic & Diluted (₹)		21.27	16.56

As per our report of even date attached
For Suri and Co
 Chartered Accountants
 FRN : 004283S
M.Sivaram
 Partner
 Membership No. 211916
 Chennai
 11th May 2023

T.T. Srinivasaraghavan
 Chairman

Lakshminarayanan Duraiswamy
 Managing Director

Venkatasubramanian R
 Company Secretary

Bhavani Balasubramanian
 Director

Sridhar. S
 Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31st March 2023

A. Equity Share Capital

₹ in lakhs

Particulars	22-23	21-22
Balance at the beginning of the reporting period	10125.44	10125.44
Changes in Share Capital due to changes in Accounting Policies and 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	10125.44	10125.44

B. Other Equity

₹ in lakhs

Particulars	Reserves and Surplus							Total
	Share application money pending allotment	Statutory Reserves	General Reserve	Securities Premium	Special Reserve U/s 36(1) (viii) of Income Tax Act, 1961	Retained Earnings	ESOP Reserve	
Balance as at 1st April 2021	-	3298.81	61000.00	20474.56	31674.00	29152.52	145.07	145744.96
Changes in accounting policy/prior period errors								
Restated balance at the beginning of the reporting year								
Profit for the period						16769.65		16769.65
Other Comprehensive Income for the year						(75.53)		(75.53)
Appropriations made during the year		53.93			3300.00	(3353.93)		-
Dividends						(7087.81)		(7087.81)
Options granted during the year							20.97	20.97
Transfer to retained earnings								
Any other change (to be specified)								
Balance as at 31st March 2022	-	3352.74	61000.00	20474.56	34974.00	35404.90	166.04	155372.19
Balance as at 01st April 2022	-	3352.74	61000.00	20474.56	34974.00	35404.90	166.04	155372.19
Changes in accounting policy/prior period errors								-
Restated balance at the beginning of the reporting year								-
Profit for the year						21540.79		21540.79

Particulars	Reserves and Surplus							Total
	Share application money pending allotment	Statutory Reserves	General Reserve	Securities Premium	Special Reserve U/s 36(1) (viii) of Income Tax Act, 1961	Retained Earnings	ESOP Reserve	
Other Comprehensive Income for the year						8.79		8.79
Appropriations made during the year		608.16			3700.00	(4308.16)		-
Dividends						(6581.54)		(6581.54)
Options granted during the year							37.09	37.09
Transfer to retained earnings								-
Any other change (to be specified)								-
Balance as at 31st March 2023	-	3960.90	61000.00	20474.56	38674.00	46064.78	203.13	170377.30

- a) The Special Reserve has been created over the years in terms of Section 36 (1) (viii) of the Income-tax Act, 1961 and Section 29C of the National Housing Bank Act, 1987
- b) As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, a transfer to any Special Reserve created by the Company under Section 36 (1) (viii) of the Income-tax Act, 1961 is considered to be an eligible transfer. The Company has transferred ₹ 608.16 lakhs (March 31, 2022 ₹ 53.93) to the statutory reserve u/s 29C of NHB Act and ₹ 3700 lakhs (March 31, 2022 - ₹ 3300.00 lakhs) to the Special Reserve in terms of Section 36 (1) (viii) of the Income-tax Act, 1961.
- c) The Amendments in Schedule III pertaining to SOCE:

Particulars	22-23	21-22
Equity component of compound financial instruments	NIL	NIL
Capital Reserve		
Others- Remeasurement of Employee Benefits		
Debt instruments through Other Comprehensive Income		
Equity Instruments through Other Comprehensive Income		
Effective portion of Cash Flow Hedges		
Revaluation Surplus		
Exchange differences on translating the financial statements of a foreign operation		
Money received against share warrants		

As per our report of even date attached
For **Suri and Co**
Chartered Accountants
FRN : 004283S
M.Sivaram
Partner
Membership No. 211916
Chennai
11th May 2023

T.T. Srinivasaraghavan
Chairman

Lakshminarayanan Duraiswamy
Managing Director

Venkatasubramanian R
Company Secretary

Bhavani Balasubramanian
Director

Sridhar. S
Chief Financial Officer

Cash Flow Statement for the year ended 31 March 2023

(₹ in lakhs)

Particulars		2022-2023	2021-2022
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit after tax after Exceptional item		21540.79	16769.65
Provision for Taxation (Including Deferred Tax)		6629.19	4502.09
Add : Finance Cost		62015.79	53242.96
Depreciation		1327.45	1155.79
Impairment on Financial Instruments		6380.13	8093.92
Share Based Payments to employees		37.09	20.97
Profit on sale of Property Plant & Equipment (Net)		(18.98)	(10.59)
Gain on Preclosure of Lease		(2.53)	-
(Profit)/ Loss on sale of Investments		(2826.92)	(1975.53)
Interest Income from Investments		(3652.38)	(2571.07)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		91429.63	79228.19
(Increase)Decrease in Trade Receivables		9.58	44.46
(Increase) Decrease in Loans		(176783.36)	(51291.42)
(Increase) Decrease in Bank Balances other than Cash and cash equivalents		1781.91	872.86
(Increase) Decrease in Other Financial Assets		(96.58)	9053.30
(Increase) Decrease in Other Non Financial Assets		(1162.37)	15.32
Increase (Decrease) in Trade Payables		369.82	628.74
Increase (Decrease) in Other Financial Liabilities		(546.98)	(852.14)
Increase (Decrease) in Other Non Financial Liabilities		362.67	288.78
Increase (Decrease) in Provisions		230.04	75.93
Cash Generated From Operations		(84405.62)	38064.02
Finance Cost		(60277.85)	(53364.94)
Direct Taxes Paid		(6945.55)	(5250.70)
NET CASH FROM OPERATING ACTIVITIES	(A)	(151629.03)	(20551.62)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of PPE & Other Intangible assets		(1085.23)	(456.96)
Sale of PPE & Other Intangible assets		48.04	31.60
(Purchase)/Sale of Investments		25814.49	(7218.84)
Interest Received		3407.79	2458.38
NET CASH FROM INVESTING ACTIVITIES	(B)	28185.08	(5185.83)

(₹ in lakhs)

Particulars		2022-2023	2021-2022
CASH FLOW FROM FINANCING ACTIVITIES			
Increase (Decrease) in Debt Securities		23571.63	65687.70
Increase (Decrease) in Borrowings other than debt securities		105713.27	(47175.63)
Increase (Decrease) in Public Deposits		1772.48	13738.92
Repayment of lease liabilities		(721.99)	(651.92)
Dividend paid		(6581.54)	(7087.81)
NET CASH FROM FINANCING ACTIVITIES	(C)	123753.85	24511.25
Effect of Foreign Exchange rates on Cash and Cash Equivalents, net	(D)	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		309.90	(1226.19)
(A)+(B)+(C)+(D)			
Cash and cash equivalents at the Beginning of the Year		863.02	2089.21
Cash and cash equivalents at the End of the Year		1172.92	863.02
COMPONENTS OF CASH AND CASH EQUIVALENTS			
AT THE END OF THE YEAR			
Current Account with Banks		212.97	105.41
Cheques Drafts on Hand		889.45	694.50
Cash, Stamps and Stamp Papers on Hand		70.50	63.11
Cash & Cash equivalents		1172.92	863.02

As per our report of even date attached
For **Suri and Co**
Chartered Accountants
FRN : 004283S
M.Sivaram
Partner
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T.T. Srinivasaraghavan
Chairman

Lakshminarayanan Duraiswamy
Managing Director

Venkatasubramanian R
Company Secretary

Bhavani Balasubramanian
Director

Sridhar. S
Chief Financial Officer

NOTES TO THE ACCOUNTS

1 Corporate Information

Sundaram Home Finance Ltd (“The Company”) is a public limited Company incorporated in India, having Corporate Identification Number (CIN) - U65922TN1999PLC042759, with its registered office located at No.21 Patullas Road Chennai 600002.

The Company is a deposit taking housing finance Company registered with National Housing Bank (NHB), having registration number – DOR-00010. The Company’s main business is to provide loans against/for purchase, construction, repairs and renovations of housing/commercial properties. All other activities of the Company revolve around the main business.

The Non-Convertible Debentures issued by the Company are listed on the whole-sale debt market segment of National Stock Exchange of India Limited.

2 Basis of preparation and presentation

2.1 Statement of Compliance and Basis of Preparation and Presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the “Act”). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement of the Company.

The financial statements of the Company have been drawn up in accordance with the provisions of Section 129 read with Schedule III of the Companies Act, 2013 and in accordance with the Indian Accounting Standards (Ind AS) as specified under sec 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter (“Ind AS”).

The financial statements are prepared and presented on going concern basis and the relevant provisions of the Act

and the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank (“NHB”) to the extent applicable.

In addition, the guidance notes and announcement issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions require different treatment.

All the amounts included in Standalone Financial Statements are reported in Indian Rupees (₹) and all values are rounded off to the nearest lakhs except where otherwise indicated.

Accounting policies are consistently applied except where a newly issued Ind AS initially adopted or a revision to an existing Ind AS requires a change in the accounting policy.

2.2 Accounting Convention

The Financial Statements have been prepared under the historical cost convention on accrual and going concern basis except for certain financial instruments that are measured at fair values at the end of each reporting year.

2.3 Measurement of fair values

The Company’s accounting policies and disclosures require the measurement of financial and non-financial assets and liabilities at fair values. The Company has established policies and procedures with respect to measurement of fair values.

Fair value measurements are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as mentioned below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset and liability that are not based on observable market data.

NOTES TO THE ACCOUNTS (Contd.)

3 Use of Estimates and Judgements

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from these estimates. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively in the current and future years.

4 Significant Accounting Policies

4.1 Revenue recognition

Interest income from financial assets is recognized on an accrual basis using Effective Interest Rate (EIR) method. Interest revenue would be recognized at the original effective interest rate applied on the gross carrying amount.

The Effective Interest Rate (EIR) method is a method of calculating the amortised cost of a financial instrument and allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Fee and commission, that are integral to the transaction relating to any financial asset or liability are included in the computation of EIR. Other incomes are accounted on actual receipts.

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair

value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 - 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 - 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) 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 measured at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

NOTES TO THE ACCOUNTS (Contd.)

4.2.a. Financial Assets

Classification and Subsequent Measurement

The Company classifies its financial assets as subsequently measured at either amortized cost or at fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

At Amortised Cost

A financial asset is measured at amortised cost only if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold them in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.
- c) Such Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.
- d) When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company has recalculated the gross carrying amount of the financial asset and has recognised a modification gain or loss in profit or loss.

At Fair Value through Other Comprehensive Income (FVOCI)

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity instrument). This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

At Fair Value through Profit or Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value through Other Comprehensive Income (FVOCI), is classified as at FVTPL. In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

4.2.b. Impairment of Financial Assets

The Company applies the Expected Credit Loss (ECL) model for recognizing impairment losses on financial assets. Under the model, the Company considers Exposure at Default (EAD), Loss Given Default (LGD) & Probability of Default (PD).

12 months ECL represents the probability of expected default events on the financial assets within 12 months after the respective reporting date. Lifetime Expected Credit Loss represent the expected credit loss from default events over the expected life of a financial asset.

NOTES TO THE ACCOUNTS (Contd.)

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

In estimating the probability of default for computing the expected credit loss on loans, qualitative regression model has been adopted by considering representative characteristics of the loans from historic data and macro-economic factors relevant to the year. Similarly, loss given default has been estimated using the past write off experiences and collateral approach. The model of ECL so computed is yearly evaluated and impact thereof is recognised in the Statement of Profit and Loss.

4.2.c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method except for financial liabilities at FVTPL. A financial liability is classified as FVTPL if it is held-for-trading or it is a derivative or it is designated as FVTPL on initial recognition. Interest expense, foreign exchange gains (losses) and any gains and losses on derecognition are recognized in the profit or loss.

4.2.d. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the Solely Payments of Principal and Interest on the principal amount outstanding (“SPPI”) and the business model test.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate

whether there has been a change in business model and so a prospective change to the classification of those instruments.

The Company considers all relevant information and evidence available when making the business model assessment such as:

- a. how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company’s key management personnel.
- b. the risks that affect the performance of the business model (and the financial assets held within that business model) and the way in which those risks are managed.

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. The Company reassesses its business model at each reporting year to determine whether the business model has changed since the preceding year.

4.2.e Solely Payments of Principal and Interest (“SPPI”)

The Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to

NOTES TO THE ACCOUNTS (Contd.)

contractual cash flows that are SPPI.

4.2.f. Derecognition of financial assets and financial liabilities

Financial asset

A financial asset or a part thereof is primarily derecognized when:

The right to receive contractual cash flows from the asset has expired, or the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) 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 enters into transactions whereby it transfers assets recognized on its balance sheet but retains all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received including any cumulative gain or loss is recognised in Statement of Profit and Loss.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

4.2.g. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.3 Employee Benefits:

Short Term Employee Benefits

Short term employee benefits for services rendered by employees are recognized during the year when the services are rendered.

Post-Employment Benefits

A. Defined contribution plans

I. Superannuation

The Company contributes to the Superannuation fund administered by Trustees and managed by the Life Insurance Corporation of India (LIC). The contributions are charged to the Statement of Profit and Loss.

II. Employees' Provident Fund, Pension Scheme and Employees' State Insurance Scheme

The Company contributes to a Government-administered Provident Fund, Pension Fund and Employees State Insurance on behalf of its employees and the contributions are charged to the statement of profit and loss.

B. Defined benefit plans

Gratuity

The Company makes an annual contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company accounts its liability based on actuarial valuation as at the balance sheet date using the Projected Unit Credit method.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost and net interest cost / income is recognized in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of the below are recognized in other comprehensive income:

NOTES TO THE ACCOUNTS (Contd.)

Actuarial gains and losses;

The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).

C. Other Long-Term Employee Benefits

Leave Encashment:

The Company accounts its liability based on an actuarial valuation, as at the balance sheet date, using the Projected Unit Credit method. The expenses and the actuarial gain or loss on account of the above benefit plans are recognized in the Statement of Profit and Loss on the basis of actuarial valuation.

4.4 Share Based Payments:

Employee Stock Options

The employees of the company are entitled to participate in the Employees Stock Option Scheme formulated by the Holding Company in accordance with SEBI Guidelines 1999. As per Ind AS 102, Share Based Payments, a parent that grants rights to its equity instruments directly to the employees of its subsidiary has the obligation to provide the employees of the subsidiary with the equity instruments. The subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees. The subsidiary shall measure the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, and recognise a corresponding increase in equity as a contribution from the parent. Accordingly, the company has recognized the employee compensation expense in its financial statements, with a corresponding increase to a separate reserve created for this purpose.

4.5 Income Taxes

Tax expense comprises of current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income-tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.6 Property, plant and equipment

The property, plant and equipment are the assets held for the use in the supply of services.

Property, plant and equipment are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost incurred for bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

Depreciation is recognised to write off, the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis. Estimated useful life of the assets, based on technical assessment, which are different in certain cases from those prescribed in Schedule II to the Act, are as follows:

Computers and Data Processing Units	
- Servers and Networks	10 years
- End User Devices	7 Years
Office Equipment	8 Years
Furniture and Fixtures	10 Years
Electrical installations	15 Years
Vehicles	5 Years

The property plant and equipment with definite life are reviewed for impairment whenever the events or changes indicate that their carrying value may not be recoverable. Depreciation charge for impaired assets is adjusted in future years in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Further, there is no significant change in the useful life of the above assets as compared to previous year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

4.7 Leases

The Company shall recognise a right-of-use asset and a lease liability whenever it takes any asset on lease. The right-of-use asset shall be measured at cost that comprises of initial value of lease liability, lease payments made on or before the commencement of lease, initial direct costs incurred by the entity and an initial estimated cost of dismantling & removing the leased asset and restoring the site on which the asset is located. The lease liability shall be measured at the present value of the lease payments due. The interest rate implicit in the lease or lessee's incremental borrowing has been used to arrive at the present value. Subsequently, at each balance sheet date, the right-of-use asset shall be depreciated, and lease liability shall be increased by interest amount & decreased by amount paid.

The Company's lease asset classes primarily consist of leases of premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the year of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding

lease liability for all lease arrangements in which it is a lessee.

The lease liability is the present value of the lease payments to be made over the lease term using the incremental borrowing rates.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The company accounts for a lease modification as a separate lease if both the conditions as follows are complied with:

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the carrying value of right-of-use asset and statement of profit and loss depending upon the nature of modification. In case of partial/full termination of lease, the lease liability is remeasured by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease and recognise in the statement of profit and loss any gain or loss relating to the partial or full termination of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for impairment at each reporting date.

4.8 Other Intangible assets

Intangible assets are identified non-monetary assets without physical existence.

Intangible assets with finite useful lives that are acquired separately are capitalized and are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful life of the asset.

Intangible assets are recognized in books only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use.

Intangible assets represent Computer software, the cost of which is amortized over their expected useful life 2 to 5 years on a straight-line basis.

The estimated useful life and amortization method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of net selling price of the assets and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

4.9 Impairment of Assets :

The carrying amounts of assets are reviewed as at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the asset and its value in use.

4.10 Dividend

The final Dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends if any are recorded as a liability on the date of declaration by the Company's Board of Directors.

4.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

4.12 Provisions and Contingent Liabilities

Provisions are recognized only when the Company has a present obligation (legal or constructive) as a result of any past events, and it is probable that it is required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the obligation at the reporting date, considering the risk and uncertainties surrounding the obligation.

Contingent liabilities

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 future uncertain events not wholly within the control of the Company (or)

There is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

4.13 Earnings Per Share

The basic earnings per share have been computed by dividing the net income attributable to equity shareholders by weighted average number of shares outstanding during the year.

The diluted earnings per share have been computed using weighted average number of shares adjusted for effects of all potentially diluted equity shares.

4.14 Segment Reporting

The Company's main business is to provide loans against/ for purchase, construction, repairs & renovations of Housing/Commercial Properties etc. All other activities of the Company revolve around the main business. As such, there are no separate reportable segment, as per the Operating Segments (Ind AS-108), notified by the Companies (Accounting Standard) Rules, 2015.

NOTES TO THE ACCOUNTS (Contd.)

Note 5: Cash and cash equivalents:

₹ in lakhs

Particulars	31st March 2023	31st March 2022
(i) Cash on hand	70.50	63.11
(ii) Balances with Banks	212.97	105.41
(iii) Cheques, drafts on hand;	889.45	694.50
Total	1172.92	863.02

Note 6: Bank Balances other than specified in Note 5 above

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Bank Deposits	2128.28	3912.24
Earmarked balances with Bank	49.53	49.53
Total	2177.81	3961.77

- Bank Deposit accounts include ₹ 2105.00 lakhs (31st March 2022 - ₹ 2898.00 lakhs) provided as collateral for assets securitised.
- In accordance with the NHB Directions, the Company has created a floating charge on the statutory liquid assets comprising bank deposits of NIL (31st March 22- ₹ 998.00 Lakhs) in favour of Trustees representing the public depositors of the company.

Note 7: Trade Receivables

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Receivables considered Good- Unsecured	8.51	18.09
Less: Allowance for impairment loss	-	-
Total	8.51	18.09

No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member.

Trade Receivables ageing schedule

F.Y.2022-23

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	8.51	-	-	-	-	8.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

There are no unbilled revenue receivable for the year

F.Y.2021-22

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	18.09	-	-	-	-	18.09
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

There are no unbilled revenue receivable for the year

NOTES TO THE ACCOUNTS (Contd.)

Note 8: Loans

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Loans (In India)		
Secured Term Loans - At Amortised Cost		
Housing Loans		
Individuals	703504.26	629153.01
Others	10785.90	19833.06
Non-Housing Loans		
Individuals	333966.46	263961.45
Others	66431.37	30207.37
Loans Against Deposits	594.23	843.67
Total - Gross	1115282.23	943998.56
Less : Impairment loss allowance - Stage 1 & 2	13783.77	11870.50
Less : Impairment loss allowance - Stage 3	12712.95	13751.88
Total - Net	1088785.51	918376.18

Loans or Advances in the nature of loans granted to promoters, directors, KMPs and related parties - FY.2022-23

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	49.63	0.00%
KMPs	87.39	0.01%
Related Parties	-	-

Loans or Advances in the nature of loans granted to promoters, directors, KMPs and related parties - FY.2021-22

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	56.63	0.01%
KMPs	81.58	0.01%
Related Parties	-	-

- Housing / Non-Housing Loans granted by the Company are secured by mortgage of properties/ hypothecation of loan receivables/cash collateral.
- Insurance on Housing Loans to the extent of ₹7997.28 lakhs (31st March 2022 ₹6651.70 lakhs) is regrouped under Non-Housing Loans.
- There is no exposure by way of Loans granted against Gold Jewellery /Shares as Security.
- Loans including installment and interest outstanding amounts to ₹3380.19 lakhs (31st March 2022 ₹4243.83 lakhs) in respect of properties which are held for disposal under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- Individual Loans includes Staff housing loan of ₹2503.85 lakhs (PY. ₹1971.01 lakhs) and non housing staff loan of ₹186.18 lakhs (PY. ₹188.20 lakhs)
- The balance in "Impairment loss allowance - Stage 3" of ₹12712.95 lakhs (31st March 2022 ₹13751.88 lakhs) is after considering a write off of ₹5499.69 lakhs (31st March 2022 ₹14201.61 lakhs)

NOTES TO THE ACCOUNTS (Contd.)

Note 9: Investments

₹ in lakhs

Particulars	31st March 2023	31st March 2022
At Fair value through Profit or Loss		
Mutual funds *	21154.86	53796.73
Others -		
Alternate Investment Fund- Sundaram Alternative Opportunities Series –		
High Yield Secured Debt Fund II	5186.03	5168.54
Sundaram Alternative High Yield Secured Real Estate Fund III	9257.26	1270.98
At Amortised Cost		
Government securities	28756.98	26700.55
Others- Investments in Pass Through Certificates (PTC)	535.26	694.52
Total – Gross -(A)	64890.39	87631.32
(i) Investments outside India	-	-
(ii) Investments in India	64890.39	87631.32
Total (B)	64890.39	87631.32
Less: Allowance for Impairment loss on PTC (C)	2.29	3.27
Total – Net D= (A)-(C)	64888.10	87628.05

In accordance with the NHB Directions, the Company has created a floating charge on the statutory liquid assets comprising investments in Government securities in favour of the trustees representing the public depositors of the company having face value of ₹27650.00 lakhs (Amortised Cost ₹28756.98 lakhs) (31st Mar 2022 - face value ₹25733.60 lakhs (Amortised Cost ₹26700.55 lakhs)).

Mutual Funds*

Particulars	Face Value	31st March 2023		31st March 2022	
		Holding (Units)	Carrying Amount ₹ in lakhs	Holding (Units)	Carrying Amount ₹ in lakhs
At fair value through Profit or loss					
Aditya Birla Sun Life Liquid -Direct Growth	100	-	-	1448886.20	4971.49
SBI Liquid Fund -Direct Growth	1000	21587.90	760.61	104022.95	3467.18
HDFC Liquid Fund -Direct Growth	1000	119507.92	5286.07	23901.23	1000.21
ICICI Liquid Fund-Direct Growth	100	1510990.53	5034.40	951991.94	3001.21
Sundaram Liquid Fund-Direct Growth (formerly known as Principal Cash Management Fund)	1000	506762.98	10073.78	2147675.72	40356.43
Kotak Liquid Fund-Direct Growth	1000	-	-	23244.00	1000.21
Total		2158849.34	21154.86	4699722.04	53796.73

Note 10: Other Financial Assets

₹ in lakhs

Particulars	31st March 2023	31st March 2022
At Amortised Cost		
Rental Deposits	456.11	379.62
Other Advances	71.14	51.05
Subtotal	527.25	430.67
Less: Impairment loss allowance on Rental Deposits	52.95	26.26
Total	474.30	404.41

Note 11: Current tax assets (Net)

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Advance Income tax and TDS (Net of Provisions)	3891.12	3842.57
Total	3891.12	3842.57

Note 12: Deferred tax Assets

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Deferred Tax Asset (Net)		
Employee benefits	198.59	156.21
Property, Plant and Equipment and Intangibles	77.28	64.13
Fair value measurement and Expected Credit Loss (Net)	5389.21	5179.90
Deferred Tax Assets - (Net)	5665.08	5400.24

NOTES TO THE ACCOUNTS (Contd.)**Note 13 Property, Plant And Equipment**

₹ in lakhs

Year Ended March 31,2023

Description	Gross Block at Cost				Depreciation				Carrying Value	
	Up to 31.03.2022	Additions	Deductions	As at 31.03.2023	Up to 31.03.2022	Additions	Deductions	Up to 31.03.2023	As at 31.03.2023	
Freehold Land	1621.77	-	-	1621.77	-	-	-	-	1621.77	
Buildings	130.49	-	-	130.49	28.82	4.95	-	33.78	96.71	
Buildings-Temporary Structure	201.97	-	-	201.97	191.87	-	-	191.87	10.10	
Electrical Installations and Equipments	140.96	29.09	1.44	168.61	60.64	16.46	1.21	75.88	92.72	
Furniture and Fixtures	204.21	135.36	4.94	334.63	123.10	34.31	4.33	153.09	181.55	
Vehicles	518.88	290.39	116.50	692.77	286.75	174.81	89.93	371.62	321.15	
Office Equipment	180.98	6.37	3.04	184.31	122.65	20.96	2.71	140.90	43.40	
Computers and Data Processing Units - Networks & Servers	293.77	149.04	-	442.81	181.88	50.93	-	232.81	210.01	
Computers and Data Processing Units - End user devices	759.45	383.08	36.94	1105.58	509.22	190.14	35.62	663.74	441.84	
Grand Total	4052.48	993.33	162.86	4882.94	1504.93	492.56	133.81	1863.69	3019.27	

Refer note 34.29 and 34.30

NOTES TO THE ACCOUNTS (Contd.)
Note 13 Property, Plant And Equipment

₹ in lakhs

Year Ended March 31,2022

Description	Gross Block at Cost				Depreciation				Carrying Value	
	Up to 31.03.2021	Additions	Deductions	As at 31.03.2022	Up to 31.03.2021	Additions	Deductions	Up to 31.03.2022	As at 31.03.2022	
Freehold Land	1621.77			1621.77	-	-	-	-	1621.77	
Buildings	130.49			130.49	23.62	5.20		28.82	101.67	
Buildings-Temporary Structure	201.97			201.97	122.17	69.70	-	191.87	10.10	
Electrical Installations and Equipments	133.39	8.79	1.23	140.96	49.41	12.23	1.00	60.64	80.32	
Furniture and Fixtures	182.71	24.75	3.25	204.21	103.64	22.38	2.92	123.10	81.11	
Vehicles	518.86	77.88	77.86	518.88	285.01	61.12	59.39	286.75	232.14	
Office Equipment	181.65	6.18	6.86	180.98	114.54	14.54	6.43	122.65	58.32	
Computers and Data Processing Units - Networks & Servers	224.76	69.01	-	293.77	141.06	40.82	-	181.88	111.89	
Computers and Data Processing Units - End user devices	634.92	142.16	17.63	759.45	404.23	121.08	16.08	509.22	250.22	
Grand Total	3830.52	328.77	106.82	4052.47	1243.67	347.09	85.82	1504.94	2547.54	

NOTES TO THE ACCOUNTS (Contd.)

Note 14 - Right of Use Assets

Year Ended March 31, 2023

₹ in lakhs

Description	Gross Block at Cost				Depreciation				Carrying Value
	Up to 31.03.2022	Additions	Deductions	As at 31.03.2023	Up to 31.03.2022	Additions	Deductions	Up to 31.03.2023	As at 31.03.2023
Right of use asset	1110.83	1223.56	606.31	1728.08	543.35	673.02	554.89	661.48	1066.59

Year Ended March 31, 2022

Description	Gross Block at Cost				Depreciation				Carrying Value
	Up to 31.03.2021	Additions	Deductions	As at 31.03.2022	Up to 31.03.2021	Additions	Deductions	Up to 31.03.2022	As at 31.03.2022
Right of use asset	1043.97	609.35	542.49	1110.83	477.30	603.90	537.85	543.35	567.48

Refer Note 34.19

Note 15 Other Intangible Assets

Year Ended March 31, 2023

₹ in lakhs

Description	Gross Block at Cost				Depreciation				Carrying Value
	Up to 31.03.2022	Additions	Deductions	As at 31.03.2023	Up to 31.03.2022	Additions	Deductions	Up to 31.03.2023	As at 31.03.2023
Intangible Assets									
Computer Software	1694.81	91.90	-	1786.70	1433.63	161.87	-	1595.50	191.22

Year Ended March 31, 2022

Description	Gross Block at Cost				Depreciation				Carrying Value
	Up to 31.03.2021	Additions	Deductions	As at 31.03.2022	Up to 31.03.2021	Additions	Deductions	Up to 31.03.2022	As at 31.03.2022
Intangible Assets									
Computer Software	1566.62	128.19	-	1694.81	1225.72	207.91	-	1433.63	261.19

Note 16: Other Non Financial Assets

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Capital Advances	149.96	10.09
Prepaid Expenses	1486.03	725.37
Balance from Government Authorities	469.16	249.98
Other Advances	99.84	57.18
Total	2204.99	1042.62

Note 17: Trade Payables

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Creditors for Expenses	1086.15	906.64
Creditors for Other Finance	412.34	222.03
Total	1498.49	1128.67

F.Y.2022-23

Trade Payables ageing schedule	Outstanding for following periods from due date of payment				
	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME*	3.42	-	-	-	3.42
(ii) Others	1495.07	-	-	-	1495.07
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

* Since paid.

There are no unbilled dues payable for the year

F.Y.2021-22

Trade Payables ageing schedule	Outstanding for following periods from due date of payment				
	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-	-
(ii) Others	1128.67	-	-	-	1128.67
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTES TO THE ACCOUNTS (Contd.)

Note 18: Debt Securities

₹ in lakhs

Particulars	31st March 2023	31st March 2022
At Amortised Cost		
In India		
Secured		
Non Convertible Debentures		
- From Related Party	12850.77	7327.46
- Others	249787.36	192715.73
Unsecured		
Non Convertible Debentures		
- From Related Party	-	-
- Others	52376.78	41894.84
Commercial Paper	39141.20	79292.59
Total	354156.11	321230.62

- (a) Secured Non-Convertible Debentures are secured by a first mortgage over a specific immovable property, negative lien on the loan assets and specific charge on Loan assets of the Company.
- (b) The Face Value of commercial paper outstanding as on March 31, 2023 was ₹40000 lakhs (31st March 2022 - ₹80000 lakhs). Maximum amount of face value of commercial paper outstanding at any time during the period was ₹100000 lakhs (31st March 2022 - ₹105000 lakhs)

NOTES TO THE ACCOUNTS (Contd.)

Note 19: Borrowings (Other than Debt Securities)

₹ in lakhs

Particulars	31st March 2023	31st March 2022
At Amortised Cost		
In India		
Secured Loans		
(a) Term loans		
(i) From Banks	183658.23	121147.94
(ii) From National Housing Bank (NHB Refinance)	237990.89	192752.75
(b) Working capital demand loans and Cash Credit with Banks	2256.39	4083.94
Total	423905.51	317984.63

(a) The Term Loans from Scheduled Banks are secured by a negative lien and specific charge on the loan assets of the Company as detailed below

₹ in lakhs

Particulars	31st March 2023	31st March 2022
(i) Secured by negative lien on loan assets of the Company other than Statutory Liquid Assets having floating charge in favour of Trustees for public deposits, and (ii) and (iii) below in this note.	10000.00	34394.38
(ii) Secured by specific charge on loan assets of the company *	161835.95	71483.04
(iii) Pool of Housing loans transferred to Special Purpose Vehicle (SPV) and Securitised	11822.28	15270.52
Total	183658.23	121147.94

*All charges that are due to be registered have been properly executed and registered with ROC.

(b) The Refinance from NHB is secured by

₹ in lakhs

Particulars	31st March 2023	31st March 2022
(i) Secured by negative lien on assets of the Company other than Statutory Liquid Assets having floating charge in favour of Trustees for public deposits, and (ii) below in this note. It is repayable in quarterly instalments.	57910.79	89010.93
(ii) Secured by specific charge on loan assets of the company and repayable in quarterly instalments.	180080.10	103741.82
Total	237990.89	192752.75

(c) The Secured Working Capital Demand Loan and Cash Credit with Scheduled Banks are secured by a negative lien on the loan assets of the Company.

(d) Utilization of Borrowed Funds:

The term loans were applied for the purpose for which the loans were obtained, and funds raised on short term basis have not been utilised for long term purposes.

(e) No loans are taken from Related party.

Maturity of Secured Non Convertible Debenture at Fair value and on discounted basis

₹ in Lakhs

Implicit Interest Rate (%) / Maturities	<1 year	> 1- 3 Years	3 - 5 Years	Grand Total
<5 % to 7%	53857.43	-	-	53857.43
	(28434.13)	(112152.58)	-	(140586.71)
>7% to 8%	10686.33	64767.88	-	75454.21
	(10094.43)	(10679.14)	-	(20773.57)
>8% to 9%	-	94807.79	38518.71	133326.49
	(38682.91)	-	-	(38682.91)
TOTAL	64543.75	159575.67	38518.71	262638.13
	(77211.47)	(122831.72)	-	(200043.19)

Refer Note 18

Maturity of Unsecured Non convertible Debentures at Fair value and on discounted basis

₹ in Lakhs

Implicit Interest Rate (%) / Maturities	< 5 yrs	> 5 yrs	Total
8% to 9%	-	52376.78	52376.78
	-	(41894.84)	(41894.84)
TOTAL	-	52376.78	52376.78
	-	(41894.84)	(41894.84)

Refer Note 18

Maturity of Unsecured Subordinated Non convertible Debenture at Fair value and on discounted basis

₹ in Lakhs

Implicit Interest Rate (%) / Maturities	> 1 yr	>1-3 Yrs	Total
>9 % to 10%	-	6575.00	6575.00
	(4023.96)	(6566.63)	(10590.59)
10% to 11 %	-	-	-
	(2696.11)	-	(2696.11)
TOTAL	-	6575.00	6575.00
	(6720.07)	(6566.63)	(13286.70)

Refer Note 21

Maturity of Secured Term Loans from NHB at Fair value and on discounted basis

₹ in Lakhs

Implicit Interest Rate (%)	<1 Year	1-3 Years	3-5 Years	>5 Years	Grand Total
<= 7%	-	6032.69	21062.14	13578.44	40673.27
	(30171.85)	(72902.78)	(44942.05)	(38848.79)	(186865.48)
7% to 8 %	-	4173.41	9128.50	184015.71	197317.62
	(2758.95)	(3128.33)	-	-	(5887.28)
8% to 9 %	-	-	-	-	-
	-	-	-	-	-
Total	-	10206.10	30190.64	197594.15	237990.89
	(32930.80)	(76031.11)	(44942.05)	(38848.79)	(192752.75)

Refer Note 19

Maturity of Term Loans from Banks at Fair value and on discounted basis

₹ in Lakhs

Implicit Interest Rate (%)	<1 Year	1-3 Years	3-5 Years	>5 Years	Grand Total
<7%	-	-	-	-	-
	(62216.34)	(39193.26)	(13317.41)	(6420.94)	(121147.94)
>=7% to 8%	14697.42	-	77009.43	11822.28	103529.13
	-	-	-	-	-
8% to 9%	5035.74	10000.00	65093.36	-	80129.11
	-	-	-	-	-
Total	19733.16	10000.00	142102.79	11822.28	183658.23
	(62216.34)	(39193.26)	(13317.41)	(6420.94)	(121147.94)

Refer Note 19

There were no amount of default in the current and previous year.

Figures in bracket represents previous year figures.

Note 20: Deposits

₹ in lakhs

Particulars	31st March 2023	31st March 2022
At Amortised Cost		
Deposits		
(i) Public Deposits	199465.64	194604.96
(ii) From Others		
- Companies	1143.41	5397.71
- Directors of the Company	32.00	39.54
Total	200641.05	200042.21

Note 20: Subordinated Liabilities

₹ in lakhs

Particulars	31st March 2023	31st March 2022
At Amortised Cost - Unsecured		
In India		
Subordinated Non-Convertible Debentures		
- From Related Party	-	-
- Others	6575.00	13286.70
Total	6575.00	13286.70

Note 22: Other Financial Liabilities

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Unclaimed Matured Deposits and Interest accrued thereon*	2036.79	2377.29
Unclaimed Interest On Deposits*	-	7.75
Others		
- Amounts due on assets securitised/assigned	132.09	186.68
- Dues to Customers/Borrowers	145.73	289.86
Total	2314.61	2861.58

* There are no amounts due & outstanding to be credited to the Investor Education and Protection Fund.

Note 23: Provisions

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Provision for Employee Benefits		
- Leave Encashment	651.94	474.67
- Gratuity and LTA	307.86	266.87
Others	8.38	27.96
Total	968.18	769.50

Note 24 Other Non Financial Liabilities

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Others		
Statutory Dues	359.24	445.89
Employees related liabilities	1397.86	951.97
Advance received from sale of properties of borrowers	101.53	98.10
Total	1858.63	1495.96

Note 25: Equity Share Capital

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Authorised Capital :		
Equity Shares , ₹10/- Par Value		
150000000 (150000000) Equity Shares	15000.00	15000.00
Issued :		
Equity Shares, ₹10/- Par Value		
101254438 (101254438) Equity Shares	10125.44	10125.44
Subscribed and Fully Paid - up:		
Equity Shares, ₹10/- Par Value		
101254438 (101254438) Equity Shares	10125.44	10125.44
	10125.44	10125.44

NOTES TO THE ACCOUNTS (Contd.)

₹ in lakhs

a) Details of number of shares held by shareholders holding more than 5% shares are as follows:

Name of the Shareholder	Status	No. of Shares	% held as at 31 March 2023	No. of Shares	% held as at 31 March 2022
Sundaram Finance Limited *	Holding Company	101254438	100.00	101254438	100.00

* Includes 6 equity shares held by nominees of Sundaram Finance Limited.

b) Reconciliation of number of shares outstanding at the beginning and at the end of the period:

Particulars	FY 22-23		FY 21-22	
	No of Shares	₹ in lakhs	No of Shares	₹ in lakhs
Opening number of shares outstanding	101254438	10125.44	101254438	10125.44
Add : Shares issued	-	-	-	-
Less: Shares bought back	-	-	-	-
Closing number of shares outstanding	101254438	10125.44	101254438	10125.44

c) **Aggregate number of equity shares issued for consideration other than cash / Bonus shares during the period of five years immediately preceding the reporting date : NIL (PY: NIL)**

d) **Refer 35.1 - Capital Management**

Shareholding of Promoters
Shares held by promoters at the end of the year

Promoter name	No. of Shares	% of total shares	% Change during the period
	FY 22-23		
Sundaram Finance Limited	101254438	100%	NIL
	FY 21-22		
Sundaram Finance Limited	101254438	100%	NIL

NOTES TO THE ACCOUNTS (Contd.)

Note 26: Other Equity

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Reserves & Surplus		
Statutory Reserve	3960.90	3352.74
General Reserve	61000.00	61000.00
Securities Premium	20474.56	20474.56
Special Reserve U/s 36(1) (viii) of Income Tax Act,1961	38674.00	34974.00
Retained Earnings	46064.78	35404.90
ESOP Reserve	203.13	166.04
Total	170377.30	155372.19

Note 27 Interest Income

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
On Financial assets measured at amortised cost:		
Interest on Loans	103534.37	89142.78
Interest income from investments	2064.69	1902.27
Interest on deposits with Banks	135.99	217.88
Other Interest Income	34.24	25.65
On Financial assets classified at Fair value through profit or loss:		
Interest income from investments	1625.77	608.91
Total	107395.06	91897.49

Note 28 Net Gain on Fair Value Changes

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
Others		
Net gain/ (loss) on financial instruments at fair value through profit or loss - Investments in Mutual Funds and Alternate Investment Fund	2826.92	1975.53
Total	2826.92	1975.53
Fair Value changes:		
- Realised	2783.73	1608.48
- Unrealised	43.19	367.05

NOTES TO THE ACCOUNTS (Contd.)
Note 29 Other Operating Income

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
Recoveries against financial assets	2411.76	246.60
Servicing income from Securitisation	205.20	420.97
Miscellaneous charges and receipts	260.46	227.17
Total	2877.42	894.74

Note 30 Finance Costs

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
On Financial liabilities carried at amortised cost:		
Interest on deposits	13641.55	14778.69
Interest on Term Loans	10205.74	7473.35
Interest on NHB refinance	13998.08	10043.52
Interest on debt securities - NCD	19033.43	16731.35
Interest on debt securities - Commercial Paper	3708.86	2311.14
Interest on subordinate liabilities	1052.15	1283.08
Interest on Lease Liability	61.80	59.43
Other Borrowing Cost	314.18	562.40
Total	62015.79	53242.96

Note 31 Impairment on financial instruments

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
On Financial instruments measured at amortised cost:		
Loans	6374.01	8092.59
Investments	(0.98)	2.12
Others	7.10	(0.79)
Total	6380.13	8093.92

NOTES TO THE ACCOUNTS (Contd.)

Note 32 Employee Benefits Expenses

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
Salaries and wages	9061.09	6598.29
Contribution to provident and other funds	540.35	428.46
Share Based Payments to employees	37.09	20.97
Staff welfare expenses	510.13	190.41
Others - Concessional loans to Staffs	37.96	32.78
Total	10186.62	7270.91

Note 33 Administrative and other expenses

₹ in lakhs

Particulars	April 2022 -March 2023	April 2021 -March 2022
Rent, taxes and energy costs	231.42	154.64
Communication Costs	194.57	148.56
Printing and stationery	116.23	63.42
Travelling and Conveyance	392.33	166.27
Advertisement and publicity	614.22	241.60
Outsourcing Cost	979.21	729.56
Director's fees, allowances and expenses	74.35	40.29
Insurance	39.76	40.49
Repairs and maintenance	499.45	200.86
Software Charges	886.67	790.25
Database and Networking Expenses	666.21	584.89
CSR contributions	439.50	514.85
Legal and Professional charges	645.45	680.44
Auditor's fees and expenses	45.73	44.69
Loss on derecognition of Property Plant & Equipment	1.43	0.64
Other expenditure including Donation	112.77	261.94
Total	5939.30	4663.39

NOTES TO THE ACCOUNTS (Contd.)

34 Other Notes:

- 34.1 Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Company's main business is to provide loans against/for purchase, construction, repairs & renovations of housing/commercial properties. All other activities of the Company revolve around the main business. As such, there are no separate reportable segment, as per the Operating Segments (Ind AS-108), notified by the Companies (Accounting Standard) Rules, 2015.
- 34.2 Expenditure in Foreign Currency:
For the year ended March 31, 2023 the Company incurred ₹ 0.75 lakh (March 31, 2022 - ₹ 0.75 lakh) towards subscription charges for maintaining public IP.
- 34.3 The Company did not contract any foreign currency loan during the year.
- 34.4 Non-Performing Loans:
In accordance with RBI Directions, the Company has identified Non- Performing Loans amounting to ₹ 25138.90 lakhs as on March 31, 2023 (March 31, 2022- ₹ 28323.28 lakhs).
RBI Circular dated 12th November 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", read with further clarifications dated 15th February 2022 was implemented effective 1st October 2022. The Company continues to categorise Stage 3 assets in accordance with the Ind-AS guidelines and maintain adequate provisions.
- 34.5 The Company has spent an amount of ₹ 702.50 lakhs as on March 31, 2023 (March 31, 2022- ₹ 514.85 lakhs) towards Corporate Social Responsibility (CSR) under Sec 135 of the Companies Act, 2013, in the various areas covered under the regulatory provisions like healthcare, education, environment and protection of art and culture.

(₹ in lakhs)

Particulars	March 31, 2023	March 31, 2022
(a) Amount required to be spent by the Company during the year,	438.94	508.61
(b) Amount of expenditure incurred,	702.50	514.85
(c) Excess amount spent for the Financial Year [(b)-(a)]	263.56	6.24
(d) Excess from previous years	-	-
(e) Excess carried forward to subsequent years	263.00	-
(f) Shortfall at the end of the year,	NIL	NIL
(g) Total of previous years shortfall,	NIL	NIL
(h) Reason for shortfall,	NA	NA
(i) Nature of CSR activities	Healthcare, Education, Gender equality, Art and Culture, relief fund	Healthcare, Education, Gender equality, Art and Culture, relief fund
(j) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	-	-
(k) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year has to be shown separately.	-	-

NOTES TO THE ACCOUNTS (Contd.)

- 34.6 As per Ind AS 102, Share Based Payments, a parent that grants rights to its equity instruments directly to the employees of its subsidiary has the obligation to provide the employees of the subsidiary with the equity instruments. The subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees. The subsidiary shall measure the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions and recognise a corresponding increase in equity as a contribution from the parent. Accordingly, the Company has recognized the employee compensation expense in its financial statements, with a corresponding increase to a separate reserve created for this purpose. During the year, Sundaram Finance Ltd, the holding Company has incurred ₹ 37.09 lakh (March 31, 2022 ₹ 20.97 lakhs) towards the cost of Employee stock option scheme issued under Sundaram Finance Employee Stock Option Scheme 2008 to the Managing Director and five senior executives of the Company with corresponding increase to Employee Stock Options Reserve.
- 34.7 The Board of Directors have recommended a final dividend of ₹ 10/- per share (100%) for the year ended 31st March 2023 (₹ 6.50 for P.Y.2021-22). No interim dividend was paid for the year (₹ 1.50 for P.Y.2021-22). This would aggregate to a total dividend of ₹ 10/- per share (100%).
- 34.8 Based on the current status of the loan accounts, the Company has made adequate provisions for losses, where required.
- 34.9 The Company has in place a process to obtain confirmation from its suppliers, as to whether they are registered under the Micro, Small and Medium Enterprises Development Act, 2006. The information required to be disclosed under the Micro, Small And Medium Enterprises Development Act, 2006 ('the MSMED Act') has been determined to the extent such parties have been identified on the basis of information received from such parties and available with the Company. There are no overdues to parties on account of principal amount and / or interest as disclosed below:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
The principal amount and interest thereon, remaining unpaid to any supplier at the end of each accounting year.	3.42	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006	NIL	
The amount of payment made to suppliers beyond the appointed day during each accounting year		
The amount of interest due and payable for the year of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year		
The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to all the small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006		

34.10 In accordance with IND AS 24 Related Party Disclosures, the details of related party are given below:

Promoters:

(100% of the paid-up share capital)

Sundaram Finance Ltd.

Other Related parties:

(Entities in which the Company's promoter has control or significant influence)

Royal Sundaram General Insurance Co Ltd.

Sundaram Asset Management Company Ltd

Sundaram Asset Management Singapore Pte Ltd

Sundaram Trustee Company Ltd.

Sundaram Alternate Assets Ltd.

SAMC Support Services Pvt Ltd (formerly known as Principal Asset Management Company Pvt Ltd)

SAMC Services Pvt Ltd (formerly known as Principal Retirement Advisors Pvt Ltd)

SAMC Trustee Pvt Ltd (formerly known as Principal Trustee Company Pvt Ltd)

Sundaram Finance Holdings Ltd.

Sundaram Business Services Ltd.

Sundaram Finance employee Welfare trust

Sundaram Fund Services Ltd.

LGF Services Ltd.

Key Management Personnel:

Mr. T T Srinivasaraghavan	Chairman
Mr. Harsha Viji	Director
Mr. A.N.Raju	Director
Mr. Lakshminarayanan Duraiswamy	Managing Director

Relatives of Key Management Personnel:

Mr. Viji, Father of Mr. Harsha Viji

Mrs Chitra Viji, Mother of Mr. Harsha Viji

Mrs Vimala Rangaswamy, Mother of Mr. T.T. Srinivasaraghavan

Mrs Bagyam Raghavan, Wife of Mr. T.T. Srinivasaraghavan

Mrs. Sheela Lakshminarayanan, Wife of Mr. Lakshminarayanan Duraiswamy

Ms. Suguna, Sister of Mr. Lakshminarayanan Duraiswamy

Mrs. R.N.Mala, Wife of Mr. A.N.Raju

Details of related party transactions are as follows:

Details of Related Party Transactions as on 31st March 2023

₹ in lakhs

Particulars	Promoter	Other Related Parties	Key Management Personnel	Relative of Key Management Personnel	April 2022 - Mar 2023	April 2021 - Mar 2022
Income						
Interest on Housing Loan	-	-	1.91	-	1.91	2.14
Rent						
Sundaram Finance Ltd.	3.26	-	-	-	3.26	2.95
Brokerage						
Sundaram Finance Ltd.	2.59	-	-	-	2.59	2.95
Docket Fees						
Sundaram Alternate Assets Limited	-	0.96	-	-	0.96	0.90
Service Income						
Royal Sundaram General Insurance Co Ltd.	-	0.36	-	-	0.36	0.14
Sundaram Finance Holdings Ltd.	-	0.72	-	-	0.72	0.27
Expenses						
Rent						
Sundaram Finance Ltd.	226.94	-	-	-	226.94	218.18
Brokerage for Sourcing of Business / Deposits						
Sundaram Finance Ltd.	793.22	-	-	-	793.22	500.82
Deposit processing services and Tele calling Services						
Sundaram Finance Holdings Ltd.	-	52.98	-	-	52.98	52.80
Intranet / Web Maintenance, Scanning Image Charges						
Sundaram Finance Ltd.	2.36	-	-	-	2.36	3.42
Repairs and Maintenance						
Sundaram Fund Services					-	4.33
Internal Audit, Branch Inspection fees and Docket Verification fees						
Sundaram Finance Ltd.	16.14	-	-	-	16.14	95.78
Software AMC, Connectivity and Other Charges						
Sundaram Finance Ltd.	778.68	-	-	-	778.68	718.48
Interest On NCDs						
Royal Sundaram General Insurance Co Ltd.	-	655.95	-	-	655.95	578.72
Interest On Public Deposits						
	-	-	2.37	22.42	24.79	26.79
Insurance Premium						
Royal Sundaram General Insurance Co Ltd.	-	34.32	-	-	34.32	40.85

Particulars	Promoter	Other Related Parties	Key Management Personnel	Relative of Key Management Personnel	April 2022 - Mar 2023	April 2021 - Mar 2022
Dividend Paid -Final						
Sundaram Finance Ltd.	6581.54	-	-	-	6581.54	5568.99
Dividend Paid -Interim						
Sundaram Finance Ltd.					-	1518.82
Portfolio Management Fees						
Sundaram Alternate Assets Limited	-	96.42	-	-	96.42	33.19
Assets						
Purchase of Asset - Software						
Sundaram Finance Ltd.	4.02	-	-	-	4.02	95.03
Sundaram Fund Services Ltd.		-			-	1.67
Other Deposits						
Royal Sundaram General Insurance Co Ltd.	-	3.95	-	-	3.95	2.55
Prepaid Expenses						
Sundaram Finance Ltd.	570.79	-	-	-	570.79	513.82
Income Receivable						
Sundaram Finance Ltd.	0.25	-	-	-	0.25	0.24
Royal Sundaram General Insurance Co Ltd.	-	0.14			0.14	-
Sundaram Finance Holdings Ltd.	-	0.06			0.06	-
Sundaram Alternate Assets Limited	-	-	-	-	-	0.08
Repayment of Loans and Advances	-	-	9.71	-	9.71	9.47
Insurance Premium Prepaid						
Royal Sundaram General Insurance Co Ltd.		34.39	-	-	34.39	36.24
Liabilities						
Fixed Deposits Payout	-	-	6.00	1.50	7.50	-
Redemption of Non-Convertible Debentures						
Royal Sundaram General Insurance Co Ltd.		7000.00			7000.00	4500.00
Other Liabilities						
Sundaram Finance Ltd.	60.85	-	-	-	60.85	36.88
Sundaram Finance Holdings Ltd.	-	-	-	-	-	0.05

* No amount has been written off/ written back during the year.

Compensation paid to Key Managerial Personnel	2022-23	2021-22
Short term benefits	351.19	293.61
Post retirement benefits	19.56	17.01
Share based payments	17.08	10.00

Balances With Related Parties as at March 31, 2023

Particulars	Promoter	Other Related Parties	Key Management Personnel	Relative of Key Management Personnel	April 2022 - Mar 2023	April 2021 - Mar 2022
Assets						
Investments						
Loans and Advances	-	-	58.31	-	58.31	68.02
Other Deposits						
Sundaram Finance Ltd.	143.44	-	-	-	143.44	143.44
Royal Sundaram General Insurance Co Ltd.	-	13.77	-	-	13.77	11.30
Income Receivable						
Sundaram Finance Ltd.	-	-	-	-	-	0.25
Royal Sundaram General Insurance Co Ltd.	-	0.03			0.03	0.14
Sundaram Finance Holdings Ltd.	-	-			-	0.06
Insurance Premium Prepaid						
Royal Sundaram General Insurance Co Ltd.		17.99	-	-	17.99	16.14
Liabilities						
Fixed Deposits	-	-	32.00	399.66	431.66	345.13
Non-Convertible Debentures						
Royal Sundaram General Insurance Co Ltd.	-	12850.77	-	-	12850.77	7327.46
Remuneration Payable	-	-	175.00	-	175.00	138.00
Other Liabilities						
Sundaram Finance Ltd.	8.93	-	-	-	8.93	60.85

34.11 Disclosure of Provisions as per IND AS 37:

(₹ in lakhs)

Particulars	Provision for Leave Encashment	Provision for Gratuity & LTA	Others
Opening Balance as at 1st April 2022	474.67	266.87	27.96
Additional provision created during the year	177.27	40.99	
Reversal / Payments during the year	-	-	(19.58)
Closing Balance as at 31st March 2023	651.94	307.86	8.38
Opening Balance as at 1st April 2021	57.53	106.24	30.93
Additional provision created during the year	417.14	160.63	-
Reversal / Payments during the year	-	-	(2.97)
Closing Balance as at 31st March 2022	474.67	266.87	27.96

34.12 Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in lakhs)

i)	Contingent Liabilities shall be classified as:	March 31, 2023	March 31, 2022
a)	Claims against the Company not acknowledged as debt	-	-
b)	Guarantees excluding financial guarantees and	-	-
c)	Other money for which the Company is contingently liable	-	-

(₹ in lakhs)

ii)	Commitments shall be classified as:	March 31, 2023	March 31, 2022
a)	Estimated value of contracts remaining to be executed on capital account and not provided for (net of advance)	183.82	20.36
b)	Uncalled liability on shares and other investments partly paid	-	-
c)	Commitments remaining uncalled in schemes of Alternatives Investment Fund	1000	3750
d)	Sanctioned and Undisbursed loans	37547.61	22676.53
e)	Sanctioned and Partly Disbursed loans	34361.85	19820.57

34.13 Pursuant to NHB Circular on Reporting and Monitoring of Frauds, the Company has reported fraudulent transactions (including transaction pertaining to earlier years) to NHB aggregating to ₹1313.46 lakhs (net of write off and recovery) as on March 31, 2023. (March 31, 2022 - ₹1351.49 lakhs).

(₹ in lakhs)

34.14 Information as required by Reserve Bank of India's Circular on Resolution Framework for COVID-19 related stress dated 6 August 2020 is given below.

Type of borrower	Exposure to account classified as Standard consequent to implementation of resolution plan - Position as at the end of Previous half-year i.e., September 30, 2022. (A)	Of (A), Aggregate debt that slipped in to NPA during the half-year	Of (A), Amount written off during the half-year	Of (A), Amount paid by the borrower during the half-year	Exposure to account classified as Standard consequent to implementation of resolution plan - Position as at the end the year i.e., March 31, 2023.
Personal Loans	24086.93	1561.20	2.53	1141.30	21381.90
Corporate Persons*	-	-	-	-	-
- Of which, MSMEs	-	-	-	-	-
Others	13425.17	526.23	-	904.86	11994.08
Total	37512.10	2087.43	2.53	2046.16	33375.98

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

34.15 Ratios

Particulars	March 31, 2023	March 31, 2022	Variance	Reasons (if above 25%)
CRAR	23.49%	25.68%	-9%	-
CRAR - Tier I Capital	22.84%	24.72%	-8%	-
CRAR - Tier II Capital	0.65%	0.96%	-32%	-
Liquidity Coverage Ratio	319.87%	112.00%	186%	Adequate liquidity maintained

34.16 Earnings per share (Basic and Diluted)

Particulars	2022-23	2021-22
Profit for the year after tax	21540.79	16769.65
Weighted Average number of Equity Shares	101254438	101254438
Basic & Diluted Earnings per share	21.27	16.56

34.17 Payment to Statutory Auditors:

(₹ in lakhs)

Particulars	2022-23	2021-22
Statutory Audit	30.00	30.00
Tax Audit	6.00	6.00
Certification	5.00	5.00
Reimbursement of expenses	0.95	-
Tax Expenses	3.78	3.69

- 34.18 During the year, no penalties were levied by National Housing Bank (NHB) for non-compliance of the provisions of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. (March 31, 2022 -Nil). Details of the same are as follows:

Particulars	2022-23	2021-22
Non-Compliance of provisions against which penalty is raised	NIL	NIL
Amount of Penalty levied (including GST)	-	-

- 34.19 Disclosures in accordance with IND AS 116 – Leases

a) As a Lessee

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Depreciation charge for Right of Use (ROU) Asset	673.02	603.90
Interest expense on lease liability	61.80	59.43
Expenses relating to short term leases (need not include the expense relating to leases with a lease term of one month or less)	-	-
Expense relating to leases of low-value assets (not include the expense relating to short-term leases of low-value assets included in above line)	-	-
Expenses relating to variable lease payments	-	-
Income from sub-leasing of ROU Asset	-	-
Total Cash Outflow for leases	721.99	651.92
Additions to ROU Assets during the year	1223.56	609.35
Gains or losses arising on pre-closure of lease	2.53	0.33
Gains or losses arising from sale and leaseback transactions	-	-
Carrying amount of right-of-use assets at the end of the reporting period for each asset category		
Premises	1066.59	567.48

-
- 34.20 There are no amounts due & outstanding to be credited to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2023.
- 34.21 All contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 34.22 There are no benami properties held and hence, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 34.23 The Company has not been declared as wilful defaulter by the Bank or Financial Institution or other lender.
- 34.24 The Company has not entered into any kind of transactions with Struck off Companies.
- 34.25 All charges that are due to be registered have been properly executed and registered with ROC and there are no charges due or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 34.26 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 34.27 The Company has not entered into any Scheme of Arrangements during the Financial Year 2022 – 2023.
- 34.28 Utilisation of Borrowed funds and Share Premium (Diversion of Funds):
- The Company has not advanced (or) loaned (or) invested funds (either borrowed funds or Share Premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) anytime during the Financial year 2022 - 2023.
- The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company has to 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.
- 34.29 Title deeds of all the immovable properties are held in the name of the Company.
- 34.30 The Company follows Cost Model for Valuation of Property, Plant and Equipment and Intangible Assets and hence the Company has not revalued the same.
- 34.31 There are no CWIP and Intangible assets under development during the Financial year 2022-2023.
- 34.32 There are no discrepancies in the statements submitted to the bank and is in agreement with the books of accounts.
- 34.33 There are no transactions that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 34.34 The Company has not traded or invested in Crypto currency or Virtual Currency during the Financial Year 2022 - 2023.
- 34.35 Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020- 21/73 Principal Business Criteria:

Principal Business Criteria for the Company to be classified as “Housing Finance Company” as per the Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC. No.120/03.10.136/2020-21, 17 February 2021 is given below:

Criteria	As at March 31,2023	As at March 31,2022
Percentage of total assets towards housing finance	60.1%	61.2%
Percentage of total assets towards housing finance for individuals	59.2%	60.4%

34.36 Recent Accounting pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. Certain amendments are discussed below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company will adhere to the disclosure requirements accordingly.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

34.37 Previous period’s figures have been regrouped/ reclassified / restated wherever necessary, for better presentation and to conform with the requirements.

NOTES TO THE ACCOUNTS (Contd.)

35.1: Financial Instruments - Capital Management:

The Company's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, regulatory requirements and to provide reasonable return to the shareholders. Equity share capital and Other Equity are considered for Capital management.

The Company monitors Capital Adequacy Ratio as stipulated by NHB for Housing Finance Companies. The Company endeavour to source diversified borrowing, depending on asset liability duration and interest rate sensitivities.

The Company monitors capital using Adjusted Net Debt to Equity ratio. For this purpose, Adjusted Net Debt is defined as Total Debt less Cash and Cash equivalents.

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Debt securities	354156.11	321230.62
Borrowings (other than Debt securities)	423905.51	317984.63
Deposits *	202677.84	202419.50
Sub Debt	6575.00	13286.70
Total Debt	987314.46	854921.45
Less - Cash and Cash Equivalents	1172.92	863.02
Adjusted Net Debt	986141.54	854058.43
Total Equity	180502.74	165497.63
Adjusted Net Debt to Equity ratio	5.46	5.16

* includes unclaimed matured deposits and interest accrued of ₹ 2036.79 lakhs (PY ₹ 2377.29 lakhs)

35.2: Financial instruments – Fair value measurements

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES TO THE ACCOUNTS (Contd.)

Accounting classification and fair values

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

(₹ in lakhs)

Financial Asset at Fair value through P&L	Fair Value Hierarchy	Mar 31, 2023	Mar 31, 2022
Financial Assets			
Investments			
Mutual Funds	Level 1	21154.86	53796.73
Alternate Investment Fund	Level 1	14443.29	6439.52
Total		35598.15	60236.25

The following table shows the carrying amounts and fair values of financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy.

(₹ in lakhs)

	Carrying amount		Fair Value Hierarchy	Fair Value	
	Mar 31, 2023	Mar 31, 2022		Mar 31, 2023	Mar 31, 2022
Financial assets					
Investments					
Government securities	28756.98	26700.55	Level 1	28124.81	26968.83
Pass through certificates	535.26	694.52	Level 3	535.26	694.52
Cash and cash equivalents	1172.92	863.02	Level 1	1172.92	863.02
Bank Balances	2177.81	3961.77	Level 3	2177.81	3961.77
Receivables	8.51	18.09	Level 3	8.51	18.09
Loans	1115282.23	943998.56	Level 3	1115856.66	939046.02
Other Financial assets	474.30	404.41	Level 3	474.30	404.41
Sub-total	1148408.01	976640.92		1148350.27	971956.66
Financial Liabilities					
Payables	1498.49	1128.67	Level 3	1498.49	1128.67
Non-convertible debentures	315014.91	241938.03	Level 3	317937.33	243896.85
Subordinated Debt	6575.00	13286.70	Level 3	6739.52	13703.13
NHB Refinance	237990.89	192752.75	Level 3	238006.81	194025.60
Long term loan from banks	183658.23	121147.94	Level 3	184482.83	121294.87
Public Deposit	200641.05	200042.21	Level 3	197393.31	201813.88
Working capital demand loans and cash credits	2256.39	4083.94	Level 3	2256.39	4083.94
Commercial paper	39141.20	79292.59	Level 3	39159.36	79269.34
Other Financial Liabilities	2314.61	2861.58	Level 3	2314.61	2861.58
Lease Liabilities	1125.10	615.66	Level 3	1125.10	615.66
Sub-total	990215.87	857150.07		990913.75	862693.52
Net	158192.14	119490.85		157436.52	109263.14

NOTES TO THE ACCOUNTS (Contd.)

35.3 Financial Risk Management framework

Risk is an inherent and integral part of the financial services business and the company has been judiciously managing this through an efficient risk mitigation system, with a view to achieve the Company's stated objectives of Growth with Quality and Profitability. The risks primarily include credit risk, liquidity risk and market risk.

The policies and procedures laid down by the company for the purpose of risk identification, measurement and management, compare well with contemporary best practices followed by industry peers. The Risk Management Committee and Asset Liability Management Committee, functioning under the supervision of the Board, have enunciated detailed policies for assessment of various types of risks, and fixed tolerance limits as appropriate.

1. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet his contractual obligations and arises principally from the company's loan receivables.

The company has in place a comprehensive credit policy which clearly defines the credit filters and the terms of acceptance of proposals for financing different categories of borrowers and asset classes. The credit appraisal process, inter alia, includes filters for classification of customers, compliance with Know Your Customer (KYC) norms, Field investigation, Credit bureau verification, Credit Concentration norms, asset risk, segment and geography risks. The risk metrics also address Loan to Value, loan tenure, based on the useful life of the asset, end-use of the asset and credit enhancements, as appropriate. The Company's exposure is primarily to retail customers, thereby making for a well diversified risk portfolio. The time tested monitoring and recovery mechanism ensures timely recovery of instalments and where required, necessary action for resolution of delinquent accounts is initiated, including legal proceedings. Finally, physical presence and in-depth knowledge of the markets in which the Company operates enables early identification of emerging risks thereby facilitating prompt remedial action.

Impairment - Expected credit loss (ECL):

The application of Ind AS 109 has necessitated fundamental changes to the accounting for expected default risk (risk provisioning). Specifically, the incurred loss model has been replaced by the Expected Credit Loss model (ECL). Consequent to this change, the Expected Credit losses on financial instruments are classified under three stages.

Stage 1: Every financial asset is classified as stage 1, upon initial recognition. In addition, stage 1 contains all transactions with limited default risk.

Stage 2: Financial assets whose default risk has risen significantly since initial recognition and which are not classified as cases with limited default risk.

Stage 3: Financial assets that display objective evidence of impairment at the reporting date.

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk-profile of the financial entity for computing the ECL. The Company uses three main components to measure ECL. These are, Exposure

at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD). Exposure at Default (EAD) is defined as the sum of Principal outstanding and interest accrued at the reporting date. PD is defined as the probability of borrowers defaulting on their obligations. LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default.

Accordingly, loan assets are categorised under three different stages, as under:

Stage 1: Where instalments are Current and 1-30 days overdue

Stage 2: Where instalments are 31 days – 90 days overdue and

Stage 3: Where instalments are overdue beyond 90 days

The company is required to provide 12-month expected credit loss (12-month ECL) for stage 1 assets and the life time expected credit loss (LECL) for stage 2 & stage 3 assets.

12-month ECL is the expected credit loss that results from default events that are possible within 12 months after the reporting date. LECL represents the expected credit loss from default events over the expected life of a financial asset.

As prescribed under para 5.5 in Ind AS 109, 12-months PD is required to be computed for financial instruments which are in stage 1, and life time PD for those in stage 2 & 3. 12 months PD is the likelihood of the borrower defaulting in the 12 months following the reporting date while life time PD is the likelihood of the borrower defaulting during the residual tenor.

The PD model has been developed for all the major asset classes using a statistical and iterative approach. The design and construction of the model involves identification of various credit parameters and variables that have a strong and direct correlation to propensity of default. The PD model reflects the probability of default, taking into consideration the inherent credit quality of the borrower and the residual tenor of each contract. It relies not only on historical information and the current economic environment, but also considers forward-looking information such as the forecasts on the macroeconomic outlook, including emerging risks. The PD for stage 3 contracts is considered at 100%. Where a customer has one contract in stage 3 and one or more contracts in stage 1 / stage 2, the PD for all the contracts is considered at 100%.

LGD

LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default. Economic loss is the estimated shortfall in realisation of dues, in the event of default. Contracts that have turned delinquent do not necessarily involve ultimate losses, since many of them are resolved through corrective actions. The cure rate is the probability of a 'non performing' (i.e. defaulted) contract reverting to a 'performing' status in a year. LGD is arrived at based on past write off experience and collateral approach for active cases.

The portfolio level averages of both historic loss cases and collateral valuation approach was computed and applied to the respective category of portfolios to arrive at LGD.

Following tables provide an overview of the gross carrying amount and credit loss allowance broken down into stages.

a) Loans

(₹ in lakhs)

	Carrying amount							
	31.03.2023				31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of the year	864551.11	51123.93	28323.52	943998.56	805715.08	60552.13	40641.56	906908.77
New Business - net of recoveries	366985.96	505.25	779.54	368270.75	160939.62	(921.75)	1041.93	161059.80
Transfers due to change in creditworthiness	(27978.79)	15766.17	9317.46	(2895.16)	(6560.91)	(2783.52)	6704.38	(2640.05)
Financial assets that have been derecognised	(172558.28)	(7886.36)	(8147.59)	(188592.23)	(95474.33)	(5697.86)	(5956.16)	(107128.35)
Write off during the year	(240.64)	(139.96)	(5119.09)	(5499.69)	(68.36)	(25.07)	(14108.18)	(14201.61)
Balance at the end of the year	1030759.36	59369.03	25153.84	1115282.23	864551.10	51123.93	28323.53	943998.56

(₹ in lakhs)

	Expected Credit Loss							
	31.03.2023				31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of the year	4193.08	7677.44	13751.88	25622.40	79.15	574.04	31078.25	31731.44
Add/(Less)								
Additional Provisions (Net)	2131.51	674.61	2958.39	5764.51	2837.20	3276.71	(1301.99)	4811.92
Transfers due to change in creditworthiness	(708.62)	2819.43	3566.31	5677.12	1278.42	3869.42	2173.88	7321.72
Financial assets that have been derecognised	(1096.31)	(1526.77)	(2444.54)	(5067.62)	66.67	(17.70)	(4090.08)	(4041.11)
Impairment Loss for the year	326.58	1967.27	4080.16	6374.01	4182.31	7128.43	(3218.19)	8092.55
Less: Write off during the year	(240.64)	(139.96)	(5119.09)	(5499.69)	(68.36)	(25.07)	(14108.18)	(14201.61)
Balance at the end of the year	4279.02	9504.75	12712.95	26496.72	4193.10	7677.40	13751.88	25622.38

Concentration of credit risk %

(i) Concentration by Geographical risk

Particulars	31.03.2023				31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
South	89.65%	92.08%	95.03%	89.90%	94.12%	92.93%	93.53%	94.04%
West	4.22%	5.10%	0.85%	4.19%	2.60%	3.86%	2.54%	2.67%
East	1.64%	1.69%	4.12%	1.70%	1.91%	1.86%	3.74%	1.96%
North	4.49%	1.13%	0.00%	4.21%	1.37%	1.35%	0.19%	1.33%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(ii) Concentration by Asset class

Particulars	31.03.2023				31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Housing	64.46%	62.26%	52.73%	64.08%	69.94%	57.84%	54.03%	68.81%
Non Housing	35.54%	37.74%	47.27%	35.92%	30.06%	42.16%	45.97%	31.19%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

b) Other financial assets

The Company computes ECL on other financial assets based on provision matrix which is constructed using historical credit loss experience as adjusted to reflect current conditions. (₹ in lakhs)

Particulars	31.03.2023				31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Other financial assets								
Gross carrying amount	446.85	-	9.26	456.11	370.41	-	9.21	379.62
Expected Credit Loss	43.69	-	9.26	52.95	17.05	-	9.21	26.26
Net Carrying amount	403.16	-	-	403.16	353.36	-	-	353.36

c) Loan Commitments and Financial Guarantees

These represents i) Sanctioned & Undisbursed loans ii) Undisbursed Amount of Partly disbursed contracts. (₹ in lakhs)

Particulars	31.03.2023				31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	71800.72	108.73	-	71909.46	42380.53	116.57	-	42497.10
Expected Credit Loss *	304.19	0.43	-	304.63	71.33	13.26	-	84.59
Net Carrying amount	71496.53	108.30	-	71604.83	42309.20	103.31	-	42412.51

* ECL on Loan commitments included in Table (a) Loans - Expected Credit Loss

Credit risk management practices

(i) Policy on write off

The company has a board approved policy on write off of Loans based on ageing or when the value of underlying security/other collateral is not sufficient to cover the loan amount or where the underlying security / customer is not traceable. The Company takes legal recourse for recovery of shortfall of dues, if any.

(ii) Narrative description of collateral:

The underlying assets, which are financed, are the primary collateral held. These are typically properties mortgaged / hypothecation of loan receivables.

d) Debt Securities

A breakup of investment in debt securities into different stages is given as under:

(₹ in lakhs)

Stages ->	31.03.2023					31.03.2022				
	FVTPL	Gross Carrying amount				FVTPL	Gross Carrying amount			
		At Amortised Cost					At Amortised Cost			
		1	2	3	Total		1	2	3	Total
Government securities		28756.98			28756.98		26700.55			26700.55
Mutual Fund	21154.86				21154.86	53796.73				53796.73
Alternate Investment Fund	14443.29				14443.29	6439.52				6439.52
Pass through certificates		535.26			535.26		694.52			694.52
Total	35598.15	29292.24	-	-	64890.39	60236.25	27395.07	-	-	87631.32
Less: Expected Credit Loss		2.29			2.29		3.27			3.27
Net Carrying amount	35598.15	29289.95	-	-	64888.10	60236.25	27391.80	-	-	87628.05

(₹ in lakhs)

Stages ->	Expected Credit Loss							
	31.03.2023				31.03.2022			
	1	2	3	Total	1	2	3	Total
Balance at the beginning of the year	3.27			3.27	1.15			1.15
Additional Provisions (Net)				-	2.12			2.12
Transfers due to change in creditworthiness				-				-
Financial assets that have been derecognised				-				-
Write off during the year	(0.98)			(0.98)				-
Balance at the end of the year	2.29	-	-	2.29	3.27	-	-	3.27

35.4 Liquidity Risk

Liquidity risk relates to the Company's potential inability to meet all payment obligations when they fall due or only being able to meet them at excessive costs. The objective of the liquidity risk management framework is to ensure that the Company fulfils its payment obligations at all times and can manage liquidity and funding risks. The Asset Liability Committee regularly monitors the liquidity position and the duration of assets/liabilities and ensures that liquidity is strictly managed as per the policy.

Following are the contractual maturities of financial liabilities / financial assets at the reporting date. The amounts are gross and undiscounted and include estimated interest payments / receipts and exclude the impact of netting agreements.

(₹ in lakhs)

31st March 2023	Contractual cash flows								
	Upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Non-derivative financial liabilities									
Payables	480.24	386.06	508.16	15.00	15.08	32.11	30.00	31.84	1498.49
Debt Securities	-	20084.93	20347.36	12228.85	60652.05	179939.84	63269.41	76794.89	433317.34
Borrowings (Other than Debt Securities)	2487.67	5070.96	12010.97	35465.19	63622.73	192086.08	123793.65	85500.78	520038.03
Deposits	3910.69	4156.22	6988.22	22104.29	37424.33	106420.15	41371.89	-	222375.79
Subordinated Liabilities	-	-	-	-	-	7101.94	-	-	7101.94
Other Financial Liabilities	2314.61	-	-	-	-	-	-	-	2314.61
Lease Liabilities	42.36	37.32	36.10	101.37	189.24	481.32	154.32	83.08	1125.10
Non-derivative financial assets									
Cash and cash equivalents	1172.92	-	-	-	-	-	-	-	1172.92
Bank Balances	49.53	-	-	564.40	1563.87	-	-	-	2177.80
Loans	26718.80	15924.13	16288.17	339569.38	52508.00	331586.88	100073.79	1163598.84	2046267.99
Loan against deposits	-	374.78	11.25	66.27	50.15	86.78	5.00	-	594.23
Investments	21616.69	95.06	219.74	1167.46	30.85	3151.47	6057.12	32549.69	64888.08
Trade Receivables	8.51	-	-	-	-	-	-	-	8.51
Other Financial Assets	206.93	2.46	13.80	31.10	46.12	160.45	80.21	40.36	581.44

(₹ in lakhs)

31st March 2022	Contractual cash flows								
	Upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Non-derivative financial Liabilities									
Payables	943.54	4.55	46.93	306.46	17.00	20.00	80.05	-	1418.53
Debt Securities	37586.39	20775.01	14355.50	40865.83	53284.3	138660.13	7144.00	65008.90	377680.06
Borrowings (Other than Debt Securities)	5543.34	4211.95	10060.81	38953.40	53294.20	133839.96	66944.75	51245.58	364093.99
Deposits	6007.17	4678.45	12183.10	27621.87	44803.34	105331.42	10668.65	-	211294.01
Subordinated Liabilities	-	-	262.50	1511.98	1001.25	7710.51	6500.00	-	16986.24
Other Financial Liabilities	2571.72	-	-	-	-	-	-	-	2571.72
Lease Liabilities	38.16	0.76	13.25	20.75	293.12	220.72	21.79	7.11	615.66
Non-derivative financial Assets									
Cash and cash equivalents	863.02	-	-	-	-	-	-	-	863.02
Bank Balances	49.53	-	1014.24	1335.00	1563.00	-	-	-	3961.77
Loans	16300.44	14098.77	25312.32	43142.13	84139.75	315451.82	268560.93	730262.32	1497268.49
Loan against deposits	82.94	-	66.75	41.17	165.43	487.38	-	-	843.67
Investments	53993.46	1070.87	168.95	169.93	186.03	3162.62	3699.13	24629.95	87080.94
Trade Receivables	18.09	-	-	-	-	-	-	-	18.09
Other Financial Assets	25.12	0.47	8.13	12.74	188.31	153.16	13.38	29.36	430.67

35.5 Market Risk

Market risk is the risk of loss arising from potential adverse changes in the value of the firm's assets and liabilities from fluctuation in market variables like liquidity, interest rate and foreign exchange (Currency risk).

a. Interest rate risk

The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate assets & liabilities. The Company's liability in local currency on fixed rate basis is not subject to interest rate risk.

The interest rate profile of the Company's interest bearing financial instruments is as follows:

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Fixed-rate instruments		
Loans	59590.66	61140.04
Investments	29292.24	27395.07
Bank Balances	2177.81	3961.77
Total fixed rate assets (A)	91060.71	92496.88
Variable rate instruments		
Loans (B)	1055691.57	882858.53
Total C=(A+B)	1146752.28	975355.41
Financial liabilities		
Fixed-rate instruments		
Debt securities	284231.11	278017.32
Borrowings (Other than Debt securities)	54828.69	71480.83
Deposits	202677.84	202419.50
Total fixed rate liabilities (D)	541737.64	551917.65
Variable rate instruments		
Financial liabilities with floating interest rate(E)	445576.82	303003.80
Total F=(D+E)	987314.46	854921.45

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates in respect of risk exposures existing as at the reporting date would have increased (decreased) Equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

	Profit or loss		Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	31 March 2023		31 March 2022	
Variable rate instruments	6006.84	(6082.97)	7410.06	(7410.89)
Cash flow sensitivity (Net)	6006.84	(6082.97)	7410.06	(7410.89)

Interest rate sensitivity

The major lending of the Company is in the form of Housing/ Loan against property at floating rates. The Loans are financed by various fixed / floating rate borrowings. While the door to door maturity of the assets financed are generally long term, the tenor of the borrowing is primarily medium term. Hence, the interest rate risk and liquidity risk (mismatches in the duration of assets and liabilities) are inherent and inevitable.

To measure the above risk the Company adopts the duration gap analysis which is measured for assets and liabilities maturing in next 12 months as well as for the overall assets and liabilities. Also, for Interest rate risk management, the Duration Gap model is used on assets and liabilities maturing in the next 12 months, to assess the change in Net Interest Income (NII) for a 1% change in interest rate.

b. Currency Risk

The Company has not availed any foreign currency loans and hence is not exposed to any Currency risk.

35.6 Post-employment benefits: Defined Contribution Plans

(₹ in lakhs)

Amount recognised as expense in Employee benefit expense		
Particulars	2022-23	2021-22
Superannuation	10.94	10.08
Provident Fund & Pension Fund	375.55	299.08
National Pension Scheme	42.70	35.63
Employee State Insurance scheme	1.69	2.24
Total	430.88	347.03

Defined benefit plans

Defined benefit plan exposes the Company to a number of risks, the most significant of which are detailed below:

Investment risk: This may arise from volatility in Asset value due to market fluctuations and impairment of assets due to credit losses. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Interest risk: A decrease in bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Salary cost Inflation risk: The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. Increase in salary due to adverse Inflationary pressures might lead to higher liabilities.

Longevity risk: The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants. Increase or decrease in such rate will affect the plan liability.

A. Gratuity (Funded)

Expected contribution to the plan for the next year is ₹2.98 crores.

Details of defined benefits plan as per actuarial valuation are as below:

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Amounts recognised in profit or loss		
Current service cost	95.98	78.95
Past Service cost	-	-
Net interest expense/(income)	12.59	7.62
Total amount included in employee benefits expense	108.57	86.57
Amounts recognised in other comprehensive income		
Re measurement (gains)/losses:		
Actuarial (gains)/losses arising from changes in		
- Financial assumptions	14.76	(41.31)
- Experience adjustments	(29.49)	171.89

Particulars	31.03.2023	31.03.2022
Return on plan assets, excluding amount included in net interest expense/ (income)	2.98	(29.65)
Total amount recognised in other comprehensive income	(11.75)	100.93
Changes in the defined benefit obligation		
Opening defined benefit obligation	856.73	741.04
Add/(less) on account of business combination/transfers		
Current service cost	95.98	78.95
Interest expense	61.28	45.92
Re measurement (gains)/losses arising from changes in		
- Demographic assumptions		
- Financial assumptions	14.76	(41.31)
- Experience adjustments	(29.49)	171.89
Effect of Business Combinations / Disposals	22.06	24.65
Benefits paid	(48.29)	(164.41)
Closing defined benefit obligation	973.02	856.73
Opening fair value of plan assets	641.37	525.62
Interest income on plan assets	48.69	38.30
Contribution by employer	66.50	187.57
Benefits paid	(48.29)	(164.41)
Actuarial gain / (loss) on plan assets		
Return on plan assets excluding interest income	(2.98)	29.64
Effect of Business Combinations / Disposals	22.06	24.65
Closing fair value of plan assets	727.34	641.37

(₹ in lakhs)

Net asset / (liability) recognised in balance sheet	31.03.2023	31.03.2022
Defined benefit obligation	973.02	856.73
Fair value of plan assets	727.34	641.37
Surplus/(Deficit)	245.68	215.36

Particulars	31.03.2023	31.03.2022
I. Actuarial assumptions		
Discount rate	7.23%	7.36%
Expected Return on plan assets	7.23%	7.36%
Attrition rate (Age based)		
From Age 18 - 20 years	3.00%	3.00%
From Age 21 - 40 years	2.00%	2.00%
From Age 41 - 58 years	1.00%	1.00%
Salary escalation	7.00%	7.00%

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
II. Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below		
Impact of		
0.5% decrease in discount rate	1032.85	910.19
0.5% increase in discount rate	917.94	807.52
0.5% decrease in salary growth rate	918.97	808.53
0.5% increase in salary growth rate	1031.04	907.79
0.5% decrease in Attrition rate	973.04	856.62
0.5% increase in Attrition rate	973.00	856.83
0.5% decrease in Mortality rate	972.97	856.65
0.5% increase in Mortality rate	973.08	856.80
Weighted average duration of the Defined benefit obligation (in years)	16.46	16.67

Particulars	31.03.2023	31.03.2022
III. Maturity profile of defined benefit obligation		
Year 1	15.39	14.12
Year 2	43.13	17.85
Year 3	41.06	43.07
Year 4	27.88	37.81
Year 5	59.76	34.54
Next 5 years	379.43	367.87

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets & the description of the Asset-Liability matching strategies used by the plan has not been disclosed.

B. Leave Encashment and Compensated absences (Unfunded):

The company settles the accumulated balance in leave, in excess of specified number of days to the employees. Subsequent to such payment, the liability of compensated accumulated leave balances as per the scheme of the company has been provided for on actuarial basis using the projected unit cost method and accounted for in the Statement of Profit and Loss.

Note 35.7**A. The Major components of Tax expense/(Income) for the year are as under:****i) Tax Expense / (Income) recognised in statement of Profit or Loss**

(₹ in lakhs)

	Year ended 31st March 2023	Year ended 31st March 2022
Current Tax		
Current period	6894.04	5409.40
Prior period	-	-
Deferred Tax		
Current period	(264.85)	(907.31)
Tax expense recognised in the Statement of Profit and Loss	6629.19	4502.09

ii) Tax Expense / (Income) recognised in other comprehensive income

(₹ in lakhs)

	31st March 2023	31st March 2022
Current Tax		
Re-measurements of defined benefit liability (asset)	2.96	(25.40)
Tax Expense recognised in other comprehensive income	2.96	(25.40)

B. Reconciliation of effective tax rate

(₹ in lakhs)

	31st March 2023	31st March 2022
Profit before tax	28169.98	21271.74
Statutory Tax Rate	25.168%	25.168%
Tax expense based on statutory tax rate	7089.82	5353.66
Effect of:		
Non-deductible expenses	489.86	139.66
Tax exempt income	-	-
Deductions Under Income Tax Act 1961	(950.48)	(991.23)
Additional provision made for previous financial years	-	-
Change in unrecognised temporary differences	-	-
Effect of change in Tax rates	-	-
Tax expense recognised in Statement of Profit & Loss	6629.19	4502.09
Effective tax rate	23.53%	21.16%

C. Movements in Deferred tax assets:

(₹ in lakhs)

Particulars	As at 31st March 2022	Profit or Loss	OCI	Recognised through retained earnings	As at 31st March 2023
Employee benefits	156.21	42.39	-	-	198.60
Property, Plant and Equipment and Intangibles	64.13	13.14	-	-	77.27
Fair value measurement and Expected Credit Loss (Net)	5179.90	209.32	-	-	5389.21
Total	5400.24	264.85	-	-	5665.08

(₹ in lakhs)

Particulars	As at 31st March 2021	Profit or Loss	OCI	Recognised through retained earnings	As at 31st March 2022
Employee benefits	78.26	77.95	-	-	156.21
Property, Plant and Equipment and Intangibles	46.88	17.25	-	-	64.13
Fair value measurement and Expected Credit Loss (Net)	4367.79	812.11	-	-	5179.90
Total	4492.93	907.31	-	-	5400.24

Note 36 Disclosures as per Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated, 17 February 2021. As required by the directions the amounts are in ₹Cr.

36.1 Capital

	Particulars	31st March 2023	31st March 2022
i.	CRAR (%)	23.49%	25.68%
ii.	CRAR – Tier I Capital (%)	22.84%	24.72%
iii.	CRAR – Tier II Capital (%)	0.65%	0.96%
iv.	Amount of subordinated debt raised as Tier- II Capital	-	-
v.	Amount raised by issue of Perpetual Debt Instruments	-	-

36.2 Reserve Fund u/s 29C, of NHB Act 1987 –

(₹ in Crore)

Particulars	Current Year	Previous Year
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act,1987	33.53	32.99
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	349.74	316.74
c) Total	383.27	349.73
Additional Appropriation/Withdrawal during the year		
Add:		
a) Amount Transferred u/s 29C of the NHB Act,1987	6.08	0.54
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act,1987	37.00	33.00
Less:		
a) Amount Appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount Withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act,1987	39.61	33.53
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	386.74	349.74
c) Total	426.35	383.27

NOTES TO THE ACCOUNTS (Contd.)
36.3 Investments

(₹ in Crore)

Particulars	31st March 2023	31st March 2022
Value of Investments		
(i) Gross value of Investments		
(a) In India	648.90	876.31
(b) Outside India		
(ii) Provisions for Depreciation		
(a) In India	(0.02)	(0.03)
(b) Outside India		
(iii) Net value of Investments		
(a) In India	648.88	876.28
(b) Outside India		
Movement of provisions held towards - depreciation on investments		
(i) Opening balance	0.03	0.01
(ii) Add: Provisions made during the year	-	0.02
(iii) Less: Write-off / Write-back of excess provisions during the year	(0.01)	-
(iv) Closing Balance	0.02	0.03

36.4 Derivatives:

36.4.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS): NIL

36.4.2 Exchange Traded Interest Rate (IR) Derivative: NIL

36.4.3 Disclosures on Risk Exposure in Derivatives: NA

NOTES TO THE ACCOUNTS (CONTD.)

36.5 Asset Liability Management (Maturity Pattern of certain items of Assets and Liabilities, as per contractual cashflows)

(₹ in Crore)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 to 3 year	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits (including unrenewed deposits)	5.88	8.78	45.93	41.81	55.50	210.39	349.37	956.40	352.71	-	2026.77
Borrowings from Banks/NHB	6.58	-	-	38.67	107.83	277.02	518.74	1524.97	1042.73	722.52	4239.06
Market Borrowings	-	-	-	205.84	197.20	77.25	555.93	1661.88	385.57	523.64	3607.31
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
TOTAL	12.46	8.78	45.93	286.32	360.53	564.66	1424.04	4143.25	1781.01	1246.16	9873.14
Assets											
Advances	41.95	41.95	77.48	159.28	162.92	482.15	959.74	3643.58	3157.29	11641.10	20367.44
Investments	215.97	-	0.19	0.95	2.20	11.69	0.31	31.51	60.57	325.50	648.89
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
TOTAL	257.92	41.95	77.67	160.23	165.12	493.84	960.05	3675.09	3217.86	11966.60	21016.33

NOTES TO THE ACCOUNTS (Contd.)

36.6 Exposure

36.6.1 Exposure to Real Estate Sector

Category		31.03.2023 (₹ in Crore)	31.03.2022 (₹ in Crore)
a)	Direct exposure #		
(i)	Residential Mortgages *		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;		
	• Individual Housing Loans up to ₹15 Lakhs	1091.89	1157.46
	• Others	8453.91	7030.47
	Total	9545.80	8187.93
(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 would also include Non-Fund Based (NFB) limits;	1241.15	1133.53
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
	a. Residential	5.35	6.95
	b. Commercial Real Estate	-	-
b)	Indirect Exposure		
	Fund Based and Non-Fund Based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	359.94	110.09
	Total Exposure to Real Estate Sector	11152.24	9438.50

Notes:

Consists of future Principal and Principal component of EMI outstanding.

* Includes exposures to Non-Housing loans secured by residential mortgages amounting to ₹2402.89 crore (Previous year – ₹1808.16 crore)

36.6.2 Exposure to Capital Market:

(₹ in Crore)

Particulars	Current Year	Previous Year
All exposures to Alternative Investment Funds:		
(i) Category I		
(ii) Category II	144.43	64.40
(iii) Category III		
Total exposure to capital market	144.43	64.40

NOTES TO THE ACCOUNTS (CONTD.)

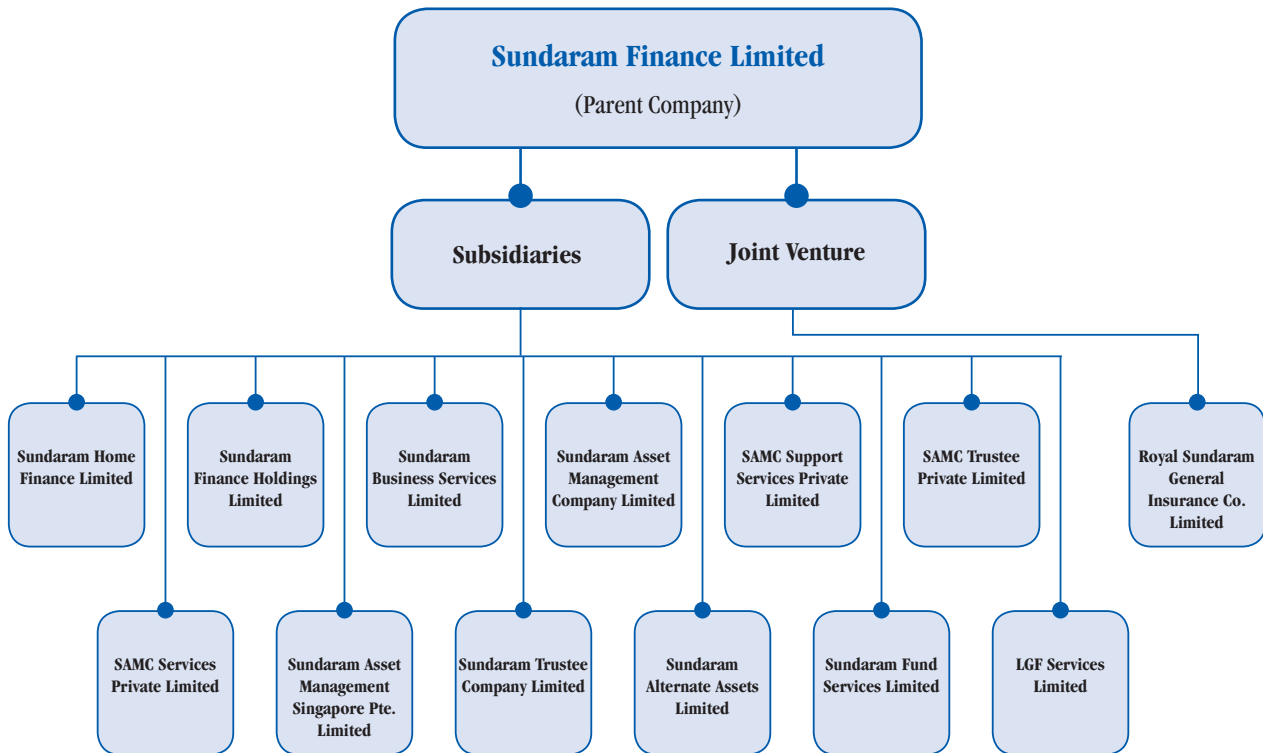
- 36.6.3 Details of financing of Parent Company products: NIL
- 36.6.4 Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by HFC: NIL
- 36.6.5 Unsecured Advances: Nil
- 36.6.6 Exposure to group companies engaged in real estate business - Nil

36.7 Miscellaneous

- 36.7.1 Registration obtained from other financial sector regulators - NA
- 36.7.2 Disclosure of penalties imposed by NHB/RBI and other regulators - Refer Point no: 34.18
- 36.7.3 Related Party Transactions
 - 36.7.3.1. Details of all material transactions with related parties – Refer Point No: 36.17.C
 - 36.7.3.2. The policy on dealing with Related party transactions – Refer Board’s Report

36.7.4 Group Structure

Diagrammatic representation of group structure



36.7.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Borrowing through	Rating/Outlook		
	ICRA	CRISIL	CARE
Short-Term Debt / Commercial Paper	(ICRA) A1+	CRISIL A1+	CARE A1+
Fixed Deposits	AAA/Stable	AAA/Stable	-
Non-Convertible Debentures	(ICRA) AAA/ Stable	CRISIL AAA/Stable	CARE AA+/Stable
Subordinated Debt	(ICRA) AAA/ Stable	-	CARE AA+/Stable
Long-term Loans	(ICRA) AAA/ Stable	CRISIL AAA/Stable	CARE AA+/Stable
Structured Obligations	(ICRA) AAA (SO)	(CRISIL) AAA (SO)	-

During the year, ICRA Limited has upgraded ratings for Non-Convertible debentures, Subordinated Debts and Long term loans from (ICRA) AA+ /Stable to (ICRA) AAA/Stable and CRISIL Ratings Limited has upgraded rating for Fixed deposits, Long term Bank loan facilities, Non-Convertible debentures from CRISIL AA+ /Stable to CRISIL AAA/Stable.

36.7.6 Remuneration of Directors

The Details of Remuneration of directors are disclosed in Annual return.

36.7.7 Management Discussion & Analysis

The Details of the Management Discussion & Analysis forms part of the Board's Report.

36.7.8 Net Profit or Loss for the period, prior period items and changes in accounting policies –

There are no changes in accounting policies and there are no prior period items accounted. The Statement of Profit & Loss discloses the net profit for the year ended 31st March 2023.

36.7.9 Revenue Recognition – There have been no instances where revenue recognition has been postponed pending resolution of significant uncertainties

36.7.10 Consolidated Financial Statement (CFS) – NA. There are no subsidiaries/Joint Ventures for the Company.

Additional Disclosures
36.8 Provisions and Contingencies

(₹ in Crore)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss Account		2022-23	2021-22
1.	Provision for depreciation on Investment	(0.01)	0.02
2.	Provision towards NPA – Stage 3 *	(10.39)	(173.26)
3.	Provision made towards Income Tax (Current Tax)	68.94	54.09
4.	Provision for Standard Assets (excludes Covid-19 provision)	16.93	112.17
5.	Other Provision and Contingencies (Provision for loans sold/ securitised and Security deposits)	2.26	(0.01)
6.	Provision for Standard Assets (with details like teaser loans, CRE, CRE–RH etc.)	-	-

* Excluding Write off of ₹55 Cr (previous year ₹142.01 Cr)

NOTES TO THE ACCOUNTS (Contd.)

(₹ in Crore)

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	31.03.23	31.03.22	31.03.23	31.03.22
Standard Assets				
a) Total Outstanding Amount	7010.28	6336.83	3885.07	2811.48
b) Provisions made	77.43	71.31	60.40	47.38
Sub-Standard Assets				
a) Total Outstanding Amount	68.72	53.65	59.45	22.94
b) Provisions made	23.75	18.75	23.7	6.41
Doubtful Assets – Category-I				
a) Total Outstanding Amount	23.25	26.79	9.28	25.33
b) Provisions made	9.95	10.32	3.61	9.15
Doubtful Assets – Category-II				
a) Total Outstanding Amount	31.21	60.42	42.84	65.67
b) Provisions made	19.00	36.15	34.28	34.24
Doubtful Assets – Category-III				
a) Total Outstanding Amount	9.23	11.48	7.34	16.11
b) Provisions made	7.13	8.25	5.50	13.41
Loss Assets				
a) Total Outstanding Amount	0.21	0.70	-	0.15
b) Provisions made	0.21	0.70	-	0.15
TOTAL				
a) Total Outstanding Amount	7142.9	6489.87	4003.98	2941.68
b) Provisions made	137.47	145.48	127.49	110.74

Note:

- The total outstanding amount means principal + accrued interest + other charges pertaining to loans without netting off.
- The Category of Doubtful Assets will be as under:

Period for which the assets have been considered as doubtful	Category
Up to one year	Category-I
One to three years	Category-II
More than three years	Category-III

NOTES TO THE ACCOUNTS (Contd.)

FY 2022-23

(₹ in Crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	"Provisions required as per IRACP norms (including income deferred)	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	10107.35	19.51	10087.84	38.75	-19.24
	Stage - 2	408.33	33.41	374.92	1.74	31.68
Sub total		10515.68	52.92	10462.76	40.49	12.44
Restructured Assets	Stage - 1	194.30	20.24	174.06	20.02	0.21
	Stage - 2	185.36	61.63	123.73	17.78	43.85
Sub total		379.66	81.87	297.79	37.80	44.06
Non Performing Assets						
Substandard	Stage - 3	128.17	47.45	80.72	30.04	17.41
Doubtful - up to 1 year	Stage - 3	32.54	13.56	18.97	11.88	1.68
1 to 3 year	Stage - 3	74.05	53.28	20.78	41.09	12.19
More than 3 yrs	Stage - 3	16.57	12.63	3.94	16.57	-3.94
Subtotal for doubtful		123.16	79.47	43.69	69.54	9.93
Loss	Stage - 3	0.21	0.21	-	0.21	-
Subtotal for NPA		251.54	127.13	124.41	99.80	27.33
OFF BOOKS: Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms		719.09	3.05	716.05	-	3.05
Subtotal		719.09	3.05	716.05	-	3.05
Total (on book assets)	Stage - 1	10301.65	42.80	10258.85	58.78	-15.98
	Stage - 2	593.69	95.04	498.65	19.50	75.53
	Stage - 3	251.54	127.13	124.41	99.80	27.33
	Total	11146.88	264.97	10881.91	178.08	86.88

NOTES TO THE ACCOUNTS (Contd.)

FY 2021-22

(₹ in Crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	"Provisions required as per IRACP norms (including income deferred)	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	8272.33	19.72	8252.60	31.52	-11.79
	Stage - 2	405.94	37.09	368.86	1.85	35.23
Sub total		8678.27	56.81	8621.46	33.37	23.44
Restructured Assets	Stage - 1	364.74	31.61	333.13	37.39	-5.78
	Stage - 2	105.30	29.43	75.87	9.63	19.81
Sub total		470.04	61.04	409.00	47.02	14.03
Non Performing Assets						
Substandard	Stage - 3	76.59	25.16	51.43	15.77	9.39
Doubtful - up to 1 year	Stage - 3	52.12	19.46	32.65	19.54	-0.08
1 to 3 year	Stage - 3	126.10	70.39	55.71	70.01	0.38
More than 3 yrs	Stage - 3	27.58	21.66	5.93	27.59	-5.93
Subtotal for doubtful		205.80	111.51	94.29	117.14	-5.63
Loss	Stage - 3	0.85	0.85	-	0.85	-
Subtotal for NPA		283.24	137.52	145.72	133.76	3.76
OFF BOOKS: Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms		424.97	0.85	424.13	-	0.85
Subtotal		424.97	0.85	424.13	-	0.85
Total (on book assets)	Stage - 1	8637.07	52.19	8584.88	68.91	-16.72
	Stage - 2	511.24	66.51	444.73	11.48	55.04
	Stage - 3	283.24	137.52	145.72	133.76	3.76
	Total	9431.55	256.22	9175.33	214.15	42.08

NOTES TO THE ACCOUNTS (Contd.)
36.9 Draw Down from Reserves: NIL
36.10 Concentration of Public Deposits, Advances, Exposures and NPAs
36.10.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs) (₹ in Crore)

Particulars	31.03.23	31.03.22
Total Deposits of twenty largest depositors	590.25	573.69
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	29.12%	28.34%

36.10.2 Concentration of Loans & Advances (₹ in Crore)

Particulars	31.03.23	31.03.22
Total Loans & Advances to twenty largest borrowers	448.25	314.01
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	4.02%	3.33%

36.10.3 Concentration of all Exposure (including off balance sheet exposure) (₹ in Crore)

Particulars	31.03.23	31.03.22
Total Exposure to twenty largest borrowers /customers	448.25	314.01
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	3.78%	3.19%

36.10.4 Concentration of NPAs (₹ in Crore)

Particulars	31.03.23	31.03.22
Total Exposure to top ten NPA accounts	45.38	45.41

36.10.5 Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
A.	Housing Loans:	
1	Individuals	1.70%
2	Builders/Project Loans	-
3	Corporates	12.59%
4	Others (specify)	-
B.	Non-Housing Loans:	
1	Individuals	2.70%
2	Builders/Project Loans	-
3	Corporates	4.21%
4	Others (specify)	-

NOTES TO THE ACCOUNTS (Contd.)

36.11 Movement of NPAs

(₹ in Crore)

Particulars	31.03.2023	31.03.2022
(I) Net NPAs to Net Advances (%)	1.13%	1.57%
(II) Movement of NPAs (Gross)		
a) Opening balance	283.23	406.60
b) Additions during the year	135.65	89.69
c) Reductions during the year	167.49	213.06
d) Closing balance	251.39	283.23
(III) Movement of Net NPAs		
a) Opening balance	145.72	95.82
b) Additions during the year	59.11	49.41
c) Reductions during the year	80.56	-0.49
d) Closing balance	124.27	145.72
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	137.51	310.78
b) Provisions made during the year	76.54	40.28
c) Write-off/write-back of excess provisions	86.93	213.55
d) Closing balance	127.12	137.51

36.12 Overseas Assets – Nil

36.13 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) – Nil

36.14 Disclosure of Complaints

Sl.No	Particulars	2022-23	2021-22
1	No. of complaints pending at the beginning of the year	3	0
2	No. of complaints received during the year	170	126
3	No. of complaints disposed during the year	157	123
	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	16	3
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	NA	NA
	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NA	NA
	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

NOTES TO THE ACCOUNTS (Contd.)

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
1	2	3	4	5	6
Current Year					
Loan Account Related	-	52	225%	5	-
Closure of Loan	-	42	282%	5	-
Sanction / Disbursement of Loan	-	23	1050%	1	-
Insurance Related	-	13		1	-
Legal Related	2	12	-54%	1	-
Others	1	28	56%	3	-
Total	3	170		16	-
Previous Year					
Loan Account Related	-	16	-56%		-
Closure of Loan	-	11	267%		-
Legal Related	-	26	13%	2	-
PMAY Subsidy	-	39	200%		-
Repricing	-	16	-41%		-
Others	-	18	260%	1	-
Total	-	126		3	-

36.15 Previous year figures have been regrouped/ reclassified / restated wherever necessary, to conform to the current year's presentation.

36.16 Public Disclosure on Liquidity Risk for the quarter ended 31st Mar 2023 pursuant to RBI circular dated 17th February 2021 on Liquidity Risk Management Framework

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

As on 31st March 2023

Number of Significant Counterparties	Amount (₹ in Cr.)	% of Total Deposits	% of Total Liabilities
22	7309.71	360.7%	73.6%

As on 31st March 2022

Number of Significant Counterparties	Amount (₹ in Cr.)	% of Total Deposits	% of Total Liabilities
18	5708.32	282.0%	66.4%

(ii) Top 20 large deposits

Particulars	31.03.23	31.03.22
20 Large deposits	590.25	573.69
% of total deposits	29.1%	28.3%

(iii) Top 10 borrowings

Particulars	31.03.23	31.03.22
Top 10 borrowings	5687.47	4796.01
% of total borrowings	57.6%	55.8%

(iv) Funding Concentration based on significant instrument/product

Name of the Instrument	As on 31st Mar 2023		As on 31st Mar 2022	
	Amount (₹ in Cr.)	%	Amount (₹ in Cr.)	%
NCD	3215.90	32.6%	2552.25	29.9%
Deposits	2026.78	20.5%	2024.20	23.7%
Refinance	2379.90	24.1%	1927.53	22.5%
Term Loan	1859.15	18.8%	1252.32	14.6%
Commercial Paper	391.41	4.0%	792.93	9.3%
Total	9873.14	100%	8549.23	100%

(v) Stock Ratios**As on 31st March 2023**

S.No	Name of Instrument/Product	As a % of Total Public Funds	As a % of Total Liabilities	As a % of Total Assets
1	Commercial Paper	4.0%	3.9%	3.4%
2	Non-Convertible Debentures (original maturity < 1 year)	-	-	-
3	Other Short-term Liabilities	23.6%	23.5%	20.2%

As on 31st March 2022

S.No	Name of Instrument/Product	As a % of Total Public Funds	As a % of Total Liabilities	As a % of Total Assets
1	Commercial Paper	9.3%	9.2%	7.8%
2	Non-Convertible Debentures (original maturity < 1 year)	-	-	-
3	Other Short-term Liabilities	33.8%	33.7%	28.6%

36.17. Disclosures as per RBI Scale Based Regulation (SBR) notification dated 22 October 2021

A) Exposure

- 1) Exposure to Real Estate Sector - Refer 36.6.1
- 2) Exposure to Capital Market - Refer 36.6.2
- 3) Sectoral Exposure

(₹ in Crore)

Sectors	Current Year			Previous Year		
	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
1. Agricultural and Allied activities						
2. Industry						
i...						
ii...						
Others						
Total of Industry (i+ii+... +others)						
3. Services						
i...						
ii...						
Others						
Total of Services (i+ii+... +others)						
4. Personal Loans						
i. Housing	7478.97	119.06	1.6%	6646.67	154.19	2.3%
ii. Non housing	3489.12	90.11	2.6%	2697.08	121.74	4.5%
Others						
Total of personal loans (i+ii+...+others)	10968.09	209.17	1.9%	9343.75	275.93	3.0%
5. Others if any (please specify)	897.88	42.37	4.7%	512.77	7.31	1.4%

- 4) Intra-group Exposures - NIL
- 5) Unhedged foreign currency exposure - NIL

B) Disclosure of complaints - Refer 36.14

C) Related party disclosure

Related Party Disclosure as per Scale based Regulations

(₹ in Crore)

Particulars	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint Ventures		Key Management Personnel (directors)		Relative of Key Management Personnel (directors)		Key Management Personnel (Others)		Relative of Key Management Personnel (Others)		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Borrowings																
Non-Convertible Debentures																
Royal Sundaram General Insurance Co Ltd.			128.51	73.27											128.51	73.27
Deposits															4.32	3.45
Placement of Deposits															-	-
Advances																
Loans to KMP							0.32	0.39								
Other Deposits															1.81	1.65
Sundaram Finance Ltd.	1.43	1.43													1.43	1.43
Royal Sundaram General Insurance Co Ltd.					0.14	0.11									0.14	0.11
Insurance Premium Prepaid																
Royal Sundaram General Insurance Co Ltd.					0.18	0.16									0.18	0.16
Investments															-	-
Purchase of fixed / other assets																
Sundaram Finance Ltd.	0.04	0.95	-				-								0.04	0.95
Sale of fixed/other assets															-	-
Interest paid																
Interest On NCDs																
Royal Sundaram General Insurance Co Ltd.	-		6.56	5.79			-								6.56	5.79
Interest On Public Deposits	-						0.02	0.03							0.25	0.27

Particulars	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint Ventures		Key Management Personnel (directors)		Relative of Key Management Personnel (directors)		Key Management Personnel (Others)		Relative of Key Management Personnel (Others)		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Interest received																
Interest on Housing Loan	-		-				0.02	0.02			0.03	0.01			0.04	0.03
Others																
Dividend Paid - Final																
Sundaram Finance Ltd.	65.82	55.69	-				-				-				65.82	55.69
Dividend Paid - Interim																
Sundaram Finance Ltd.	-	15.19													-	15.19
Brokerage for Sourcing of Business/Deposits																
Sundaram Finance Ltd.	7.93	5.01	-				-				-				7.93	5.01
Software AMC, Connectivity and Other Charges																
Sundaram Finance Ltd.	7.79	7.18	-				-				-				7.79	7.18
Remuneration																
Others																
Other Income	0.06	0.06			0.02	0.01									0.08	0.07
Other Expenses	2.45	3.17			1.84	1.31									4.29	4.49

36.18 Disclosure on Liquidity Coverage Ratio

As part of the Liquidity Risk Management Framework for NBFCs, RBI has mandated maintenance of Liquidity Coverage Ratio (LCR) effective Dec 2021. The Company is required to maintain adequate unencumbered High Quality Liquid Asset (HQLA) to meet its liquidity needs for a 30 calendar-day time horizon under a significantly severe liquidity stress scenario. Presently, the Company is required to maintain minimum HQLA of 60% of the LCR, progressively reaching 100% by December 1, 2025.

The LCR is calculated by dividing the company's stock of HQLA by its total net cash outflows over a 30- day stress period. HQLA means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Total Net cash outflows is defined as total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. The main drivers of LCR are adequate HQLAs and lower net cash outflow.

Major source of borrowings for the Company are NHB Refinance, Non-Convertible Debentures, Term loans from Banks, and Public deposits.

The average LCR for the quarter ended Mar 23 is 159.53%, calculated on daily average, and is above the regulatory requirement of 60%.

(₹ in Crore)

S. NO	Particulars	Apr 22 to Jun 22		Jul 22 to Sep 22		Oct 22 to Dec 22		Jan 23 to Mar 23	
		Total Unweighted (Average)	Total Weighted Value (Average)	Total Unweighted (Average)	Total Weighted Value (Average)	Total Unweighted (Average)	Total Weighted Value (Average)	Total Unweighted (Average)	Total Weighted Value (Average)
1	High Quality Liquid Assets		223.05		219.39		219.62		270.66
	Cash Outflows								
2	Deposits	120.38	138.43	112.20	129.03	103.48	119.00	79.96	91.95
3	Unsecured wholesale funding	116.67	134.17	116.67	134.17	100.00	115.00	149.44	171.86
4	Secured wholesale funding	172.28	198.13	258.97	297.81	260.54	299.63	188.13	216.35
5	Additional requirements		-	-	-		-	-	-
6	Other Contractual Funding	279.10	320.96	325.51	374.34	340.45	391.52	172.57	198.46
7	Other contingent funding	-	-						
8	TOTAL CASH OUTFLOWS	688.43	791.69	813.35	935.35	804.47	925.15	590.10	678.62
	Cash Inflows								
9	Secured Lending								
10	Inflows from fully performing exposures	138.71	104.04	145.17	108.87	149.23	111.92	155.99	116.99
11	Other Cash inflows	1049.50	787.12	710.95	533.22	1065.34	799.01	1320.46	990.35
12	TOTAL CASH INFLOWS	1188.21	891.16	856.12	642.09	1214.57	910.93	1476.45	1107.34
13	TOTAL HQLA		223.05		219.39		219.62		270.66
14	TOTAL NET CASH OUTFLOWS		197.92		293.26		231.29		169.65
15	LIQUIDITY COVERAGE RATIO %		112.69%		74.81%		94.95%		159.53%
	Components of High Quality Liquid Assets								
	Cash		0.64		0.65		0.57		0.17
	G-Sec		222.41		218.74		219.05		270.49
	Total		223.05		219.39		219.62		270.66

Institutional Set up for Liquidity Risk Management

Board has set up the Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. ALCO meets on regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity Risk of the Company. The performance of the ALCO is reviewed by Audit Committee/Board.

The Company has formulated a policy on Liquidity Risk Management Framework. Accordingly, the Company.

- Performs stress testing on a quarterly basis which enables the Company to estimate the liquidity requirements as well as adequacy and cost of the liquidity buffer under stressed conditions.
- Formulated a contingency funding plan as a part of the outcome of stress testing results.
- Monitors liquidity risk based on Stock approach to liquidity by way of pre-defined internal limits for various critical ratios pertaining to liquidity risk.

The Company has diversified source of funding to ensure that there is no significant source, the withdrawal of which could trigger liquidity problems.

The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with it.

Notes:

1. As per the circular issued by RBI on Liquidity Risk Management Framework for Non- Banking Financial Companies and Core Investment Companies dated 04th Nov 2019, “Significant counterparty” is defined as a single counter party or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total Liabilities and “Significant instrument/product” is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total Liabilities.
2. Total Liabilities represent “Total Liabilities and Equity” as per Balance sheet less Equity.
3. Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
4. Other Short-term Liabilities represents all short-term borrowings other than CPs.

As per our report of even date attached
For **Suri and Co**
Chartered Accountants
FRN : 004283S
M.Sivaram
Partner
Membership No. 211916
Chennai
11th May 2023

T.T. Srinivasaraghavan
Chairman

Lakshminarayanan Duraiswamy
Managing Director

Venkatasubramanian R
Company Secretary

Bhavani Balasubramanian
Director

Sridhar. S
Chief Financial Officer

Sundaram Home Finance Limited

Notes forming part of the financial statements for the year ended March 31, 2023

Annex III of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

ANNEXURE III SCHEDULE TO THE BALANCE SHEET OF SUNDARAM HOME FINANCE LIMITED

(₹ in crore)

	Particulars Liabilities side	Amount outstanding	Amount overdue
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:			
(a)	Debentures :		
	Secured	2626.38	
	Unsecured (other than falling within the meaning of public deposits)	523.77	
(b)	Deferred Credits		
(c)	Term Loans	4239.06	
(d)	Inter-corporate loans and borrowing	-	
(e)	Commercial Paper	391.41	
(f)	Public Deposits*	2026.78	20.37
(g)	Other Loans-Subordinated Debt	65.75	
2 Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
(a)	In the form of Unsecured debentures		
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
(c)	Other public deposits	2026.78	

* Represents unrenewed deposits and interest accrued there on

	Particulars Assets Side	Amount outstanding
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a)	Secured	5.94
(b)	Unsecured	
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i)	Lease assets including lease rentals under sundry debtors	
	(a) Financial lease	
	(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	33.80
	(b) Loans other than (a) above	11113.08

Particulars		Amount
Assets Side		outstanding
5 Break-up of Investments		
Current Investments		
1	Quoted	
(i)	Shares	-
	(a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
2	Unquoted	
(i)	Shares	
	(a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	211.55
(iv)	Government Securities	-
(v)	Others (please specify)	-
Long Term investments		
1	Quoted	
(i)	Shares	
	(a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	287.57
(v)	Others (please specify)	-
2	Unquoted	
1	Shares	
(i)	(a) Equity	
	(b) Preference	
(ii)	Debentures and Bonds	
(iii)	Units of mutual funds	144.43
(iv)	Government Securities	
(v)	Others-Investments in Senior Pass Through Certificates	5.35

(₹ in crore)

6 Borrower group-wise classification of assets financed as in (3) and (4) above: (Please see Note 2 below)				
Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties			
(a)	Subsidiaries			
(b)	Companies in the same group			
(c)	Other related parties	0.50		
2	Other than related parties Total	10887.36		

(₹ in crore)

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties		
(a)	Subsidiaries		
(b)	Companies in the same group	245.17	245.17
(c)	Other related parties		
2	Other than related parties	397.39	403.71
	Total	642.56	648.88

(₹ in crore)

8 Other information		
	Particulars	Amount
(i)	Gross Non-Performing Assets	251.39
(a)	Related parties	
(b)	Other than related parties	
(ii)	Net Non-Performing Assets	124.27
(a)	Related parties	
(b)	Other than related parties	
(iii)	Assets acquired in satisfaction of debt	



SUNDARAM HOME

Registered Office : 21, Patullos Road, Chennai - 600 002. Phone : (044) 28521181

Corporate Office : Sundaram Towers, 46, Whites Road, Chennai - 600 014

Phone : (044) 28515267

Email: customercare@sundaramhome.in; depositorcare@sundaramhome.in

Website: www.sundaramhome.in

Andhra Pradesh

Bhimavaram : 08816 226119, Cuddappah : 08562 253366, Eluru : 08812 233432, Gajuwaka : 0891 2573077
Guntur : 0863 2331469, Kakinada : 0884 2351618, Kurnool : 08518 225146, Nellore : 0861 2322269, Ongole : 08592 283959,
Rajahmudry : 0883 2468579, Srikakulam : 08942 229123, Tanuku : 08819 227667, Tirupathi : 0877 2237378,
Vijayawada : 0866 2471717, Visakhapatnam : 0891 2575522, Vizianagaram : 08922 237778

Telangana

Hyderabad - Secunderabad : 040 27806002, Hyderabad - Kukkatpally : 040 23162224, Hyderabad - LB Nagar : 040 24126456,
Hyderabad - Hitech City : 040 23119847, Karimnagar : 0878 2237676, Khammam : 08742 242160,
Mancherial : 08736 255456, Nizamabad : 08462 220224, Warrangal : 0870 2441244

Karnataka

Bengaluru - Seshadripuram : 080 23567911, Bengaluru - Jayanagar : 080 26493737 / 26494747, Bengaluru - Whitefield : 080 28450035,
Bengaluru - Yelahanka : 080 2362 0310, Belagavi : 0831 2471019, Ballari : 0839 2256437, Davanagere : 0819 2297075,
Gulbarga : 0847 2244419, Hubli : 0836 2371954, Mangaluru : 0824 2451517, Mysuru : 0821 2425007,
Raichur : 08532 225009, Shivamogga : 08182 275719, Vijayapura : 0835 2265639

Kerala

Aluva : 0484 2943265, Calicut : 0495 2722063 / 2722066, Kannur : 0497 2761917, Kayamkulam : 0479 2441157,
Kochi : 0484 2350341, Kollam : 0474 2742490, Kottayam : 0481 2561549, Muvattupuzha : 0485 2812906,
Palakkad : 0491 2503610 / 2503620, Pathanamthitta : 0468 222 4289, Payyannur : 0498 5209917,
Trichur : 0487 2221042 / 2221191, Thirupunithura : 0484 2779170, Thiruvananthapuram : 0471 2534686 / 2545393

Puducherry : 0413 2330509

Tamil Nadu

Attur : 04282 253354, Chennai - Ambattur : 044 2623165 / 26521656, Chennai - Chromepet : 044 22210244, Chennai - Parrys : 044 25241099,
Chennai - Porur : 044 48581096 / 48581097, Chennai - T Nagar : 044 45635600, Chennai - Thiruvannamiyur : 044 24430030,
Chengalpet : 044 27432929, Coimbatore - P.N. Palayam : 0422 2246655, Coimbatore - R S Puram : 0422 2545333,
Dindigul : 0451 2422001, Erode : 0424 2262999, Hosur : 04344 223318, Kancheepuram : 044 27233660, Karaikudi : 04565 233202,
Karur : 04324 231235, Kumbakonam : 0435 2433216, Madurai : 0452 4380202, Mettupalayam : 04254 221125, Namakkal : 04286 233454,
Nanganallur : 044-22242204, Neyveli : 04142 213435, Perambalur : 04328 275563, Pollachi : 04259 223552, Pudukottai : 04322 232455,
Ranipet : 04172 271979, Salem : 0427 2334554, Sivakasi : 04562 222262, Tanjore : 04362 233216, Theni : 04546 263004,
Thiruvallur : 044 27664590, Thiruvannamalai : 04175 252020, Thiruvarur : 04366 220293, Tiruchengode : 04288 257381,
Tirunelveli : 0462 2574274, Tiruppur : 0421 2474450, Trichy : 0431 2402150, Tuticorin : 0461 2328827, Vellore : 0416 2245884

Rest of India

Gujarat - Ahmedabad : 079 491183519, Vadodara : 0265 2355070

Maharashtra - Aurangabad : 0240 2993020, Nagpur : 0712 255 8017,
Nasik : 0253 2501766, Pune : 020 25651575, Thane : 022 40052777, Kolhapur : 0231 2667381

Madhya Pradesh - Bhopal : 0755 2550240, Indore : 0731 3500590

Odisha - Bhubaneswar

West Bengal - Kolkata : 033 40606120 / 24420570

Rajasthan - Jaipur : 0141 4035386 / 2379607