NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 1: CORPORATE INFORMATION:

LIC Housing Finance Limited ("the Company") is a Public Limited Company, having corporate identification number CIN: L65922MH1989PLC052257, is incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). The shares of the Company are listed on the Bombay Stock Exchange, the National Stock Exchange and the Luxemburg Stock Exchange.

The Company is engaged in the business of providing finance for purchase, construction, repairs, renovation of houses/buildings. The Company's Registered Office and Corporate Office is at Mumbai with a wide network of Operating Offices in India and Representative Offices at Dubai and Kuwait.

The Standalone Financial Statements for the year ended March 31, 2020 were authorized for issuance in accordance with resolution of the Board of Directors on June 19, 2020.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

(A) Significant Accounting Policies:

2.1 Statement of Compliance

Standalone Financial Statements of the Company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards ("the Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Company presents its Balance Sheet in the order of liquidity.

2.2 Basis of preparation of Ind-AS Financial Statements

The Company has prepared these Standalone Financial Statements, which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2020, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "Financial Statements") on the historical cost basis except for certain financial instruments and certain employee benefit assets, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crore except when otherwise stated.

2.3 Revenue Recognition

The Company has recognised revenue pursuant to a contract (other than a contract listed in paragraph 5 of Ind AS 115) only if the counterparty to the contract is a customer. A customer is a party that has contracted with an entity to obtain services that are an output of the entity's ordinary activities in exchange for consideration.

i. Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a timely basis, by reference to the principal outstanding and at applicable effective interest rate (EIR). The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

ii. Dividend Income:

Dividend income from investment is recognised when the Company's right to receive the payment has been established provided that it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

iii. Fees and Commission Income:

Fees and commission income includes fees other than those that are an integral part of EIR. The Company recognises the fees and commission income in accordance with the terms of the relevant contracts / agreements and when it is probable that the Company will collect the consideration.

iv. Other Income:

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

2.4 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019 and has reassessed the existing lease contracts on the date of initial application date, i.e. 01.04.2019 for application of Ind AS 116. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. As a result, the comparative information has not been restated. As permitted by para C8(c)(ii) of Ind AS 116, at the date of initial application, the right to use asset has been measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. As a result there is no cumulative effect of initial application which is required to be recognised in retained earnings at April 1, 2019.

As Lessee

The Company, as lessee has recognised lease liabilities and right-of-use assets, has applied the following approach to all of its leases (a) measured the lease liability at the date of transition to Ind AS by measuring that lease liability at the present value of the remaining lease payments and discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS 116. Lease arrangements entered during the year are measured at incremental borrowing rate computed at the beginning of the year. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if there is change to its assessment whether it will exercise an extension or a termination option. (b) Right Of Use assets are recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of restoration costs and any initial direct costs incurred by lessee. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of Use Assets are depreciated from the commencement date on a straight- line basis over the shorter of the lease term or useful life of the underlying asset. They are evaluated for recoverability whenever events or changes indicate that their carrying amounts may not be recoverable.

The Company has not applied Ind AS 116 to Short Term Leases, which are defined as leases with a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

As a Lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interest in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.5 Functional Currency and Foreign Exchange Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The Company has accordingly assessed INR as its functional currency.

The transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date when the transaction first qualifies for recognition.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value was determined. Non-monetary items measured at historical cost are not translated.

Exchange difference arising on monetary items is recognised in the Statement of Profit and Loss in the year in which they arise.

2.6 Borrowing Costs

Borrowing costs include interest, commission/brokerage on deposits and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses are accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

2.7 Employee Benefits

Retirement benefit cost and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits to employees in respect of wages and salaries, annual leave, sick leave and short-term employee benefits in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Taxes

Income tax expense represents the sum of current tax and deferred tax.

Current Taxes

Current income tax is the amount of expected tax payable based on taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961.

Deferred Taxes

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.9 Property, Plant and Equipment

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Property, plant and equipment except freehold land held for use for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight - line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013, except in respect of Vehicles (Motor cars) where useful life is estimated as 5 years based on estimated usage of the assets.

Type of Asset	Useful Lives (in years)
Building	60
Furniture & Fixture	10
Vehicles	5
Office Equipment	5
Computers	3
Servers And Networks Equipment	6

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation. Depreciation on assets whose cost individually does not exceed ₹ 5,000/- is fully provided in the year of purchase. Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

The Company has applied depreciation requirements as per Ind AS 116 in depreciating the right of use assets. The Right of Use Asset is depreciated for the life of the lease term.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

2.10 Intangible Assets and amortisation thereof

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis based on their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any.

Computer software is amortised over the period of three to five years on a straight-line basis.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Capital Work in Progress

Capital Work in Progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses less accumulated impairment losses, if any.

2.11 Impairment of Property, Plant & Equipment and Intangible Assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The Company has applied Ind AS 36, Impairment of Assets, to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

2.12 Provisions and Contingent Liabilities

Provisions involving substantial degree of estimation in measurement are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes. A contingent asset is disclosed in the Financial Statements, where an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.13 Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are recognized and carried at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

2.14 Financial Instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value through Profit or Loss are recognised immediately in Statement of Profit and Loss.

A. Financial Assets

a) Recognition and initial measurement

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value except investment in subsidiaries and associates. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

b) Classification of Financial Assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However,

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the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the Company,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Business Model Test

The Company determines its business model at the level that best reflects how it manages a group of financial assets to achieve its business objective.

The Company's business model is not assessed on instrument to instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model.

d) Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

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

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial

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recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

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

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

e) Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Modification of contractual cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and shall recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

f) Impairment of Financial Assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. The Company applies a three-stage approach for measuring ECL for the following categories of financial assets that are not measured at Fair Value through Profit or Loss:

- debt instruments measured at amortised cost and Fair Value through Other Comprehensive Income; and
- financial guarantee contracts.

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No ECL is recognised on equity investments,classified as FVTPL.

Expected credit losses is the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

The Company assesses ECL on exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. For these exposures, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months. The Company does not conduct an individual assessment of exposures in Stage 1 as there is no evidence of one or more events occurring that would have a detrimental impact on estimated future cash flows.

Stage 2: Lifetime ECL – not credit impaired

The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset). Similar to Stage 1, the Company does not conduct an individual assessment on Stage 2 exposures as the increase in credit risk is not, of itself, an event that could have a detrimental impact on future cash flows.

Stage 3: Lifetime ECL – credit impaired

The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised as a collective or specific provision, and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Determining the stage for impairment

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for impairment losses reverts from lifetime ECL to 12-months ECL. Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for impairment losses for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, industry and other relevant factors.

Measurement of ECL

ECL are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses is a portion of the life-time expected credit losses and represents the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

  For further details on how the Company calculates ECL including the use of forward looking information, refer to the Credit quality of financial assets in Note 37.4 Financial risk management.

  ECL is recognised using a provision for impairment losses in Statement of Profit and Loss. In the case of debt instruments measured at Fair Value through Other Comprehensive Income, the measurement of ECL is based on the three-stage approach as applied to financial assets at amortised cost. The Company recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the Balance Sheet.

  Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

g) Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognised in Statement of Profit and Loss.

h) Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

B. Financial Liabilities and Equity Instruments

a) Classification as Debt or Equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

c) Financial Liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

d) Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

e) Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.15 Hedge Accounting

The Company uses derivative instruments to manage exposures to interest rate and foreign currency risks.

The hedging transactions entered into by the Company is within the overall scope of the Derivative Policy and within the Risk Management framework of the company as approved by the Board from time to time and for the risks identified to be hedged in accordance with the same policies. All derivative contracts are recognised on the Balance Sheet and measured at fair value. Hedge accounting is applied to all the derivative instruments as per Ind AS 109. Hedge effectiveness is ascertained periodically on a forward looking basis and is reviewed at each reporting period. Hedge effectiveness is measured by the degree to which changes in the fair value or cash flows of the hedged item that are attributed to the hedged risk are offset by changes in the fair value or cashflows of the hedging instrument.

Hedges that meet the criteria for hedge accounting are accounted for, as described below:

Fair Value Hedges

Fair value hedge is a hedge of the exposure to changes in fair value of a recognized asset or liability or unrecognized commitment, or a component of any such item, that is attributable to a particular risk and could affect profit or loss. The cumulative change in the fair value of a hedging derivative is recognised in the Statement of Profit and Loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item is recorded as part of the carrying value of the hedged item in the Balance Sheet and is also recognized as net gain on fair value changes in the Statement of Profit and Loss. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship is fixed rate debt issued and other borrowed funds. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the Statement of Profit and Loss.

Cash Flow Hedges

Cash flow hedge is a hedge of the exposure to variability in the cash flows of a specific asset or liability, or of a forecasted transaction, that is attributable to a particular risk. It is possible to only hedge the risks associated with a portion of an asset, liability, or forecasted transaction, as long as the effectiveness of the related hedge can be measured. The accounting for a cash flow hedge will be to recognize the effective portion of any gain or loss in Other Comprehensive Income (OCI), and recognize the ineffective portion of any gain or loss in Finance cost in the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

2.16 Cash and Cash Equivalent

Cash and cash equivalent in Balance Sheet comprise of cash at bank, cash and cheques on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares divided by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

2.18 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the activities of the Company.

2.19 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i. The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Managing Director & CEO is identified as the Chief Operating Decision Maker (CODM) by the management of the Company. CODM has identified only one operating segment of providing loans for purchase, construction, repairs renovation etc. and has its operations entirely within India.

3. KEY ESTIMATES AND JUDGEMENTS:

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

3.1 Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.

- Company's criteria for assessing if there has been a significant increase in credit risk.

- Development of ECL models, including choice of inputs / assumptions used.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The various inputs used and process followed by the Company in measurement of ECL has been detailed in Note 37.4.2.3

3.2 Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Information about the valuation techniques and inputs used in determining the fair value of Investments are disclosed in Note 37.3.

3.3 Income Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

3.4 Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

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

3.5 Provisions and Liabilities

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

4. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 5
CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Cash on hand	1.37	6.61
(ii) Balances with Banks *	1,282.15	2,470.27
(iii) Cheques, drafts on hand	82.20	324.92
Total	**1,365.72**	**2,801.80**

* Balances with Banks includes EMD amount of ₹ 0.40 crore (FY 2018-19 ₹ 0.16 crore)

NOTE 6
BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Earmarked balances with banks*	7.85	7.97
(ii) Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments**	605.38	203.74
Total	**613.23**	**211.71**

* Balance with Banks includes unclaimed dividend of ₹ 7.85 crore (FY 2018-19 ₹ 7.97 crore)

**Fixed Deposits with Banks includes earmarked deposits created in favour of trustees for depositors towards maintaining Statutory Liquid Ratio amounting to ₹ 196.50 crore (FY 2018-19 ₹ 177.25 crore); ₹ 8.14 crore (FY 2018-19 ₹ 7.89 crore) created for excess sale proceeds recovered under SARFAESI Act 2002. Fixed deposit placed with banks earns interest at fixed rate.

NOTE 7
DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in crore)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Notional Amount	Fair Value - Assets	Fair Value - Liabilities	Notional Amount	Fair Value - Assets	Fair Value - Liabilities
Part I						
I. Currency Derivatives						
i) Forwards	-	-	-	-	-	-
ii) Currency Swaps (interest/ Principal/ both)	1,425.73	48.62	-	-	-	-
II. Interest Rate Derivatives						
i) Interest Rate Swaps	396.00	31.86	22.90	396.00	26.98	25.79
TOTAL (I)	**1,821.73**	**80.48**	**22.90**	**396.00**	**26.98**	**25.79**
Part II						
i) Fair Value Hedge						
- Currency Derivatives	-	-	-			
- Interest Rate derivatives	396.00	31.86	22.90	396.00	26.98	25.79
ii) Cash Flow Hedge						
- Currency Derivatives	1,425.73	48.62	-	-	-	-
- Interest Rate derivatives	-	-	-	-	-	-
TOTAL (II)	**1,821.73**	**80.48**	**22.90**	**396.00**	**26.98**	**25.79**

NOTE 8
RECEIVABLES:

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade Receivables	-	-
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	-	-
(iii) Allowance for Impairment Loss	-	-
(iv) Debts due by directors or other officers of the NBFC or any of them either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member	-	-
Total	**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 9
LOANS - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) Term Loans *		
- Individual	1,61,842.22	1,48,083.01
- Others	34,498.03	33,486.19
- Corporate Bodies/ Builders	14,237.42	13,077.15
(ii) Others		
- Loans to staff	6.15	4.86
- Loans against Public Deposit	15.43	1.01
- Finance Lease Receivables	1.17	-
Total - Gross (A)	**2,10,600.42**	**1,94,652.22**
Less: Impairment Loss Allowance (Expected Credit Loss)	2,612.45	1,659.48
Total - Net (A)	**2,07,987.97**	**1,92,992.74**
(B)		
(i) Secured by tangible assets	2,09,670.37	1,93,937.94
(ii) Secured by intangible assets	630.59	277.42
(iii) Unsecured	299.46	436.86
Total - Gross (B)	**2,10,600.42**	**1,94,652.22**
Less: Impairment Loss Allowance (Expected Credit Loss)	2,612.45	1,659.48
Total - Net (B)	**2,07,987.97**	**1,92,992.74**
(C)		
(i) Loans in India		
Individual	1,61,864.96	1,48,088.88
Commercial Real Estate Sector	14,133.76	13,858.44
Commercial Real Estate Sector- Others	20,364.28	19,627.75
Builder Loans	9,870.52	9,633.47
Corporate Loans	3,736.31	3,169.01
Other Housing Finance Companies	630.59	274.67
Total - Gross (C) (i)	**2,10,600.42**	**1,94,652.22**
Less: Impairment Loss Allowance (Expected Credit Loss)	2,612.45	1,659.48
Total - Net (C) (i)	**2,07,987.97**	**1,92,992.74**
(ii) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total - Net (C) (ii)	**-**	**-**
Total (C) (i+ii)	**2,07,987.97**	**1,92,992.74**

* Loans including interest and installment outstanding due from directors amounts to ₹ Nil (FY 2018-19 ₹ 0.04 crore) and other related parties ₹ 0.55 crore (FY 2018-19 ₹ 0.48 crore)

* Retail / Project Loans are secured by any or all of the following as applicable, based on their categorisation :

a) Equitable / Registered Mortgage of Property.
b) Assignment of Life Insurance Policies, NSC, KVP, FD of Nationalized Bank.
c) Assignment of Lease Rent Receivables.
d) Company Guarantees or Personal Guarantees.
e) Negative lien.
f) Undertaking to create a security.
g) Loans to employees other than for Housing are secured by lien over Provident Fund balances and / or Hypothecation of Vehicles.

Loan Portfolio includes loans amounting to ₹ 440.78 crore (FY 2018-19 ₹ 201.17 crore) against which the company has taken possession of the properties under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal. The value of assets possessed against the loan is ₹ 425.66 crore (FY 2018-19 ₹ 106.59 crore), being lower of the Fair Value of the asset possessed and the outstanding as at March 31, 2020.

For detail disclosures relating to Credit Risk, Impairment Losses, Movement of Impairment Losses refer Note No 37.4.2 of Standalone Financial Statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 10
INVESTMENTS

(₹ in crore)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Amortised cost	Deemed Cost	At Fair Value Through profit or loss	Total	Amortised cost	Deemed Cost	At Fair Value Through profit or loss	Total
Mutual Funds	-	-	3,562.94	3,562.94	-	-	2,227.29	2,227.29
Government Securities*	1,814.63	-	-	1,814.63	1,248.12	-	-	1,248.12
Equity Instruments	-	-	-	-	-	-	1.10	1.10
Subsidiaries*	-	68.29	-	68.29	-	68.29	-	68.29
Associates*	-	29.71	-	29.71	-	29.71	-	29.71
Real Estate Venture Fund	-	-	29.97	29.97	-	-	30.55	30.55
Total - Gross (A)	**1,814.63**	**98.00**	**3,592.91**	**5,505.54**	**1,248.12**	**98.00**	**2,258.94**	**3,605.06**
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	1,814.63	98.00	3,592.91	5,505.54	1,248.12	98.00	2,258.94	3,605.06
Total (B)	**1,814.63**	**98.00**	**3,592.91**	**5,505.54**	**1,248.12**	**98.00**	**2,258.94**	**3,605.06**
Less: Allowance for Impairment loss (Expected Credit Loss) (C)	-	-	(9.17)	(9.17)	-	-	(10.00)	(10.00)
Total – Net (D)= (A)-(C)	**1,814.63**	**98.00**	**3,583.74**	**5,496.37**	**1,248.12**	**98.00**	**2,248.94**	**3,595.06**

* The Company has not recognised any provision under Expected Credit Loss on Investments made in Government Securities, Subsidiaries & Associates.

(₹ in crore)

Investment in Mutual Funds carried at Fair Value through Profit & Loss Account	No. of Units as at		Amount as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	1,07,23,403.31	26,78,430.33	340.73	80.09
Axis Liquid Fund - Regular Growth	9,12,063.28	4,36,338.42	200.12	90.11
Baroda Liquid Fund - Plan A Growth	-	3,74,470.21	-	80.09
BNP Paribas Liquid Fund Growth	-	1,40,209.18	-	40.04
Canara Robeco Liquid Fund - Regular Growth	-	1,77,753.19	-	40.04
DSP Liquidity Fund - Regular Plan - Growth	2,48,150.72	3,38,851.77	70.03	90.09
Edelweiss Liquid Fund - Regular Plan - Growth	-	1,67,722.39	-	40.04
Franklin India Liquid Fund - Super IP - Growth	-	1,79,543.91	-	50.06
HDFC Liquid Fund - Regular Plan - Growth	5,15,505.53	3,28,170.16	200.20	120.12
HSBC Cash Fund - Growth	3,55,569.12	2,69,639.36	70.03	50.04
ICICI Prudential Liquid Fund - Growth	1,16,51,465.07	36,34,613.74	340.81	100.10
IDBI Liquid Fund - Regular Plan - Growth	-	2,51,491.89	-	50.05
IDFC Cash Fund - Growth - Regular Plan	2,92,878.82	3,54,769.89	70.03	80.09
Invesco India Liquid Fund - Growth	2,57,931.61	3,90,687.77	70.02	100.08
Kotak Liquid Reqular Plan Growth	8,51,828.66	3,18,336.83	340.77	120.10
L & T Liquid Fund - Regular Growth	7,38,384.77	3,13,619.63	200.16	80.09
LIC MF Liquid Fund - Regular Plan - Growth	17,01,410.62	12,63,442.43	608.43	425.43
Mahindra Liquid Fund - Regular - Growth	-	4,14,812.15	-	50.06
Mirae Asset cash Management Fund - Regular Growth Plan	2,41,633.56	2,56,645.00	50.02	50.05
Nippon India Liquid Fund - Growth Plan	4,15,020.45	2,20,530.96	200.14	100.10
SBI Liquid Fund - Regular Growth	11,01,011.33	4,11,992.65	340.61	120.15
Sundaram Money Fund Regular Growth	1,20,10,396.20	1,27,61,580.50	50.01	50.06
Tata Liquid Fund Regular Plan - Growth	2,24,908.62	4,09,796.32	70.03	120.09
UTI - Liquid Cash Plan - Regular Plan - Growth	10,52,707.09	3,28,272.04	340.80	100.12
Total			**3,562.94**	**2,227.29**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Investments in Government Securities - Quoted, Fully paid up* carried at Amortized Cost	No. of Shares / Units		Amount as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
8.33% GOI STOCK 2036	30,000	30,000	0.31	0.31
8.28% GOI STOCK 2032	8,28,000	8,28,000	8.09	8.07
7.35% GOI STOCK 2024	16,00,000	16,00,000	16.30	16.28
8.14% MAHARASHTRA SDL 2019	-	1,50,000	-	1.50
8.24% GOI STOCK 2027	11,00,000	11,00,000	11.08	11.07
8.28% GOI STOCK 2027	5,00,000	5,00,000	5.00	5.00
8.12% GOI STOCK 2020	10,00,000	10,00,000	10.28	10.32
8.35% GOI STOCK 2022	20,000	20,000	0.20	0.20
8.83% GOI STOCK 2023	25,00,000	25,00,000	25.92	25.94
8.83% GOI STOCK 2023	17,00,000	17,00,000	17.92	18.00
8.32% GOI STOCK 2032	20,00,000	20,00,000	20.46	20.46
7.80% GOI STOCK 2020	65,00,000	65,00,000	67.07	66.89
8.24% GOI STOCK 2033	30,00,000	30,00,000	32.20	32.22
8.60% GOI STOCK 2028	45,00,000	45,00,000	50.33	50.64
8.60% GOI STOCK 2028	79,50,000	79,50,000	89.55	90.17
7.59% GOI STOCK 2029	85,00,000	85,00,000	87.22	87.30
6.57% GOI STOCK 2033	1,05,00,000	1,05,00,000	104.99	104.81
7.35% GOI STOCK 2024	1,00,00,000	1,00,00,000	104.06	104.45
6.79% GOI STOCK 2029	1,10,00,000	1,10,00,000	110.98	110.84
6.68% GOI STOCK 2031	40,00,000	40,00,000	38.38	38.27
6.68% GOI STOCK 2031	1,10,00,000	1,10,00,000	100.89	100.34
7.59% GOI STOCK 2026	20,00,000	20,00,000	19.91	19.85
7.17% GOI STOCK 2028	60,00,000	60,00,000	59.82	59.67
7.40% GOI STOCK 2035	90,00,000	90,00,000	87.67	87.50
7.26% GOI STOCK 2029	60,00,000	60,00,000	60.58	60.51
7.95% GOI STOCK 2032	60,00,000	60,00,000	61.90	61.92
6.57% GOI STOCK 2033	60,00,000	60,00,000	55.83	55.57
7.57% GOI STOCK 2033	40,00,000	-	40.72	-
7.61% GOI STOCK 2030	30,00,000	-	31.79	-
7.40% GOI STOCK 2035	30,00,000	-	30.59	-
7.95% GOI STOCK 2032	40,00,000	-	42.56	-
7.88% GOI STOCK 2030	30,00,000	-	31.56	-
7.40% GOI STOCK 2035	5,00,000	-	5.16	-
7.57% GOI STOCK 2033	45,00,000	-	48.10	-
7.95% GOI STOCK 2032	55,00,000	-	59.10	-
7.57% GOI STOCK 2033	50,00,000	-	53.57	-
7.95% GOI STOCK 2032	50,00,000	-	54.21	-
7.88% GOI STOCK 2030	65,00,000	-	69.24	-
6.68% GOI STOCK 2031	25,00,000	-	24.59	-
7.40% GOI STOCK 2035	50,00,000	-	51.90	-
6.68% GOI STOCK 2031	25,00,000	-	24.59	-
Total			**1814.63**	**1248.12**

* Kept with designated bank for repayment to depositors

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Investments in Equity Instruments - Unquoted, Fully paid up	No. of Shares / Units		Amount as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
In Subsidiaries - Carried at Demeed cost				
LICHFL Care Homes Limited (Face Value ₹ 10/- each)	5,00,00,000	5,00,00,000	50.00	50.00
LICHFL Financial Services Limited (Face Value ₹ 10/- each)	95,00,000	95,00,000	9.50	9.50
LICHFL Trustee Company Private Limited (Face Value ₹ 10/- each)	90,000	90,000	0.09	0.09
LICHFL Asset Management Company Limited (Face Value ₹ 10/- each)	87,00,000	87,00,000	8.70	8.70
In Associates - Carried at Demeed cost				
LIC Mutual Fund Asset Management Limited (Face Value ₹ 10,000/- each)	4,323	4,323	29.69	29.69
LIC Mutual Fund Trustee Private Limited (Face Value ₹ 10/- each)	3,530	3,530	0.02	0.02
Others				
Goods and Service Tax Network (Face Value ₹ 10/- each)	-	11,00,000	-	1.10
Total			**98.00**	**99.10**

(₹ in crore)

Investments carried at Fair value through Profit & Loss Account	No. of Shares / Units		Amount as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Contribution to Trust			**0.002**	**0.002**
Other investments-Unquoted, Fully paid up				
(i) Real Estate Venture Fund:**				
CIG Realty Fund - 1 (Face Value ₹ 10/- each)	91,71,429	97,14,286	9.17	9.71
Less : Provision for diminuition			9.17	10.00
			-	**(0.29)**
			0.002	**(0.28)**
Other investments-Unquoted, Partly paid up				
(i) Real Estate Venture Fund:**				
LICHFL Urban Development Fund (Face Value ₹ 10,000/- each)	50,000	50,000	18.81	19.29
LICHFL Housing and Infrastructure Fund (Face Value ₹ 100/- each)	1,98,476	1,54,309	1.98	1.54
			20.79	20.83
			20.80	**20.55**

** These are close ended schemes subject to lock in till the closure of the Scheme

NOTE 11
OTHER FINANCIAL ASSETS

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Interest Accured But not due on Fixed Deposits with Banks	5.54	0.01
(ii) Security Deposits	10.24	8.85
(iii) Other Deposits	0.80	0.69
(iv) Dues from Subsidiaries/Associates	0.52	0.57
(v) Other dues from Staff	1.91	1.55
(vi) Fees Receivable	2.40	2.22
Total	**21.41**	**13.89**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 12
CURRENT TAX ASSETS (NET)

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Provision under Income Tax	283.55	107.53
(ii)	Tax Paid under Protest	70.52	70.52
Total		**354.07**	**178.05**

NOTE 13
DEFERRED TAX ASSETS (NET)

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Deferred Tax Assets	2,049.42	2,082.75
(ii)	Deferred Tax Liabilities	(1,529.38)	(1,529.38)
Total		**520.04**	**553.37**

NOTE 14.1
PROPERTY, PLANT & EQUIPMENT

The changes in carrying value of the Property, Plant & Equipment for the year ended March 31, 2020 are as follows:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2019	**0.97**	**107.66**	**9.74**	**8.22**	**0.37**	**4.37**	**17.97**	**149.30**
Additions	-	7.01	0.92	0.84	-	1.39	3.15	13.31
(Deductions)	-	-	(0.00)	(0.01)	-	(0.09)	(0.01)	(0.11)
Gross carrying value as of March 31, 2020	**0.97**	**114.67**	**10.66**	**9.05**	**0.37**	**5.67**	**21.11**	**162.50**
Accumulated Depreciation as of April 1, 2019	**-**	**2.92**	**2.41**	**1.85**	**0.18**	**1.46**	**8.29**	**17.11**
Depreciation	-	1.52	2.09	1.29	0.07	1.17	4.73	10.87
(Accumulated Depreciation on Deductions)	-	-	-	(0.01)	-	(0.08)	(0.01)	(0.10)
Accumulated Depreciation as of March 31, 2020	**-**	**4.44**	**4.50**	**3.13**	**0.25**	**2.55**	**13.01**	**27.88**
Carrying Value as of March 31, 2020	**0.97**	**110.23**	**6.16**	**5.92**	**0.12**	**3.12**	**8.10**	**134.62**

The Debentures are secured by mortgage on an immovable Property Owned by the Company valuing approx ₹ 0.72 crore (Book Value ₹ 0.13 crore).

The changes in carrying value of the Property, Plant & Equipment for the year ended March 31, 2019 are as follows:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2018	**0.04**	**74.81**	**6.44**	**4.76**	**0.21**	**3.17**	**12.54**	**101.97**
Additions	-	33.78	4.33	3.47	0.16	1.24	5.43	48.41
(Deductions)	-	-	(0.06)	(0.01)	-	(0.04)	(0.00)	(0.11)
Gross carrying value as of March 31, 2019	**0.04**	**108.59**	**10.71**	**8.22**	**0.37**	**4.37**	**17.97**	**150.27**
Accumulated Depreciation as of April 1, 2018	**-**	**1.28**	**0.72**	**0.67**	**0.10**	**0.52**	**3.97**	**7.26**
Depreciation	-	1.64	1.92	1.18	0.08	0.96	4.32	10.10
(Accumulated Depreciation on Deductions)	-	-	(0.03)	(0.00)	-	(0.03)	-	(0.06)
Accumulated Depreciation as of March 31, 2019	**-**	**2.92**	**2.61**	**1.85**	**0.18**	**1.45**	**8.29**	**17.30**
Carrying Value as of March 31, 2019	**0.04**	**105.67**	**8.10**	**6.37**	**0.19**	**2.92**	**9.68**	**132.97**

The Debentures are secured by mortgage on an immovable Property Owned by the Company valuing approx ₹ 1.31 crores (Book Value ₹ 0.09 crore).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 14.2
OTHER INTANGIBLE ASSETS

The changes in carrying value of the Intangible Assets for the year ended March 31, 2020 are as follows :-

(₹ in crore)

Particulars	Software License	Total
Gross Carrying Value as of April 1, 2019	**6.31**	**6.31**
Additions	0.31	0.31
(Deductions)	(0.03)	(0.03)
Gross Carrying Value as of March 31, 2020	**6.59**	**6.59**
Accumulated Depreciation as of April 1, 2019	**3.43**	**3.43**
Depreciation for the year	1.19	1.19
(Accumulated Depreciation on Deductions)	(0.01)	(0.01)
Accumulated Depreciation as of March 31, 2020	**4.61**	**4.61**
Carrying Value as of March 31, 2020	**1.98**	**1.98**

The changes in carrying value of the Intangible Assets for the year ended March 31, 2019 are as follows :-

(₹ in crore)

Particulars	Software License	Total
Gross Carrying Value as of April 1, 2018	**4.21**	**4.21**
Additions	2.10	2.10
(Deductions)	-	-
Gross Carrying Value as of March 31, 2019	**6.31**	**6.31**
Accumulated Depreciation as of April 1, 2018	**1.80**	**1.80**
Depreciation for the year	1.63	1.63
(Accumulated Depreciation on Deductions)	-	-
Accumulated Depreciation as of March 31, 2019	**3.43**	**3.43**
Carrying Value as of March 31, 2019	**2.88**	**2.88**

NOTE 14.3
CAPITAL WORK IN PROGRESS

The changes in carrying value of Capital Work in Progress for the year ended March 31, 2020 are as follows :-

(₹ in crore)

Particulars	Capital Work in Progress	Total
Gross Carrying Value as of April 1, 2019	**0.00**	**0.00**
Additions	0.33	0.33
(Deductions)	-	-
Gross Carrying Value as of March 31, 2020	**0.33**	**0.33**
Accumulated Depreciation as of April 1, 2019	**-**	**-**
Depreciation for the year	-	-
(Accumulated Depreciation on Deductions)	-	-
Accumulated Depreciation as of March 31, 2020	**-**	**-**
Carrying Value as of March 31, 2020	**0.33**	**0.33**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 14.4

The changes in carrying value of the Right of Use Assets for the year ended March 31, 2020 :-

(₹ in crore)

Particulars	Right of Use Asset
Opening Value of Right of Use Asset as of April 1, 2019 due to initial recognition as per Ind AS 116	**103.98**
Additions	49.48
(Disposals)	(3.21)
Gross Carrying Value as of March 31,2020	**150.25**
Accumulated Depreciation as of April 1,2019	**-**
Depreciation for the year	36.01
(Accumulated Depreciation on Disposals)	(3.21)
Accumulated Depreciation as of March 31,2020	**32.80**
Carrying Value as of March 31, 2020	**117.45**

The changes in the opening carrying value of the tangible fixed assets for the year ended March 31, 2019 due to implementation of IND AS 116 for assets leased to Subsidiaries as on 01.04.2019:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2019	0.04	108.59	10.71	8.22	0.37	4.37	17.97	150.27
Gross carrying value of Assets Subleased to Subsidiaries	-	-	0.97	0.00	-	0.00	-	0.97
Gross carrying value as of April 1, 2019 net of Assets subleased	**0.04**	**108.59**	**9.74**	**8.22**	**0.37**	**4.37**	**17.97**	**149.30**
Accumulated Depreciation as of April 1, 2019	-	2.92	2.61	1.85	0.18	1.45	8.29	17.30
Depreciation on Assets Sub leased to Subsidiaries	-	-	0.20	-	-	0.00	-	0.21
Accumulated Depreciation as of March 31, 2020 net of Depreciation on Assets subleased to subsidiaries	**-**	**2.92**	**2.41**	**1.85**	**0.18**	**1.45**	**8.29**	**17.10**

NOTE 15
OTHER NON -FINANCIAL ASSETS

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Capital Advances	2.62	1.48
(ii) Statutory Dues	73.94	46.04
(iii) Prepaid Expenses	33.00	25.45
(iv) Sundry Advances	2.29	0.98
(v) Others	0.07	0.07
Total	**111.92**	**74.02**

NOTE 16
PAYABLES

(₹ in crore)

Trade Payables	As at March 31, 2020	As at March 31, 2019
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	34.57	79.94
Total	**34.57**	**79.94**

* Includes payable to a related party ₹ 5.10 crore (FY 2018-19 ₹ 12.78 crore)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Other Payables		As at March 31, 2020	As at March 31, 2019
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total		**-**	**-**

NOTE 17
DEBT SECURITIES - AT AMORTISED COST

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
(1)	**SECURED:**		
	Non Convertible Debentures (Refer Note 17.1)	1,20,413.62	1,18,860.06
	Zero Coupon Debentures (Refer Note 17.2)	4,044.50	8,615.50
(2)	**UNSECURED:**		
	Commercial Paper (Refer Note 17.3)	7,624.14	7,140.11
Total (A) (1+2)		**1,32,082.26**	**1,34,615.67**
Debt securities in India		1,32,082.26	1,34,615.67
Debt securities outside India		-	-
Total		**1,32,082.26**	**1,34,615.67**

NOTE 17.1

Secured by a negative lien on the assets of the Company (excluding current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on March 31, 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on March 31, 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose off, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. In addition to above the Debentures would be secured by mortgage on an Immovable Property owned by the Company valuing approx ₹ 0.72 crore (Book Value ₹ 0.13 crore).

The Details of Non Convertible Redeemable Debentures (NCD) are as under:-

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2020
11200 NCD's of ₹ 1000000/- each	28-Jan-30	7.9700%	-	1,119.40
25000 NCD's of ₹ 1000000/- each	12-Jul-29	7.9900%	12-Jul-21	2,500.00
34000 NCD's of ₹ 1000000/- each	23-Mar-29	8.7000%	-	3,400.00
13650 NCD's of ₹ 1000000/- each	25-Jan-29	8.8000%	-	1,365.00
16060 NCD's of ₹ 1000000/- each	8-Dec-28	8.7500%	-	1,606.00
2749 NCD's of ₹ 1000000/- each	17-Nov-28	8.9700%	-	274.90
9120 NCD's of ₹ 1000000/- each	10-Oct-28	9.0800%	-	912.00
6305 NCD's of ₹ 1000000/- each	24-Sep-28	9.1000%	-	630.50
14770 NCD's of ₹ 1000000/- each	29-Jan-28	7.9500%	27-Aug-21	1,477.00
5300 NCD's of ₹ 1000000/- each	23-Nov-27	7.7500%	-	530.00
5000 NCD's of ₹ 1000000/- each	14-Jul-27	7.5600%	-	500.00
7000 NCD's of ₹ 1000000/- each	17-May-27	7.8600%	-	700.00
6000 NCD's of ₹ 1000000/- each	26-Mar-27	7.9500%	-	600.00
10000 NCD's of ₹ 1000000/- each	16-Dec-26	7.1600%	-	1,000.00
10000 NCD's of ₹ 1000000/- each	23-Oct-26	7.4800%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	25-Sep-26	7.8300%	26-Nov-20	500.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2020
2000 NCD's of ₹ 1000000/- each	18-Aug-26	7.9000%	-	200.00
4724 NCD's of ₹ 1000000/- each	10-Jul-26	8.4300%	-	472.40
5000 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	500.00
3488 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	348.80
3570 NCD's of ₹ 1000000/- each	15-Jun-26	8.4700%	-	357.00
4950 NCD's of ₹ 1000000/- each	10-Jun-26	8.4700%	-	495.00
5100 NCD's of ₹ 1000000/- each	22-May-26	8.4500%	-	510.00
3000 NCD's of ₹ 1000000/- each	27-Apr-26	8.3200%	-	300.00
10000 NCD's of ₹ 1000000/- each	3-Mar-26	8.5700%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	26-Feb-26	8.5300%	-	500.00
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4200%	-	750.00
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4300%	-	750.00
15224 NCD's of ₹ 1000000/- each	24-Dec-25	8.7000%	-	1,522.40
10000 NCD's of ₹ 1000000/- each	12-Dec-25	8.4000%	-	1,000.00
10000 NCD's of ₹ 1000000/- each	13-Nov-25	8.2000%	-	1,000.00
3810 NCD's of ₹ 1000000/- each	23-Oct-25	8.2500%	-	381.00
2100 NCD's of ₹ 1000000/- each	8-Oct-25	8.3400%	-	210.00
3000 NCD's of ₹ 1000000/- each	29-Aug-25	8.5000%	-	300.00
2000 NCD's of ₹ 1000000/- each	29-Aug-25	8.4800%	24-Dec-20	200.00
5000 NCD's of ₹ 1000000/- each	14-Aug-25	8.5500%	-	500.00
3000 NCD's of ₹ 1000000/- each	1-Aug-25	8.5800%	-	300.00
1950 NCD's of ₹ 1000000/- each	18-Jul-25	8.5700%	-	195.00
2050 NCD's of ₹ 1000000/- each	4-Jun-25	8.5000%	-	205.00
10000 NCD's of ₹ 1000000/- each	29-May-25	8.5500%	-	1,000.00
10000 NCD's of ₹ 1000000/- each	31-Mar-25	8.2200%	-	1,000.00
4250 NCD's of ₹ 1000000/- each	3-Mar-25	8.5200%	-	425.00
6000 NCD's of ₹ 1000000/- each	24-Feb-25	8.5000%	-	600.00
15100 NCD's of ₹ 1000000/- each	12-Feb-25	7.3300%	-	1,509.18
100 NCD's of ₹ 1000000/- each	30-Jan-25	8.4000%	-	10.00
10000 NCD's of ₹ 1000000/- each	8-Jan-25	8.6100%	-	1,000.00
27000 NCD's of ₹ 1000000/- each	18-Oct-24	7.7900%	-	2,699.32
5000 NCD's of ₹ 1000000/- each	16-Oct-24	9.2200%	-	500.00
6500 NCD's of ₹ 1000000/- each	30-Sep-24	9.2400%	-	650.00
10000 NCD's of ₹ 1000000/- each	6-Sep-24	7.4000%	-	1,000.00
7700 NCD's of ₹ 1000000/- each	29-Aug-24	7.7800%	-	770.00
5000 NCD's of ₹ 1000000/- each	25-Aug-24	9.4700%	-	500.00
10000 NCD's of ₹ 1000000/- each	25-Aug-24	9.3900%	-	1,000.00
14550 NCD's of ₹ 1000000/- each	23-Jul-24	7.7500%	-	1,454.45
6050 NCD's of ₹ 1000000/- each	5-Jul-24	9.2900%	-	605.00
16740 NCD's of ₹ 1000000/- each	31-May-24	8.3300%	-	1,674.00
2500 NCD's of ₹ 1000000/- each	8-May-24	7.9000%	-	250.00
10000 NCD's of ₹ 1000000/- each	19-Mar-24	9.8000%	-	1,000.00
3150 NCD's of ₹ 1000000/- each	5-Mar-24	8.7900%	-	315.00
15000 NCD's of ₹ 1000000/- each *	5-Mar-24	8.7900%	-	1,499.36
1373 NCD's of ₹ 1000000/- each	8-Feb-24	8.5800%	-	137.30
10000 NCD's of ₹ 1000000/- each	22-Dec-23	7.2500%	-	1,000.00
7750 NCD's of ₹ 1000000/- each	8-Dec-23	8.7500%	-	775.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2020
4480 NCD's of ₹ 1000000/- each	17-Oct-23	9.0800%	-	448.00
2000 NCD's of ₹ 1000000/- each	19-Sep-23	7.8600%	-	200.00
2720 NCD's of ₹ 1000000/- each	9-Jun-23	8.4800%	-	272.00
16630 NCD's of ₹ 1000000/- each	6-Jun-23	9.1900%	-	1,663.00
9000 NCD's of ₹ 1000000/- each	21-May-23	8.3700%	-	900.00
5000 NCD's of ₹ 1000000/- each	25-Apr-23	8.8900%	-	500.00
5250 NCD's of ₹ 1000000/- each	9-Apr-23	9.0000%	-	525.00
5000 NCD's of ₹ 1000000/- each	12-Mar-23	9.1300%	-	500.00
32500 NCD's of ₹ 1000000/- each	10-Feb-23	7.4500%	-	3,249.23
4900 NCD's of ₹ 1000000/- each	19-Jan-23	8.5800%	-	490.00
9100 NCD's of ₹ 1000000/- each	13-Jan-23	7.4450%	-	909.71
7500 NCD's of ₹ 1000000/- each	1-Jan-23	9.2500%	-	750.00
5000 NCD's of ₹ 1000000/- each	17-Dec-22	9.3000%	-	500.00
12050 NCD's of ₹ 1000000/- each	16-Dec-22	7.8500%	-	1,205.00
2000 NCD's of ₹ 1000000/- each	13-Dec-22	9.2300%	-	200.00
3000 NCD's of ₹ 1000000/- each *	22-Nov-22	7.6000%	-	303.07
11650 NCD's of ₹ 1000000/- each	22-Nov-22	7.6000%	-	1,165.00
4000 NCD's of ₹ 1000000/- each	12-Nov-22	9.2500%	-	400.00
3350 NCD's of ₹ 1000000/- each	25-Oct-22	9.0500%	-	335.00
10000 NCD's of ₹ 1000000/- each	17-Oct-22	7.4500%	-	1,000.00
2500 NCD's of ₹ 1000000/- each *	23-Sep-22	7.8500%	-	254.01
12000 NCD's of ₹ 1000000/- each	23-Sep-22	7.8500%	-	1,200.00
5000 NCD's of ₹ 1000000/- each	14-Sep-22	9.3000%	-	500.00
10500 NCD's of ₹ 1000000/- each *	30-Aug-22	7.3900%	-	1,053.42
10000 NCD's of ₹ 1000000/- each	30-Aug-22	7.3900%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	24-Jul-22	9.3500%	-	500.00
11000 NCD's of ₹ 1000000/- each	15-Jul-22	7.4200%	-	1,100.00
20350 NCD's of ₹ 1000000/- each	20-Jun-22	8.5000%	-	2,035.00
5000 NCD's of ₹ 1000000/- each	10-Jun-22	7.4800%	-	500.00
3000 NCD's of ₹ 1000000/- each	23-May-22	7.7800%	-	300.00
2500 NCD's of ₹ 1000000/- each	3-May-22	7.8000%	-	250.00
6518 NCD's of ₹ 1000000/- each	19-Apr-22	8.6850%	-	651.80
5000 NCD's of ₹ 1000000/- each	24-Mar-22	7.9500%	-	500.00
4950 NCD's of ₹ 1000000/- each	24-Mar-22	9.1700%	-	495.00
2000 NCD's of ₹ 1000000/- each	10-Feb-22	9.4300%	-	200.00
3000 NCD's of ₹ 1000000/- each	30-Jan-22	9.4500%	-	300.00
25000 NCD's of ₹ 1000000/- each	14-Jan-22	8.5950%	-	2,500.00
5000 NCD's of ₹ 1000000/- each	13-Jan-22	7.5700%	-	500.00
19350 NCD's of ₹ 1000000/- each	28-Dec-21	7.0300%	-	1,934.89
7500 NCD's of ₹ 1000000/- each	19-Nov-21	7.2200%	-	749.84
2000 NCD's of ₹ 1000000/- each	11-Nov-21	9.9000%	-	200.00
1400 NCD's of ₹ 1000000/- each	21-Oct-21	7.6600%	-	140.00
3000 NCD's of ₹ 1000000/- each	19-Oct-21	7.8100%	-	300.00
4970 NCD's of ₹ 1000000/- each	14-Oct-21	7.5900%	-	497.00
5000 NCD's of ₹ 1000000/- each	19-Sep-21	9.4000%	-	500.00
16750 NCD's of ₹ 1000000/- each	17-Sep-21	8.2534%	-	1,675.00
2000 NCD's of ₹ 1000000/- each	27-Aug-21	7.7500%	-	200.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2020
15950 NCD's of ₹ 1000000/- each	23-Aug-21	7.2400%	-	1,594.78
5000 NCD's of ₹ 1000000/- each	29-Jul-21	7.6700%	-	500.00
1050 NCD's of ₹ 1000000/- each	27-Jul-21	8.1900%	-	105.00
5000 NCD's of ₹ 1000000/- each	15-Jul-21	8.3000%	-	500.00
3400 NCD's of ₹ 1000000/- each	13-Jul-21	6.5700%	-	339.97
4350 NCD's of ₹ 1000000/- each	7-Jul-21	8.4700%	-	435.00
5000 NCD's of ₹ 1000000/- each	7-Jun-21	9.8000%	-	500.00
5010 NCD's of ₹ 1000000/- each	4-Jun-21	6.9500%	-	500.89
2500 NCD's of ₹ 1000000/- each	21-May-21	8.4500%	-	250.00
5000 NCD's of ₹ 1000000/- each	11-May-21	9.4000%	-	500.00
5050 NCD's of ₹ 1000000/- each	10-May-21	8.3700%	-	505.00
6000 NCD's of ₹ 1000000/- each	8-Mar-21	8.7500%	-	600.00
2500 NCD's of ₹ 1000000/- each	7-Mar-21	9.6000%	-	250.00
3670 NCD's of ₹ 1000000/- each	26-Feb-21	8.6000%	-	367.00
12500 NCD's of ₹ 1000000/- each	18-Feb-21	7.5700%	-	1,250.00
7500 NCD's of ₹ 1000000/- each	12-Feb-21	8.7500%	-	750.00
3270 NCD's of ₹ 1000000/- each	28-Jan-21	7.8800%	-	327.00
10000 NCD's of ₹ 1000000/- each	18-Jan-21	9.0000%	-	1,000.00
3500 NCD's of ₹ 1000000/- each	5-Jan-21	8.5000%	-	350.00
1500 NCD's of ₹ 1000000/- each	5-Jan-21	8.5000%	-	150.00
1070 NCD's of ₹ 1000000/- each	4-Jan-21	9.3500%	-	107.00
4560 NCD's of ₹ 1000000/- each	28-Dec-20	8.6000%	-	456.00
25000 NCD's of ₹ 1000000/- each	24-Dec-20	8.8000%	-	2,500.00
7500 NCD's of ₹ 1000000/- each	21-Dec-20	8.7500%	-	750.00
32000 NCD's of ₹ 1000000/- each	3-Dec-20	9.0200%	-	3,200.00
3660 NCD's of ₹ 1000000/- each	23-Nov-20	9.0000%	-	366.00
3500 NCD's of ₹ 1000000/- each	17-Nov-20	7.6500%	-	350.00
6500 NCD's of ₹ 1000000/- each	23-Oct-20	8.3500%	-	650.00
4650 NCD's of ₹ 1000000/- each	13-Oct-20	8.8800%	-	465.00
5000 NCD's of ₹ 1000000/- each	12-Oct-20	8.1400%	-	500.00
2000 NCD's of ₹ 1000000/- each	7-Oct-20	7.5400%	-	200.00
4400 NCD's of ₹ 1000000/- each	24-Sep-20	8.5250%	-	440.00
5550 NCD's of ₹ 1000000/- each	24-Sep-20	9.2500%	-	555.00
2050 NCD's of ₹ 1000000/- each	15-Sep-20	8.6500%	-	205.00
5030 NCD's of ₹ 1000000/- each	15-Sep-20	8.6500%	-	503.00
10000 NCD's of ₹ 1000000/- each	25-Aug-20	8.6700%	-	1,000.00
2500 NCD's of ₹ 1000000/- each	18-Aug-20	7.4000%	-	250.00
2500 NCD's of ₹ 1000000/- each	14-Aug-20	7.4000%	-	250.00
6300 NCD's of ₹ 1000000/- each	10-Aug-20	8.9000%	-	630.00
7500 NCD's of ₹ 1000000/- each	29-Jul-20	8.6000%	-	750.00
6050 NCD's of ₹ 1000000/- each	22-Jul-20	8.6000%	-	605.00
3000 NCD's of ₹ 1000000/- each	13-Jul-20	7.4700%	-	300.00
7500 NCD's of ₹ 1000000/- each	13-Jul-20	8.4000%	-	750.00
5000 NCD's of ₹ 1000000/- each	24-Jun-20	7.7800%	-	500.00
2000 NCD's of ₹ 1000000/- each	19-Jun-20	7.7900%	-	200.00
20000 NCD's of ₹ 1000000/- each	19-Jun-20	9.1106%	-	2,000.00
5000 NCD's of ₹ 1000000/- each	11-Jun-20	7.5850%	-	500.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2020
5000 NCD's of ₹ 1000000/- each	5-Jun-20	7.7400%	-	500.00
2960 NCD's of ₹ 1000000/- each	31-May-20	8.6000%	-	296.00
7000 NCD's of ₹ 1000000/- each	22-May-20	7.7000%	-	700.00
4000 NCD's of ₹ 1000000/- each	15-May-20	7.9800%	-	400.00
3500 NCD's of ₹ 1000000/- each	11-May-20	7.5200%	-	350.00
3000 NCD's of ₹ 1000000/- each	28-Apr-20	8.4900%	-	300.00
5000 NCD's of ₹ 1000000/- each	27-Apr-20	7.8130%	-	500.00
5750 NCD's of ₹ 1000000/- each	24-Apr-20	7.2000%	-	575.00
TOTAL				**1,20,413.62**

* Reissue premium (₹ 11.01 Crs.)/ discount (₹ 0.64 Crs.).
Transactions of amount ₹ 15550 crore are with related party

The Details of Non Convertible Redeemable Debentures (NCD) are as under:-

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2019
34000 NCD's of ₹ 1000000/- each	23-Mar-29	8.7000%	-	3,400.00
13650 NCD's of ₹ 1000000/- each	25-Jan-29	8.8000%	-	1,365.00
16060 NCD's of ₹ 1000000/- each	8-Dec-28	8.7500%	-	1,606.00
2749 NCD's of ₹ 1000000/- each	17-Nov-28	8.9700%	-	274.90
9120 NCD's of ₹ 1000000/- each	10-Oct-28	9.0800%	-	912.00
6305 NCD's of ₹ 1000000/- each	24-Sep-28	9.1000%	-	630.50
14770 NCD's of ₹ 1000000/- each	29-Jan-28	7.9500%	-	1,477.00
2500 NCD's of ₹ 1000000/- each	22-Jan-28	7.9000%	22-Aug-19	250.00
5300 NCD's of ₹ 1000000/- each	23-Nov-27	7.7500%	-	530.00
5000 NCD's of ₹ 1000000/- each	14-Jul-27	7.5600%	-	500.00
7000 NCD's of ₹ 1000000/- each	17-May-27	7.8600%	-	700.00
6000 NCD's of ₹ 1000000/- each	26-Mar-27	7.9500%	-	600.00
10000 NCD's of ₹ 1000000/- each	16-Dec-26	7.1600%	-	1,000.00
10000 NCD's of ₹ 1000000/- each	23-Oct-26	7.4800%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	25-Sep-26	7.8300%	-	500.00
2000 NCD's of ₹ 1000000/- each	18-Aug-26	7.9000%	-	200.00
4750 NCD's of ₹ 1000000/- each	10-Jul-26	8.4300%	12-Jul-19	475.00
5000 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	19-Aug-19	500.00
3488 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	348.80
3700 NCD's of ₹ 1000000/- each	15-Jun-26	8.4700%	15-Jul-19	370.00
5000 NCD's of ₹ 1000000/- each	10-Jun-26	8.4700%	28-Jun-19	500.00
5350 NCD's of ₹ 1000000/- each	22-May-26	8.4500%	23-Oct-19	535.00
3000 NCD's of ₹ 1000000/- each	27-Apr-26	8.3200%	-	300.00
10000 NCD's of ₹ 1000000/- each	3-Mar-26	8.5700%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	26-Feb-26	8.5300%	-	500.00
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4200%	-	750.00
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4300%	-	750.00
15224 NCD's of ₹ 1000000/- each	24-Dec-25	8.7000%	-	1,522.40
10000 NCD's of ₹ 1000000/- each	12-Dec-25	8.4000%	-	1,000.00
10000 NCD's of ₹ 1000000/- each	13-Nov-25	8.2000%	-	1,000.00
3810 NCD's of ₹ 1000000/- each	23-Oct-25	8.2500%	-	381.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2019
2100 NCD's of ₹ 1000000/- each	8-Oct-25	8.3400%	-	210.00
3000 NCD's of ₹ 1000000/- each	29-Aug-25	8.5000%	-	300.00
2000 NCD's of ₹ 1000000/- each	29-Aug-25	8.4800%	-	200.00
5000 NCD's of ₹ 1000000/- each	14-Aug-25	8.5500%	-	500.00
3000 NCD's of ₹ 1000000/- each	1-Aug-25	8.5800%	-	300.00
1950 NCD's of ₹ 1000000/- each	18-Jul-25	8.5700%	-	195.00
2050 NCD's of ₹ 1000000/- each	4-Jun-25	8.5000%	-	205.00
10000 NCD's of ₹ 1000000/- each	29-May-25	8.5500%	-	1,000.00
10000 NCD's of ₹ 1000000/- each	31-Mar-25	8.2200%	-	1,000.00
4250 NCD's of ₹ 1000000/- each	3-Mar-25	8.5200%	-	425.00
6000 NCD's of ₹ 1000000/- each	24-Feb-25	8.5000%	-	600.00
100 NCD's of ₹ 1000000/- each	30-Jan-25	8.4000%	-	10.00
10000 NCD's of ₹ 1000000/- each	8-Jan-25	8.6100%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	16-Oct-24	9.2200%	-	500.00
6500 NCD's of ₹ 1000000/- each	30-Sep-24	9.2400%	-	650.00
10000 NCD's of ₹ 1000000/- each	6-Sep-24	7.4000%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	25-Aug-24	9.4700%	-	500.00
10000 NCD's of ₹ 1000000/- each	25-Aug-24	9.3900%	-	1,000.00
6050 NCD's of ₹ 1000000/- each	5-Jul-24	9.2900%	-	605.00
2500 NCD's of ₹ 1000000/- each	8-May-24	7.9000%	-	250.00
10000 NCD's of ₹ 1000000/- each	19-Mar-24	9.8000%	-	1,000.00
3150 NCD's of ₹ 1000000/- each	5-Mar-24	8.7900%	-	315.00
15000 NCD's of ₹ 1000000/- each *	5-Mar-24	8.7900%	-	1,499.36
1373 NCD's of ₹ 1000000/- each	8-Feb-24	8.5800%	-	137.30
10000 NCD's of ₹ 1000000/- each	22-Dec-23	7.2500%	-	1,000.00
7750 NCD's of ₹ 1000000/- each	8-Dec-23	8.7500%	-	775.00
4480 NCD's of ₹ 1000000/- each	17-Oct-23	9.0800%	-	448.00
2000 NCD's of ₹ 1000000/- each	19-Sep-23	7.8600%	-	200.00
2720 NCD's of ₹ 1000000/- each	9-Jun-23	8.4800%	-	272.00
16630 NCD's of ₹ 1000000/- each	6-Jun-23	9.1900%	6-Feb-20	1,663.00
9000 NCD's of ₹ 1000000/- each	21-May-23	8.3700%	-	900.00
5000 NCD's of ₹ 1000000/- each	25-Apr-23	8.8900%	-	500.00
5250 NCD's of ₹ 1000000/- each	9-Apr-23	9.0000%	-	525.00
5000 NCD's of ₹ 1000000/- each	12-Mar-23	9.1300%	-	500.00
4900 NCD's of ₹ 1000000/- each	19-Jan-23	8.5800%	19-Jun-19	490.00
7500 NCD's of ₹ 1000000/- each	1-Jan-23	9.2500%	-	750.00
5000 NCD's of ₹ 1000000/- each	17-Dec-22	9.3000%	-	500.00
12050 NCD's of ₹ 1000000/- each	16-Dec-22	7.8500%	-	1,205.00
2000 NCD's of ₹ 1000000/- each	13-Dec-22	9.2300%	-	200.00
4000 NCD's of ₹ 1000000/- each	12-Nov-22	9.2500%	-	400.00
3350 NCD's of ₹ 1000000/- each	25-Oct-22	9.0500%	-	335.00
10000 NCD's of ₹ 1000000/- each	17-Oct-22	7.4500%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	14-Sep-22	9.3000%	-	500.00
10000 NCD's of ₹ 1000000/- each	30-Aug-22	7.3900%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	24-Jul-22	9.3500%	-	500.00
11000 NCD's of ₹ 1000000/- each	15-Jul-22	7.4200%	-	1,100.00
5000 NCD's of ₹ 1000000/- each	10-Jun-22	7.4800%	-	500.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2019
3000 NCD's of ₹ 1000000/- each	23-May-22	7.7800%	-	300.00
2500 NCD's of ₹ 1000000/- each	3-May-22	7.8000%	-	250.00
6518 NCD's of ₹ 1000000/- each	19-Apr-22	8.6850%	-	651.80
5000 NCD's of ₹ 1000000/- each	24-Mar-22	7.9500%	-	500.00
4950 NCD's of ₹ 1000000/- each	24-Mar-22	9.1700%	-	495.00
2000 NCD's of ₹ 1000000/- each	10-Feb-22	9.4300%	-	200.00
3000 NCD's of ₹ 1000000/- each	30-Jan-22	9.4500%	-	300.00
25000 NCD's of ₹ 1000000/- each	14-Jan-22	8.5950%	-	2,500.00
5000 NCD's of ₹ 1000000/- each	13-Jan-22	7.5700%	-	500.00
2000 NCD's of ₹ 1000000/- each	11-Nov-21	9.9000%	-	200.00
1400 NCD's of ₹ 1000000/- each	21-Oct-21	7.6600%	-	140.00
3000 NCD's of ₹ 1000000/- each	19-Oct-21	7.8100%	-	300.00
4970 NCD's of ₹ 1000000/- each	14-Oct-21	7.5900%	-	497.00
5000 NCD's of ₹ 1000000/- each	19-Sep-21	9.4000%	-	500.00
16750 NCD's of ₹ 1000000/- each	17-Sep-21	8.2534%	-	1,675.00
2000 NCD's of ₹ 1000000/- each	27-Aug-21	7.7500%	-	200.00
5000 NCD's of ₹ 1000000/- each	29-Jul-21	7.6700%	-	500.00
1050 NCD's of ₹ 1000000/- each	27-Jul-21	8.1900%	-	105.00
5000 NCD's of ₹ 1000000/- each	15-Jul-21	8.3000%	-	500.00
4350 NCD's of ₹ 1000000/- each	7-Jul-21	8.4700%	-	435.00
5000 NCD's of ₹ 1000000/- each	7-Jun-21	9.8000%	-	500.00
2500 NCD's of ₹ 1000000/- each	21-May-21	8.4500%	-	250.00
5000 NCD's of ₹ 1000000/- each	11-May-21	9.4000%	-	500.00
5050 NCD's of ₹ 1000000/- each	10-May-21	8.3700%	-	505.00
6000 NCD's of ₹ 1000000/- each	8-Mar-21	8.7500%	-	600.00
2500 NCD's of ₹ 1000000/- each	7-Mar-21	9.6000%	-	250.00
3670 NCD's of ₹ 1000000/- each	26-Feb-21	8.6000%	-	367.00
12500 NCD's of ₹ 1000000/- each	18-Feb-21	7.5700%	-	1,250.00
7500 NCD's of ₹ 1000000/- each	12-Feb-21	8.7500%	-	750.00
3270 NCD's of ₹ 1000000/- each	28-Jan-21	7.8800%	-	327.00
10000 NCD's of ₹ 1000000/- each	18-Jan-21	9.0000%	-	1,000.00
3500 NCD's of ₹ 1000000/- each	5-Jan-21	8.5000%	-	350.00
1500 NCD's of ₹ 1000000/- each	5-Jan-21	8.5000%	-	150.00
1070 NCD's of ₹ 1000000/- each	4-Jan-21	9.3500%	-	107.00
4560 NCD's of ₹ 1000000/- each	28-Dec-20	8.6000%	-	456.00
25000 NCD's of ₹ 1000000/- each	24-Dec-20	8.8000%	-	2,500.00
7500 NCD's of ₹ 1000000/- each	21-Dec-20	8.7500%	-	750.00
32000 NCD's of ₹ 1000000/- each	3-Dec-20	9.0200%	-	3,200.00
3660 NCD's of ₹ 1000000/- each	23-Nov-20	9.0000%	-	366.00
3500 NCD's of ₹ 1000000/- each	17-Nov-20	7.6500%	-	350.00
6500 NCD's of ₹ 1000000/- each	23-Oct-20	8.3500%	-	650.00
4650 NCD's of ₹ 1000000/- each	13-Oct-20	8.8800%	-	465.00
5000 NCD's of ₹ 1000000/- each	12-Oct-20	8.1400%	-	500.00
2000 NCD's of ₹ 1000000/- each	7-Oct-20	7.5400%	-	200.00
4400 NCD's of ₹ 1000000/- each	24-Sep-20	8.5250%	-	440.00
5550 NCD's of ₹ 1000000/- each	24-Sep-20	9.2500%	-	555.00
2050 NCD's of ₹ 1000000/- each	15-Sep-20	8.6500%	-	205.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2019
5030 NCD's of ₹ 1000000/- each	15-Sep-20	8.6500%	-	503.00
10000 NCD's of ₹ 1000000/- each	25-Aug-20	8.6700%	-	1,000.00
2500 NCD's of ₹ 1000000/- each	18-Aug-20	7.4000%	-	250.00
2500 NCD's of ₹ 1000000/- each	14-Aug-20	7.4000%	-	250.00
6300 NCD's of ₹ 1000000/- each	10-Aug-20	8.9000%	-	630.00
7500 NCD's of ₹ 1000000/- each	29-Jul-20	8.6000%	-	750.00
6050 NCD's of ₹ 1000000/- each	22-Jul-20	8.6000%	-	605.00
3000 NCD's of ₹ 1000000/- each	13-Jul-20	7.4700%	-	300.00
7500 NCD's of ₹ 1000000/- each	13-Jul-20	8.4000%	-	750.00
5000 NCD's of ₹ 1000000/- each	24-Jun-20	7.7800%	-	500.00
2000 NCD's of ₹ 1000000/- each	19-Jun-20	7.7900%	-	200.00
20000 NCD's of ₹ 1000000/- each	19-Jun-20	9.1106%	-	2,000.00
5000 NCD's of ₹ 1000000/- each	11-Jun-20	7.5850%	-	500.00
5000 NCD's of ₹ 1000000/- each	5-Jun-20	7.7400%	-	500.00
2960 NCD's of ₹ 1000000/- each	31-May-20	8.6000%	-	296.00
7000 NCD's of ₹ 1000000/- each	22-May-20	7.7000%	-	700.00
4000 NCD's of ₹ 1000000/- each	15-May-20	7.9800%	-	400.00
3500 NCD's of ₹ 1000000/- each	11-May-20	7.5200%	-	350.00
3000 NCD's of ₹ 1000000/- each	28-Apr-20	8.4900%	-	300.00
5000 NCD's of ₹ 1000000/- each	27-Apr-20	7.8130%	-	500.00
5750 NCD's of ₹ 1000000/- each	24-Apr-20	7.2000%	-	575.00
5950 NCD's of ₹ 1000000/- each	30-Mar-20	8.6800%	-	595.00
2200 NCD's of ₹ 1000000/- each	19-Mar-20	7.8000%	-	220.00
2200 NCD's of ₹ 1000000/- each	18-Mar-20	7.8000%	-	220.00
2200 NCD's of ₹ 1000000/- each	17-Mar-20	7.8000%	-	220.00
15000 NCD's of ₹ 1000000/- each	12-Mar-20	8.4500%	-	1,500.00
6500 NCD's of ₹ 1000000/- each	28-Feb-20	7.5800%	-	650.00
2500 NCD's of ₹ 10000000/- each	21-Feb-20	7.7700%	-	250.00
5000 NCD's of ₹ 1000000/- each	18-Feb-20	8.0200%	-	500.00
2050 NCD's of ₹ 1000000/- each	14-Feb-20	8.4800%	-	205.00
2000 NCD's of ₹ 1000000/- each	11-Feb-20	7.9700%	-	200.00
8000 NCD's of ₹ 1000000/- each	21-Jan-20	8.4700%	-	800.00
4500 NCD's of ₹ 1000000/- each	14-Jan-20	8.7500%	-	450.00
3500 NCD's of ₹ 1000000/- each	14-Jan-20	8.7300%	-	350.00
10000 NCD's of ₹ 1000000/- each	19-Dec-19	8.6100%	-	1,000.00
3000 NCD's of ₹ 1000000/- each	18-Dec-19	7.9000%	-	300.00
3000 NCD's of ₹ 1000000/- each	12-Dec-19	7.9600%	-	300.00
15020 NCD's of ₹ 1000000/- each	6-Dec-19	9.2200%	-	1,502.00
7150 NCD's of ₹ 1000000/- each	28-Nov-19	8.7200%	-	715.00
16650 NCD's of ₹ 1000000/- each	22-Nov-19	7.9300%	-	1,665.00
5500 NCD's of ₹ 1000000/- each	18-Nov-19	8.5937%	-	550.00
6000 NCD's of ₹ 1000000/- each	8-Nov-19	8.7000%	-	600.00
5000 NCD's of ₹ 1000000/- each	29-Oct-19	8.9700%	-	500.00
7700 NCD's of ₹ 1000000/- each	18-Oct-19	8.3500%	-	770.00
10000 NCD's of ₹ 1000000/- each	3-Oct-19	8.3700%	-	1,000.00
3500 NCD's of ₹ 1000000/- each	30-Sep-19	9.2400%	-	350.00
2500 NCD's of ₹ 1000000/- each	10-Sep-19	9.4500%	-	250.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2019
10000 NCD's of ₹ 1000000/- each	30-Aug-19	9.4400%	-	1,000.00
11750 NCD's of ₹ 1000000/- each	28-Aug-19	7.8950%	-	1,175.00
5750 NCD's of ₹ 1000000/- each	19-Aug-19	9.3500%	-	575.00
10000 NCD's of ₹ 1000000/- each	24-Jul-19	9.5100%	-	1,000.00
5000 NCD's of ₹ 1000000/- each	12-Jul-19	7.5850%	-	500.00
3000 NCD's of ₹ 1000000/- each	26-Jun-19	8.6900%	-	300.00
6000 NCD's of ₹ 1000000/- each	19-Jun-19	7.0650%	-	600.00
3000 NCD's of ₹ 1000000/- each	13-Jun-19	8.6000%	-	300.00
3000 NCD's of ₹ 1000000/- each	13-Jun-19	8.3700%	-	300.00
5000 NCD's of ₹ 1000000/- each	21-May-19	7.4000%	-	500.00
2000 NCD's of ₹ 1000000/- each	17-May-19	8.6900%	-	200.00
13000 NCD's of ₹ 1000000/- each	15-May-19	7.8125%	-	1,300.00
4100 NCD's of ₹ 1000000/- each	10-May-19	7.7900%	-	410.00
3950 NCD's of ₹ 1000000/- each	30-Apr-19	8.2800%	-	395.00
7500 NCD's of ₹ 1000000/- each	23-Apr-19	7.0850%	-	750.00
2000 NCD's of ₹ 1000000/- each	5-Apr-19	8.6900%	-	200.00
TOTAL				**1,18,860.06**

Note 17.2

The ZCDs are redeemable at Premium. The ZCDs issued after March 31, 2015 are secured by a negative lien on the assets of the Company (excluding current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the Company outstanding as on March 31, 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on March 31, 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose off, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. In addition to above the Zero Copupon Debentures are secured by mortgage on an Immovable Property owned by the Company valuing approx ₹ 0.72 crore (Book Value ₹ 0.13 crore).

The details of Zero Coupon Debentures are as under:

(₹ in crore)

Description	Date of Redemption		Earliest Put/ Call Option Date	As at March 31, 2020
5295 ZCD's of ₹ 1000000/- each	4-May-22	*	-	529.50
16220 ZCD's of ₹ 1000000/- each	25-Feb-22	**	-	1,622.00
11730 ZCD's of ₹ 1000000/- each	25-Mar-21	***	-	1,173.00
7200 ZCD's of ₹ 1000000/- each	18-May-20	****	-	720.00
TOTAL				**4,044.50**

* Maturity Value of ₹ 13,05,675/- per Debenture including premium.

** Maturity Value of ₹ 13,27,103/- per Debenture including premium.

*** Maturity Value of ₹ 12,70,200/- per Debenture including premium.

**** Maturity Value of ₹ 11,14,676/- per Debenture including premium.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The details of Zero Coupon Debentures are as under:

(₹ in crore)

Description	Date of Redemption		Earliest Put/ Call Option Date	As at March 31, 2019
5295 ZCD's of ₹ 1000000/- each	4-May-22	*	-	529.50
16220 ZCD's of ₹ 1000000/- each	25-Feb-22	**	-	1,622.00
11730 ZCD's of ₹ 1000000/- each	25-Mar-21	***	-	1,173.00
7200 ZCD's of ₹ 1000000/- each	18-May-20	****	-	720.00
13500 ZCD's of ₹ 1000000/- each	25-Feb-20	*****	-	1,350.00
10000 ZCD's of ₹ 1000000/- each	23-Jan-20	******	-	1,000.00
9000 ZCD's of ₹ 1000000/- each	10-Sep-19	*******	-	900.00
10000 ZCD's of ₹ 1000000/- each	2-Sep-19	********	-	1,000.00
3210 ZCD's of ₹ 1000000/- each	9-Apr-19	*********	-	321.00
TOTAL				**8,615.50**

* Maturity Value of ₹ 13,05,675/- per Debenture including premium.

** Maturity Value of ₹ 13,27,103/- per Debenture including premium.

*** Maturity Value of ₹ 12,70,200/- per Debenture including premium.

**** Maturity Value of ₹ 11,14,676/- per Debenture including premium.

***** Maturity Value of ₹ 11,58,017/- per Debenture including premium.

******Maturity Value of ₹ 11,65,320/- per Debenture including premium.

******* Maturity Value of ₹ 15,56,727/- per Debenture including premium.

******** Maturity Value of ₹ 15,66,016/- per Debenture including premium.

********* Maturity Value of ₹ 12,83,584/-per Debenture including premium.

Note 17.3

The details of Commercial Papers are as under:

(₹ in crore)

Particulars	Date of Maturity	Discounting Rate	As at March 31, 2020
19000 Units of ₹ 500000 each	10-Mar-21	6.03%	898.69
15000 Units of ₹ 500000 each	9-Feb-21	6.20%	711.85
17000 Units of ₹ 500000 each	22-Jan-21	6.50%	807.32
6000 Units of ₹ 500000 each	19-Nov-20	6.37%	288.35
7000 Units of ₹ 500000 each	11-Nov-20	6.38%	336.85
13000 Units of ₹ 500000 each	11-Nov-20	6.38%	625.57
17500 Units of ₹ 500000 each	11-Sep-20	6.50%	850.44
3000 Units of ₹ 500000 each	10-Sep-20	6.50%	145.82
22000 Units of ₹ 500000 each	20-Aug-20	6.80%	1,072.15
4000 Units of ₹ 500000 each	16-Jul-20	7.49%	195.82
14000 Units of ₹ 500000 each	8-Jun-20	5.32%	693.09
20200 Units of ₹ 500000 each	28-May-20	7.75%	998.19
Total			**7,624.14**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Particulars	Date of Maturity	Discounting Rate	As at March 31, 2019
15000 Units of ₹ 500000 each	10-Feb-20	8.27%	699.96
20000 Units of ₹ 500000 each	30-Jan-20	8.28%	935.25
10000 Units of ₹ 500000 each	12-Dec-19	8.29%	472.44
9000 Units of ₹ 500000 each	28-Nov-19	8.91%	425.19
20000 Units of ₹ 500000 each	12-Jun-19	7.90%	984.67
10000 Units of ₹ 500000 each	28-May-19	8.65%	493.39
5000 Units of ₹ 500000 each	28-May-19	8.65%	246.69
10000 Units of ₹ 500000 each	20-May-19	7.43%	495.05
20000 Units of ₹ 500000 each	2-May-19	8.68%	992.77
14000 Units of ₹ 500000 each	24-Apr-19	8.60%	696.27
14000 Units of ₹ 500000 each	12-Apr-19	7.46%	698.43
Total			**7,140.11**

NOTE 18
BORROWINGS (OTHER THAN DEBT SECURITIES) - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
SECURED (Refer Note 18.1)		
(a) Term Loans		
(i) from Banks (Rupee Term Loans) **	25,622.55	16,079.23
(ii) National Housing Bank (Refinance) **	1,882.17	1,310.68
(iii) Other Financial Institutions **	-	200.00
(b) Loans repayable on demand from Banks (Rupee Term Loans) **	16,140.00	8,794.00
Total (A) Borrowings in India	**43,644.72**	**26,383.91**
(a) Term Loans		
(i) from Banks (ECB) **	1,495.71	-
Total (B) Borrowings out side India	**1,495.71**	**-**
Total Borrowings (A) + (B)	**45,140.43**	**26,383.91**

NOTE 18.1

Negative lien on the assets of the Company (excluding current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on March 31, 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on March 31, 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose off, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules and Immovable Property acquired by Company on or after September 26, 2001.

**** Maturity Profile of Term Loans, ECB, Loan from Other Financial institutions and National Housing Bank (Refinance)**

(₹ in crore)

Particulars	As at March 31, 2020			
	Term Loans Banks (ROI 6.00% - 7.95%)	External Commercial Borrowings (ECB) (ROI 7.52%)	National Housing Bank (Refinance) (ROI 6.80% - 8.75%)	Total
Within 12 months	20,930.77	-	537.00	21,467.77
Over 1 year to 3 years	9,967.33	1,495.71	788.15	12,251.19
Over 3 to 5 years	7,168.62	-	419.52	7,588.14
Over 5 to 7 years	2,778.33	-	137.50	2,915.83
Over 7 Years	917.50	-	-	917.50
Total	**41,762.55**	**1,495.71**	**1,882.17**	**45,140.43**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Particulars	As at March 31, 2019			
	Term Loans from Banks	Loan from Other Financial Institutions	National Housing Bank (Refinance)	Total
	(ROI 7.40% - 8.75%)	(ROI 8.25%)	(ROI 6.80% - 8.75%)	
Within 12 months	10,889.10	40.00	302.05	11,231.15
Over 1 year to 3 years	7,600.79	80.00	614.68	8,295.47
Over 3 to 5 years	4,715.67	80.00	352.89	5,148.56
Over 5 to 7 years	1,507.67	-	41.06	1,548.73
Over 7 Years	160.00	-	-	160.00
Total	**24,873.23**	**200.00**	**1,310.68**	**26,383.91**

NOTE 19
DEPOSITS - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
UNSECURED:		
(i) Public Deposits	6,868.80	3,932.17
(ii) Corporate Deposits	5,740.19	3,735.26
Total	**12,608.99**	**7,667.43**

The Company has designated liquid assets for the purpose of maintaining Statutory Liquid Ratio and Floating Charge on Fixed Deposits with banks has been created in favour of the Trustees for Depositors

NOTE 20
SUBORDINATED LIABILITIES - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
UNSECURED:		
(i) Subordinated Bonds	500.00	500.00
(ii) Upper Tier II Bonds	1,000.00	1,500.00
Total (A)	**1,500.00**	**2,000.00**
Subordinated Liabilities in India	1,500.00	2,000.00
Subordinated Liabilities outside India	-	-
Total (B)	**1,500.00**	**2,000.00**

The details of Subordinated Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at March 31, 2020
5000 Bonds of ₹ 1,000,000 each	15-Sep-20	8.95%	-	500.00
Total				**500.00**

These Bonds are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under National Housing Bank (NHB) guidelines for assessing capital adequacy. Based on the balance term to maturity as at March 31, 2020, 0% (FY 2018-19 - 20%) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The details of Subordinated Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at March 31, 2019
5000 Bonds of ₹ 1,000,000 each	15-Sep-20	8.95%	-	500.00
Total				**500.00**

The details of Upper Tier II Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at March 31, 2020
5000 Bonds of ₹ 1,000,000 each*	29-Nov-25	9.00%	29-Nov-20	500.00
5000 Bonds of ₹ 1,000,000 each*	26-Oct-25	8.90%	26-Oct-20	500.00
Total				**1,000.00**

Bonds of amount ₹ 1000 crore are with related party

The details of Upper Tier II Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at March 31, 2019
5000 Bonds of ₹ 1,000,000 each*	29-Nov-25	9.00%	29-Nov-20	500.00
5000 Bonds of ₹ 1,000,000 each*	26-Oct-25	8.90%	26-Oct-20	500.00
5000 Bonds of ₹ 1,000,000 each*	31-Mar-25	8.70%	31-Mar-20	500.00
Total				**1,500.00**

Bonds of amount ₹ 1500 crore are with related party

*Redemption and call option excercisable with prior approval of National Housing Bank.

NOTE 21
OTHER FINANCIAL LIABILITIES

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Interest accrued		
- Non-Convertible Debentures	4,177.70	4,100.15
- Zero Coupon Debentures	535.26	1,421.32
- Term Loan	66.43	46.96
- Subordinated Bonds	58.79	102.20
- Deposits	599.15	481.55
(ii) Unclaimed Dividends *	7.85	7.97
(iii) Unpaid Matured Deposits	93.17	86.16
(iv) Book Overdraft [Refer Note 43]	682.54	6,909.46
(v) Pre-received Interest Liability on NCD Reissuance	38.76	1.08
(vi) Miscellaneous Liabilities	468.84	132.57
Total	**6,728.49**	**13,289.42**

* As required under Section 125 of the Companies Act 2013, the Company has transferred ₹ 0.98 crores (FY 2018-19 ₹ 0.82 crores) to the Investor Education and Protection Fund (IEPF) during the year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 22
PROVISIONS

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Provision for Employee Benefits	144.91	112.97
(ii)	Other Provisions	0.42	0.42
Total		**145.33**	**113.39**

NOTE 23
OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Outstanding Expenses	88.92	44.48
(ii)	Statutory Dues	70.20	51.60
(iii)	Earnest Money Deposit	0.40	0.16
(iv)	Others	64.14	52.41
Total		**223.66**	**148.65**

NOTE 24
SHARE CAPITAL

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
AUTHORISED		
750,000,000 Equity Shares of ₹ 2/- each (Previous year 750,000,000 Equity Shares of ₹ 2/- each)	150.00	150.00
ISSUED, SUBSCRIBED AND PAID-UP		
504,663,000 Equity Shares of ₹ 2/- each (Previous Year 504,663,000 Equity Shares of ₹ 2/- each) fully paid up	100.93	100.93
Add: Forfeited shares as per Note. 23(d) below	0.06	0.06
	100.99	**100.99**

NOTE 24 (a): RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AND AMOUNT OF SHARE CAPITAL AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
Equity Shares outstanding as at the beginning of the year	50,46,63,000	100.93	50,46,63,000	100.93
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Equity Shares outstanding as at the end of the year	**50,46,63,000**	100.93	50,46,63,000	100.93

NOTE 24 (b): RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 24 (c): DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARE IN THE COMPANY ARE GIVEN BELOW

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Life Insurance Corporation of India	20,34,42,495	40.31	20,34,42,495	40.31

NOTE 24 (d): FORFEITED SHARES

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Amount received on forfeited shares	0.06	0.06
Total	**0.06**	**0.06**

NOTE 25
OTHER EQUITY

(₹ in crore)

Particulars			As at March 31, 2020	As at March 31, 2019
(i)	**(a)**	**Capital Reserve**		
	As per last Balance Sheet		**0.48**	**0.48**
(ii)	**Securities Premium Account**			
	As per last Balance Sheet		**1,705.29**	**1,705.29**
(iii)	**Cash Flow Hedge Reserve**			
	Opening Balance		-	-
	Add: Gain on ECB Cross Currency Swap		48.62	-
	Less : Loss due to Exchange Rate Fluctuation on ECB		48.62	-
	Closing Balance		-	-
(iv)	**Special Reserve - I**			
	In terms of Section 36(1)(viii) of Income-Tax, 1961 and Section 29C of National Housing Bank (NHB) Act,1987 (Upto financial year 1996-97)			
	As per last Balance Sheet		**38.98**	**38.98**
(v)	**Other Statutory Reserves including Special Reserve- II**			
	Balance at the beginning of the year			
	(i)	Statutory Reserve u/s 29C of the NHB Act, 1987	0.15	0.14
	(ii)	Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	5,104.34	4,354.35
	Total		**5,104.49**	**4,354.49**
	Addition / Appropriation / Withdrawal during the year			
	Add :			
	(i)	Amount transferred u/s 29C of the NHB Act, 1987	0.01	0.01
	(ii)	Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	749.99	749.99
	Less :			
	(i)	Amount appropriated from Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
	(ii)	Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account which has been taken into account for purpose of provision u/s 29C of the NHB Act, 1987	-	-
	Balance at the end of the year			
	(i)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.16	0.15
	(ii)	Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	5,854.33	5,104.34
	Total		**5,854.49**	**5,104.49**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(vi) General Reserve		
Opening Balance	5,882.97	5,282.97
Add: Transferred during the year	600.00	600.00
Closing Balance	**6,482.97**	**5,882.97**
(vii) Surplus in the Statement of Profit and Loss		
Opening balance	3,426.07	2,757.98
Add: Total Comprehensive Income for the year	2,394.99	2,430.51
Less: Appropriations		
Dividend Paid and Tax on Dividend Paid	461.17	412.42
Transfer to General Reserve	600.00	600.00
Transfer to Special Reserve - II	749.99	749.99
Transfer to Statutory Reserve u/s 29C of the NHB Act, 1987	0.01	0.01
Closing Balance	**4,009.89**	**3,426.07**
Total	**18,092.10**	**16,158.28**

Nature and purpose of each reserve

Securities Premium Reserve

"Securities Premium Reserve" is used to denote the Share premium received on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Cash Flow Hedge Reserve

It represents the effective portion of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Special Reserve – I:

Special Reserve – I has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company. The amounts of Special Reserve account represents, the reserve created in terms of the provision of Section 36(1)(viii) read together with the proviso thereof, from time to time. Special Reserve No. I relates to the amounts transferred upto the Financial Year 1996-97 (Assessment Year 1997-98) when the word was 'created' only was used in the said section and not 'created and maintained'. Admittedly, the position has changed after the amendment made in Section 36(1)(viii) by the Finance Act 1997 with effect from Assessment year 1998-99, when the mandatory requirement of 'maintaining' the special reserve created was inserted. Accordingly, it was interpreted that the Special Reserve created upto Assessment Year 1997-98 need not be 'maintained'. As a logical corollary, it is construed that upto Assessment Year 1997-98, the amounts carried to special reserve ought to be understood as amounts created by transferring to the credit of special reserve from time to time.

Special Reserve – II:

Special Reserve – II has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company transferred from Financial Year 1997-98 (Assessment Year 1998-99). In the FY 2019-20 ₹ 749.99 crore (FY 2018-19 ₹ 749.99 crore) has been transferred to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961.

Statutory Reserves under Section 29C (Regulatory Capital) of NHB:

Upto financial year 1996-97: The Company being regulated by NHB had to mandatorily transfer an amount as per Section 29C of NHB Act, 1987 on the similar lines as that of for Special Reserve – I which has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961 and it relates to the amounts transferred upto the Financial Year 1996-97(Assessment Year 1997-98).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

After financial year 1996-97: The Company being regulated by NHB has to mandatorily transfer an amount as per Section 29C of NHB Act, 1987 on the similar lines as that of for Special Reserve – II which has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961. For the year under review an amount of ₹.1,00,000.00 (FY 2018-19 ₹ 1,00,000.00) has been transferred to Statutory Reserve under Section 29C the NHB Act.

General Reserve:

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

However, since the Company utilises the deduction available to Housing Finance Companies registered with National Housing Bank as provided in Section 36(1)(viii) of the Income tax Act, 1961, wherein the proviso of the Section stipulates that the amount carried to such reserve account from time to time exceeds twice the amount of the paid up share capital and general reserves of the Company, the rebate is restricted to the twice of the aggregate of paid up capital and the general reserve. Therefore, the Company transfers funds to General Reserve in order to avail the full benefit of Section 36(1)(viii). For the year, the Company has transferred an amount of ₹ 600 crore to General Reserve. (FY 2018-19 ₹ 600 crore).

NOTE 26
INTEREST INCOME

(₹ in crore)

Particulars		On Financial Assets measured at Amortised Cost	
		Year Ended March 31, 2020	Year Ended March 31, 2019
i)	Interest on Loans & Advances	19,461.95	17,162.80
ii)	Interest Income from Investments	110.54	78.37
iii)	Interest on Deposits with Banks	33.45	13.60
iv)	Other Interest Income (Net)	(0.59)	1.34
Total		**19,605.35**	**17,256.11**

NOTE 27
FEES & COMMISSION INCOME

(₹ in crore)

Particulars		Year Ended March 31, 2020	Year Ended March 31, 2019
i)	Fees & Commission Income	39.42	34.83
Total		**39.42**	**34.83**

NOTE 28
NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS - UNDER AMORTISED COST CATEGORY

(₹ in crore)

Particulars		Year Ended March 31, 2020	Year Ended March 31, 2019
i)	Gain on Derecognition of Financial Instruments	5.86	10.66
Total		**5.86**	**10.66**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 29
OTHERS

(₹ in crore)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Net gain on Derecognition of Financial Instruments measured at Fair Value through Profit & Loss Account	21.66	21.06
ii) Miscellaneous Income	24.40	35.13
Total	**46.06**	**56.19**

NOTE 30
OTHER INCOME

(₹ in crore)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Dividend Income from Subsidiaries	5.97	6.27
ii) Dividend Income from Associates	0.22	0.43
iii) Income from subleasing right-of-use assets	0.12	-
iv) Net gain/(loss) on derecognition of property, plant and equipment	0.12	0.08
v) Net gain or (loss) on foreign currency translation	(33.36)	-
Total	**(26.93)**	**6.78**

NOTE 31
FINANCE COSTS

(₹ in crore)

Particulars	On Financial Liabilities measured at Amortised Cost	
	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Interest on deposits	878.06	586.83
ii) Interest on borrowings	2,333.32	1,741.90
iii) Interest on debt securities	11,383.78	10,372.02
iv) Interest on subordinated liabilities	177.84	190.79
v) Interest on Lease Liability	10.86	-
Total	**14,783.86**	**12,891.54**

NOTE 32
FEES AND COMMISSION EXPENSE

(₹ in crore)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Fees & Commission	60.56	21.08
Total	**60.56**	**21.08**

NOTE 33
NET LOSS ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTIZED COST CATEGORY

(₹ in crore)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Loans Written Off	35.71	265.66
ii) Loss on Derecognition of Financial Instruments	11.78	2.05
Total	**47.49**	**267.71**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 34
IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Particulars	On Financial Instruments measured at Amortised Cost	
	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Loans	952.91	350.35
ii) Others	(0.18)	(0.00)
Total	**952.73**	**350.35**

The details relating to movment in Impairment on Loans (Expected Credit Loss) is disclosed in Note 37.4.2.4

NOTE 35
EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Salaries and Wages	229.92	193.43
ii) Contribution to Provident and Other Funds [Refer Note 48]	29.75	25.29
iii) Staff Welfare Expenses	39.42	29.16
Total	**299.09**	**247.88**

NOTE 36
OTHER EXPENSES

(₹ in crore)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
i) Rent, Rates and Taxes	13.93	40.58
ii) Repairs and Maintenance - Building	1.39	1.12
iii) Repairs and Maintenance - Others	8.53	8.81
iv) Communication Costs	10.69	12.33
v) Printing and Stationery	6.53	7.57
vi) Advertisement & Publicity Expenses	44.73	42.03
vii) Director's fees, allowances and expenses	0.62	0.63
viii) Auditor's fees and expenses [Refer Note 44]	0.67	0.62
ix) Legal and Professional charges	5.80	4.22
x) Insurance Charges	0.14	0.13
xi) Travelling and Conveyance	13.22	12.59
xii) Competition Prizes & Conference Expenses	6.41	13.10
xiii) Electricity Expenses	5.61	5.59
xiv) Service Charges for Safe Custody of Documents	10.68	9.71
xv) Contribution towards CSR activites [Refer Note 53]	61.49	18.78
xvi) Miscellaneous Expenses	18.53	16.92
Total	**208.97**	**194.73**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

37. FINANCIAL INSTRUMENTS

37.1 Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of National Housing Bank (NHB). The adequacy of the Company's capital is monitored using, among other measures, the guidelines issued by NHB.

The Company's objective, when managing Capital, is to safeguard the ability of the Company to continue as a going concern, maintain strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder's value.

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to maximize the shareholder's value. The capital of the Company comprises of Equity Share Capital and a mix of debt securities, borrowings (other than debt securities), deposits and subordinated liabilities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Management of the Company monitors the Regulatory capital by overviewing Debt Equity Ratio and makes use of the same for framing the business strategies.

The Debt Equity Ratio of the Company is calculated as below:

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt Securities	1,32,082.26	1,34,615.67
Borrowings (Other than Debt Securities)	45,140.43	26,383.91
Deposits	12,608.99	7,667.43
Subordinated Liabilities	1,500.00	2,000.00
A) Total Debt	1,91,331.68	1,70,667.02
B) Total Equity-Shareholder's Funds	18,193.09	16,259.27
C) Debt Equity Ratio (A/B)	10.52	10.50

37.1.1 Regulatory Capital

For regulatory and supervisory purposes including various types of reporting to NHB extant provisions of NHB Act and Housing Finance Companies (NHB Directions) have been considered. Accordingly, regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit. The other component of regulatory capital is Tier 2 Capital Instruments, which includes upper tier II and subordinated bonds.

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity Tier 1 capital	15,616.76	14,332.29
Other Tier 2 capital	2,176.54	2,403.41
Total Capital	17,793.30	16,735.70
Risk weighted assets	1,28,125.92	1,16,525.68
Tier 1 capital adequacy ratio	12.19%	12.30%
Total capital adequacy ratio	13.89%	14.36%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

37.2 Categories of Financial Instruments:

(₹ in crore)

Particulars	As at March 31, 2020			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	1,365.72	-	-	1,365.72
Bank Balance other than above	613.23	-	-	613.23
Derivative Financial Instruments	-	80.48	-	80.48
Loans	2,07,987.97	-	-	2,07,987.97
Investments	1,814.63	3,583.74	98.00	5,496.37
Other Financial Assets	21.41	-	-	21.41
Total	**2,11,802.96**	**3,664.22**	**98.00**	**2,15,565.18**
Financial Liabilities				
Derivative Financial Instruments	-	22.90	-	22.90
Lease Liability	125.86	-	-	125.86
Trade Payables	34.57	-	-	34.57
Debt Securities	1,32,082.26	-	-	1,32,082.26
Borrowings (Other than Debt Securities)	45,140.43	-	-	45,140.43
Deposits	12,608.99	-	-	12,608.99
Subordinated Liabilities	1,500.00	-	-	1,500.00
Other Financial Liabilities	6,728.49	-	-	6,728.49
Total	**1,98,220.60**	**22.90**	**-**	**1,98,243.50**

(₹ in crore)

Particulars	As at March 31, 2019			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	2,801.80	-	-	2,801.80
Bank Balance other than above	211.71	-	-	211.71
Derivative Financial Instruments	-	26.98	-	26.98
Loans	1,92,992.74	-	-	1,92,992.74
Investments	1,248.12	2,248.94	98.00	3,595.06
Other Financial Assets	13.89	-	-	13.89
Total	**1,97,268.26**	**2,275.92**	**98.00**	**1,99,642.18**
Financial Liabilities				
Derivative Financial Instruments	-	25.79	-	25.79
Trade Payables	79.94	-	-	79.94
Debt Securities	1,34,615.67	-	-	1,34,615.67
Borrowings (Other than Debt Securities)	26,383.91	-	-	26,383.91
Deposits	7,667.43	-	-	7,667.43
Subordinated Liabilities	2,000.00	-	-	2,000.00
Other Financial Liabilities	13,289.42	-	-	13,289.42
Total	**1,84,036.37**	**25.79**	**-**	**1,84,062.16**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

37.3 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

Fair Value Hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

Level 3: Fair value measurements are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data

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

(₹ in crore)

Particulars	Fair Value			Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
	Category	As at March 31, 2020	As at March 31, 2019				
Financial Assets							
Mutual funds	FVTPL	3,562.94	2,227.29	Level 1	Quoted Market Price for Mutual Funds	NA	NA
Derivative financial instruments	FVTPL	31.86	26.98	Level 2	On the basis of traded swap yields published	Published yields	NA
	FVTPL	48.62	-	Level 2	Mark-to-Market of the derivative	Valuation received from counterparty	NA
Initial Settlers Contribution Under Indenture Trust	FVTPL	0.002	0.002	Level 3	Book Value	Refer Note below	Refer Note below
Goods Services Tax Network	FVTPL	-	1.10	Level 3	Others	Refer Note below	Refer Note below
LICHFL Urban Development Fund	FVTPL	18.82	19.01	Level 3	NAV as on reporting date declared by the Fund	Refer Note below	Refer Note below
LICHFL Housing And Infrastructure Fund	FVTPL	1.98	1.54				
Financial Liabilities							
Derivative Financial Instruments	FVTPL	22.90	25.79	Level 2	On the basis of traded swap yields published	Published yields by counterparty	NA

There were no transfers between Level 1, Level 2 and Level 3 during the year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Valuation Techniques

Equity instruments

The equity instruments that are actively traded on public stock exchanges are valued at readily available active prices on a regular basis. Such instruments are classified as Level 1.

Units held in funds having quoted market price are fair valued considering Level 1 inputs. Others which are measured based on their net asset value (NAV) as on reporting date, taking into account redemption and/or other restrictions. Such instruments are generally fair valued considering Level 3 inputs.

Equity instruments in non-listed entities including investment in private equity funds are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3. In respect of Goods and Service Tax Network, valuation has been considered on indicative buyback price in the financial year 2018-19. The shares have been bought back this year pursuant to the decision of the GST Council and Union Cabinet for conversion of GSTN into a 100% Government-owned entity.

Interest rate derivatives and Cross Currency Swaps

Interest rate derivatives include interest rate swaps. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position.

The fair value of a cross currency swap is calculated by determining the future cash flows on both legs (i.e. the receiving leg and the paying leg), and discounting these cash flows using an appropriate discount factor curve.

These contracts are generally Level 2 unless adjustments to yield curves or credit spreads are based on significant non-observable inputs, in which case, they are Level 3.

Valuation adjustments and other inputs and considerations

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 financial assets does not have a significant impact in its value.

No valuation adjustments have been made to the prices/yields provided for valuation.

Financial Instruments not measured using Fair Value, i.e. measured using Amortized Cost/Cost

The following table is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair value of non-financial assets and non-financial liabilities.

(₹ in crore)

Particulars	Carrying Value	Fair Value Hierarchy	Fair Value
As at March 31, 2020			
Financial Assets			
Government Securities	1,814.63	Level 1	1,874.25
Investment in subsidiaries and associates	98.00	Level 3	98.00
As at March 31, 2019			
Financial Assets			
Government Securities	1,248.12	Level 1	1,214.35
Investment in subsidiaries and associates	98.00	Level 3	98.00

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Government debt securities

Government debt securities are financial instruments issued by sovereign governments and include long term bonds with fixed rate interest payments. These instruments are generally highly liquid and traded in active markets resulting in a Level 1 classification. When active market prices are not available, the Company uses discounted cash flow models with observable market inputs of similar instruments and bond prices to estimate future index levels and extrapolating yields outside the range of active market trading, in which instances the Company classifies those securities as Level 2. The Company does not have Level 3 government securities where valuation inputs would be unobservable.

Investment in subsidiaries and associates

In the opinion of the Company, in case of subsidiaries and associates, the carrying value approximates the fair value.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

37.4 Financial Risk Management

Introduction

The Company has operations in India and representative offices in Kuwait & Dubai. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating, regulatory and competition risks.

Impact of Covid-19 (Global Pandemic)

In March 2020, the World Health Organization (WHO) declared COVID-19 as a global pandemic. The basic presumption contained in the Financial Statements is that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of its operations. The said presumption has been made due to the fact that the Company has been able to draw funds from the market and it is expected that the Company would be able to generate as well as access sufficient cash flows and funds in the future so that its operations will yield positive cash flows as well as profitability. Although, the financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to inability to reliably predict the outcome of the pace at which the outbreak expands and the high level of uncertainties arising therefrom, the management has considered all available information about the future, which was obtained after March 31, 2020, including the impact of the COVID-19 outbreak on customers, agents and staff, as well as actual and projected foreseeable impact from various factors. The management has concluded that there has been no significant impact on the Company's profitability position, fair value estimates and this COVID-19 event is not expected to have an immediate material impact on the business operations.

However, Management will continue to monitor the situation closely and will assess the need for additional measures in case the period of disruption becomes prolonged.

Risk Management Framework

The Company has a formal risk assessment program to proactively identify the risks and ensure all possible strategies to control & mitigate in pursuit of achieving the Company's objective. Every department is responsible for identification of their risks and putting it in their Risk Registers. The consolidated Risk Register is analyzed at various Committees.

At present, the risks faced by the Company are broadly categorized as below:-

- Liquidity Risk
- Credit Risk
- Market Risk

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- Interest Rate Risk
- Operational Risk
    - A. Compliance Risk
    - B. Legal Risk
- Regulatory Risk
- Competition Risk
- Currency Risk

Committees

In order to bring the collective knowledge in decision making, the Company has undertaken a Committee approach to deal with the major risks arising in the organization. Committees, their formation and the roles are provided below.

Top Level Committee

Risk Management Committee of Board (RMCB)

Company has a Risk Management Committee of Board in place which consists of Independent Directors and the MD & CEO of the Company.

The role of the Committee is as follows-:

- Review of Risk Management Policy
- Review of the current status on the risk limits in the Risk Management Policy and Report to the Board
- Review the matters on Risk Management
- Review and monitor the risks to which the Company is exposed
- Review the Anti-Fraud Policy

Internal Committee

Risk Management Committee and Operational Risk Group (RMC & ORG)

Company has an internal Risk Management Committee and Operational Risk Group whose major function include review of Risk Registers submitted on a monthly basis by all departments. It comprises of HODs of Risk Management, Finance, Project Finance, Credit Monitoring, IT, and as nominated by MD & CEO of the Company. A list off functions performed by RMC & ORG is given below -:

- Review of Risk Management Policy
- Review of monthly Risk Register submitted by various depts.
- Review of the current status on the outer limits prescribed in the Risk Policy and submitting the report to RMCB & Board
- Assessment of risks in the Company and suggesting control/mitigation measures thereof

The Company has exposure to following risks arising from the financial instruments:

37.4.1 Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base and adopted a policy of managing assets with liquidity in mind and

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk.

Housing Finance being the core business, maintaining the liquidity for meeting the growth perspective in the business as also to honor the committed repayments is the fundamental objective of the Asset Liability Management (ALM) framework. Investments, including investments as a part of liquid asset requirement, also forms part of ALM requirement and it is imperative to constantly monitor the liquidity of the investments to achieve the core objective.

Internal Control Process & Liquidity Management

Being in the business of Housing Loans, funds are required to be raised by the Company ahead of loan disbursements so that there is no liquidity crunch. Funds are required to be raised not only for the incremental housing loan assets but also for meeting the committed/due repayments of the earlier borrowings and/or Interest payments on the borrowings. Funds therefore are raised with a reasonable cushion over and above the committed repayments, committed disbursements and unutilized sanctions in pipeline and the expected business targets.

The Company ensures that funds are available from various investor pools and banks. Liquid funds are available in the form of Non-Convertible Debentures and other Market Instruments, Bank Loans, Refinance from NHB and Foreign Currency Loans. In case of Public Deposits accepted by the Company, a prescribed percentage (as defined by NHB from time to time) is to be invested in approved securities in terms of Liquid Asset Requirement (u/s. 29B of NHB Act, 1987). On the assets side, the Company has loan products broadly classified under individual retail loans and project finance loans with varying repayment structures depending upon the nature of product.

The liquidity is managed at the Corporate Office of the Company with Back Offices providing their liquidity requirements. The surplus funds available with the Back Offices are pooled and funds from the market are arranged for the Back Offices having a deficit of funds. Only surplus funds arrived at after deducting the committed/confirmed outflows (including projected disbursements of loans) from the available resources - both from internal accretions as well as borrowed funds, would be considered as Surplus available for Investment in approved instruments on day-to-day basis. The Company can place surplus funds in Fixed Deposits with selected Scheduled / Commercial / Foreign Banks and / or Financial Institutions within overall exposure limit fixed for each Bank / FI from time to time by the Board. Considering the market risk and the mark-to-market requirements of the debt mutual funds, currently Company is making Investments only in liquid Mutual Fund schemes. Exposure limits for each Investment instrument is approved by the Board and reviewed from time to time as per the requirements.

ALCO Committee

Roles & Responsibilities

The Asset Liability Management (ALM) Committee presents the Structural and Dynamic Liquidity Report to the Risk Management Committee on a quarterly basis and meetings are held every month. The ALM Committee formulates the ALM Policy which is reviewed at least once a year. If any change is required, then, the revised policy along with desired change and rationale for the same shall be put up to the Risk Management Committee or any Other Committee constituted by the Board. Consequent to the recommendation of the Risk Management Committee, the reviewed policy would be put up to the Board for its approval.

Composition

ALCO Committee is headed by the MD & CEO of the Company. Other members of the Committee comprise HODs of Departments Finance, Credit Appraisal, Project Finance, Taxation, Accounts, Marketing, IT, Risk Management, Credit Monitoring and as nominated by MD & CEO of the Company.

Changes from previous period

There are no significant changes in the Financial Policies.

Liquidity Ratios during the year

1) The structural liquidity (as defined by NHB) negative gap upto one year has not exceeded 15% of the cumulative cash outflows up to one year.

2) The structural liquidity (as defined by NHB) negative gap upto 14 days as also over 14 days and upto one month has not exceeded 15% of the cash outflows during those respective durations.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Contractual Maturities of Financial Liabilities as at March 31, 2020

(₹ in crore)

	On demand	Up to 3 months	Above 3 months to 12 months	Above 1 Year -3 Years	Above 3 Years -5 Years	Above 5 Years-10 Years	Above 10 Years	TOTAL
Financial Liabilities								
Derivative Financial Instruments	-	22.90	-	-	-	-	-	**22.90**
Lease Liability	-	11.66	28.35	69.26	26.50	23.16	-	**158.93**
Trade Payables	34.57	-	-	-	-	-	-	**34.57**
Debt Securities	-	9,251.00	29,309.00	42,469.30	24,883.67	26,435.00	-	**1,32,347.97**
Borrowings (Other than Debt Securities)	-	879.63	20,582.12	12,181.21	7,588.15	3,839.34	-	**45,070.45**
Deposits	-	889.36	5,257.25	4,545.25	1,948.56	-	-	**12,640.42**
Subordinated Liabilities	-	-	500.00	-	-	1,000.00	-	**1,500.00**
Other Financial Liabilities	102.15	2,607.71	3,545.22	446.00	50.25	-	-	**6,751.33**
Total	**136.72**	**13,662.26**	**59,221.94**	**59,711.02**	**34,497.13**	**31,297.50**	**-**	**1,98,526.57**

Contractual Maturities of Financial Liabilities as at March 31, 2019

(₹ in crore)

	On demand	Up to 3 months	Above 3 months to 12 months	Above 1 Year -3 Years	Above 3 Years -5 Years	Above 5 Years-10 Years	Above 10 Years	TOTAL
Financial Liabilities								
Derivative Financial Instruments	-	25.79	-	-	-	-	-	**25.79**
Trade Payables	79.94	-	-	-	-	-	-	**79.94**
Debt Securities	-	10,226.00	26,862.00	42,464.00	19,945.41	35,328.15	-	**1,34,825.56**
Borrowings (Other than Debt Securities)	8,794.00	618.19	1,819.77	8,230.00	5,193.98	1,727.96	-	**26,383.90**
Deposits	-	573.13	3,836.26	2,668.63	606.29	-	-	**7,684.31**
Subordinated Liabilities	-	-	-	500.00	-	1500.00	-	**2,000.00**
Other Financial Liabilities	180.28	11,164.19	1,400.27	391.29	48.23	77.92	-	**13,262.18**
Total	**9,054.22**	**22,607.30**	**33,918.30**	**54,253.92**	**25,793.91**	**38,634.03**	**-**	**1,84,261.68**

37.4.2 Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has defined Loan selection principles for establishing creditworthiness of the counterparties and criteria for determining the quantum of loan. The Company has adopted a policy of dealing with creditworthy counter parties and obtaining sufficient collateral as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

The carrying amount of loans as at March 31, 2020 is ₹ 2,10,600.42 crore (FY 2018- 19 ₹ 1,94,652.22 crore) which best represent the maximum exposure to credit risk, the related Expected credit loss amount to ₹ 2,612.45 crore (FY 2018-19 ₹ 1,659.48 crore). The Company has right to sell or pledge the collateral in case borrower defaults. The carrying amount of loans as at March 31, 2020 includes ₹ 22.75 crore towards Loans to Staff, Loans against Public Deposit and Finance Lease Receivables.(FY 2018-19 ₹ 5.87 crore).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

37.4.2.1 Credit Risk Mitigation measures

Independent internal legal and technical evaluation team in the Company makes credit decisions more robust and in line to manage collateral risk. The in-house Credit team conducts a credit check and verification procedure on each customer, ensuring consistent quality standards to minimize future losses. To review the adherence to laid down policies and quality of appraisal, Company's independent internal audit team conducts a regular review of files on a sample basis. A dedicated collection and recovery team manages lifecycle of transactions and monitors the portfolio quality.

Credit Norms: - Certain credit norms and policies are being followed by the Company to manage credit risk, including a standard credit appraisal policy based on customer credit worthiness. These criteria change between loan products and typically include factors such as profile of applicant, income and certain stability factors such as the employment and dependency detail, other financial obligations of the applicant, Loan to value and the loan-to-cost ratio. Standardized credit approval process including a comprehensive credit risk assessment is in place which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

The Credit Policy defines parameters such as Borrower's ability to pay, Reputation of Employer, Nature of employment/ Self-employed, Qualification of Applicants, Stability of Residence, Family size and dependence on Applicants income, Insufficient sales proceeds to pay the dues in case of Project Loans due to project slowdown etc. to ensure consistency of credit quality.

Retail lending:

For retail lending, credit risk management is achieved by considering various factors like:

- Assessment of borrower's capability to pay – a detailed assessment of borrower's capability to pay is conducted. The approach of assessment is laid down in the credit policy of the Company. Various factors considered for assessment are credit information report, analysis of bank account statement and valuation of property.

- Security cover – Analysing the value of the property which is offered as security for the loan is essential for the overall underwriting of the loan. It is essential that it is valued before the disbursement of loan to arrive at a clear idea about its cost, valuation, marketability and loan to property ratio.

- Additional Security – Additional Security can be by way of pledge of acceptable Additional Collaterals such as LIC Policies or other Securities like NSCs, FDs, Kisan Vikas Patra, etc. is considered. This is taken depending on nature of loan proposal and amount of risk involved.

- Geographical region – The Company monitors loan performance in a particular region to assess if there is any stress due to natural calamities etc. impacting the performance of the loan in a particular geographic region.

Project lending:

For project lending, credit risk management is achieved by considering various factors like:

- **Promoter's strength –** a detailed assessment of borrower's capability to pay is conducted. Various factors considered for promoter's assessment are the financial capability, past track record of repayment, management and performance perspective.

- **Credit information report –** It is very essential to check the Creditworthiness of an Applicant & the Credit History of Borrower for Consumer or Commercial Loans. The Company uses this Report for taking a Decision on Credit Sanction by getting details of the Credit History of a Borrower. For Project Loans, reports from independent institutions are referred so as to get the marketability report of the project and its neighbourhood analysis.

- **Security cover –** Analysing the value of the property which is offered as security for the loan is essential for the overall underwriting of the loan. With respect to project loans, the main security taken is underlying land and structure there on. Technical appraisals are conducted to establish the life, soundness, marketability and value of the security.

- **Additional Security –** Additional Security is taken depending on nature of loan proposal and amount of risk involved. In some cases, the hypothecation of receivables from the loan is taken. The Negative lien is marked on the flats in the project

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

to the extent of 1.5 times or more as per merits of the case. The Company endeavours to maintain the security cover of at least 1.5 times. Personal Guarantee of promoter directors / corporate guarantee of Company is also obtained as Security. In some cases, the Additional Collateral in the form of Fixed Deposits are also accepted. In case of Higher Risk, Debt Service Recovery Account is also maintained. The Charge on the security / Additional Collateral security is also registered in Central Registry / ROC.

- **Geographical region –** The Company monitors loan performance in a particular region to assess if there is any stress due to natural calamities etc. impacting the performance of the loan in that geographic region.

  The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Derivative financial instruments:

Interest rate swaps –

The exposure of the Company to Derivatives contracts is in the nature of interest Rate Swaps and currency swaps to manage risk associated with interest rate movement and fluctuation in currency exchange rate.

Derivative policy of the Company specifies the exposure norms with respect to single counterparty and the total underlying amount at the time of entering into the new derivative contract.

The Asset Liability Management Committee (ALCO) of the Company oversees efficient management of risk associated with derivative transactions. Company identifies, measures, monitors the exposure associated with derivative transaction. For effective mitigation of risk it has an internal mechanism to conduct regular review of the outstanding contracts which is reported to the ALCO & Risk Management Committee of the Board which in turn reports to the Audit Committee and to the Board of Directors.

The gain realized on early termination of swap is amortized over the balance tenor of the swap or underlying liability whichever is less. Loss if any on early termination is charged to revenue in the same year. The carry difference, between coupon rate liability and the swap contract rate is accounted quarterly on accrual basis.

37.4.2.2 Collateral and other credit enhancements

With respect to loan cases the main security taken is underlying land and structure there on. Apart from the main security additional collaterals are also sought depending upon merits of the case. In some cases the hypothecation of receivables for the loan is also taken.

The Company after exploring all the possible measures, initiates action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) against the mortgaged properties as a last resort to recover. Company follows the due procedure as laid down in the SARFAESI Act 2002 and accordingly takes the possession of the properties for its logical conclusion.

As the procedure involved under SARFAESI is to be followed in a time-bound manner, different loan accounts will be at various stages of SARFAESI proceedings.

Loan Portfolio includes loans amounting to ₹ 440.78 crore (FY 2018-19 ₹ 201.17 crore) against which the company has taken possession of the properties under SARFAESI and hold such properties for disposal. The value of assets possessed against the loan is ₹ 425.66 crore (F. Y. 2018-19 ₹ 106.59 crore), being lower of the fair value of the asset possessed and the outstanding as at March 31, 2020.

37.4.2.3 Impairment Assessment

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Definition of Default

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

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

Stage wise Categorisation of Loan Assets

The company categorises loan assets into stages based on the Days Past Due status:

- **Stage 1:** [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. The Company uses the same criteria mentioned in the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months.

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

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

Retail Loans:

Depending on the nature of the financial instruments and the credit risk information available for particular groups of financial instruments, an entity may not be able to identify significant changes in credit risk for individual financial instruments before the financial instrument becomes past due. In case of retail loans, the financial instruments are backed by sufficient margin of underlying security which absorbs the associated risks. Hence, the Company has performed the assessment of significant increases in credit risk on a collective basis for retail loans by considering information that is indicative of significant increases in credit risk on groups of financial instruments.

For the purpose of determining significant increases in credit risk and recognising loss allowance on a collective basis, the Company has grouped financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk identified on a timely basis.

Project Loans:

Project loans are far less in number and more in terms of value per loan. The loans are also credit rated internally. However, the Company does not have any history of the loan transitioning from one rating to the other over a fairly long period of time to arrive at a reliable transition matrix. The Company has used transition matrix compiled and published by a premier rating agency in India for arriving default rate.

Accordingly, loans have been identified into different groups as given below:

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

(₹ in crore)

	Stage 1		Stage 2		Stage 3		Total	
	Amount	Impairment	Amount	Impairment	Amount	Impairment	Amount	Impairment
As At March 31, 2020	1,94,678.78	0.10	9,605.48	0.15	6,316.16	2,612.20	2,10,600.42	2,612.45
As At March 31, 2019	1,83,135.46	23.91	8,564.12	111.53	2,952.64	1,524.04	1,94,652.22	1,659.48

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

37.4.2.4 ECL Model and Assumptions considered in the ECL model

The Company has used Markov chain model for estimating the probability of default on retail loans. In a Markov chain model for loans receivable an account moves through different delinquency states each quarter. For example, an account in the "Regular" state this quarter will continue to be in the "Regular" state next month if a payment is made by the due date and will be in the "90 days past due" state if no payment is received during that quarter. Another valuable feature is that the Markov chain model maintains the progression and timing of events in the path from "Regular" to "Defaulted". For example, an account in the "Regular" state doesn't suddenly become "Defaulted". Instead, an account must progress monthly from the "Regular" state to the "90 days past due" state to the "180 days past due" state and so on until foreclosure activities are completed and the collateral assets are sold to pay the outstanding debt.

The transition matrix in the Markov chain represents the period-by-period movement of receivables between delinquency classifications or states. The transition evaluates loan quality or loan collection practice. The matrix elements are commonly referred to as "roll-rates" since they denote the probability that an account will move from one state to another in one period. The transition matrix is referred to as the "delinquency movement matrix".

The loan portfolio for the past several quarters are analysed to arrive at the transition matrix. Each loan is traced to find out how the loan has performed over the last several quarters. The days past due is grouped into 6 buckets namely Regular [0 days past due], 1 to 90 days past due, 91 to 180 days past due, 181 to 270 days past due, 271 to 365 days past due and above 365 days past due. In a subsequent quarter, the loan may continue to remain in the same bucket or move into the next bucket or previous bucket depending upon the repayments made by the customer. The bucket intervals are 90 days and the data points considered are also quarterly. The occurrences of every loan over the past several quarters are considered to arrive at the total transitions happening from different buckets in the previous quarter to different buckets in the current quarter. The Company has considered the quarterly loan performance data starting from the quarter ending 30th June 2013 onwards to compute the transition matrix. The total number of such transition occurrences are converted as a percentage to arrive at the transition matrix.

The Company has used transition matrix compiled and published by a premier rating agency in India for arriving default rate for Project loans since the Company do not have any history of the loan transitioning from one rating to the other over a fairly long period of time to arrive at a reliable transition matrix. Accordingly, the transition matrix is computed using matrix multiplication.

Probability of Default

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

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

Stage 3 – [Defaulted loans]: As per the standard there is a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Company assumed that the default has occurred when a loan moves into '90 days past due' bucket.

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

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The probability of default (PD) of a loan which is less than 30 days past due [Stage 1] is represented by the one-year transition matrix. This PD is used to measure the quantum of the loan that is likely to move into the buckets 90 days past due and above over the next 12 months. The PD of a loan which is 30 days past due and less than 90 days past due [Stage 2] is represented by the transition matrix of the corresponding maturity period of the loan. This PD is used to measure the quantum of the loan that is likely to move into the buckets 90 days past due and above over the remaining life of the loan. The probability of default (PD) of a loan which is 90 days past due [Stage 3] is 100% as the loan has already defaulted. This PD is used to measure the quantum of the loan that is defaulted as on the valuation date over the remaining life of the loan.

Loss given default

Value of collateral property: The loans are secured by adequate property. The present value of such collateral property is considered while calculating the Expected Credit Loss. The Company initiates recovery process of Non Performing accounts within the statutory time limit as per SARFAESI and other applicable laws and accordingly the realizable period has been considered for computing the Present Value of Collateral.

Forward looking information

The Company has extended moratorium for repayment of EMIs due from 1st March 2020 till 31st August 2020 to all its borrowers in line with the Covid-19 package announced by RBI. The assumptions and estimates on the basis of which, the Expected Credit Losses (ECL) of the loan portfolio have been identified, are primarily based on the historical performance of the loan portfolio, updated to reflect current conditions of pandemic and moratorium as well as forecasts of future economic conditions. Ageing of the loan accounts ,which were Standard / under ECL Stage 2 as on 29th February 2020 and have been considered for moratorium & moving into ECL Stage 3 as per Ind AS 109, has been determined having reference to the position of such accounts as on 29th February 2020. Owing to the prevailing situation, additional sensitivity scenarios have been considered in the ECL calculations by assigning suitable weights as under for arriving at the impairment provisions required under IND AS 109.

The extent to which the Covid-19 pandemic will impact the Company's business and financial performance in the future periods is uncertain. The company will continue to closely monitor any further changes to the business processes, the financial impact due to Covid-19 and other business related events. The definitive assessment of the impact would be dependent upon circumstances as they evolve in the subsequent period.

Covid 19 can impact the ability of the Borrowers, whether Corporate or Individuals, to meet their obligations under loan relationships. Individual and Corporate Borrowers may have a particular exposure to the economic impacts in their geography and industry sector. More broadly, reductions in forecast in economic growth increase the probability of default across many borrowers and loss given default rate may increase due to fall in value of collateral evident more generally by fall in prices of assets.

The Company is into secured lending business where primary collateral security is mostly residential/commercial properties. As stipulated by Regulator, lending is done against part value of security with remaining portion acting as a buffer to absorb fall in property prices. Due to Covid-19 detrimental impact on economy, property prices in general are expected to fall, but the fall will likely be asymmetric across locations and will depend upon many micro factors including type of property, location, stage/type/age of construction, local micro market, etc.

Scenario 1 is the base scenario without any perturbance. This is assigned a weightage of 20%.

Scenario 2 is based on the forecasted macro-economic parameters and is assigned a weightage of 15%.

Scenario 3 is considered taking perturbed scenario and is assigned a weightage of 15%

COVID – 1 & 2, estimating the property price change due to Covid-19. Apart from Company's historic data on property prices in Portfolio Segments IHL – Metro and Non-Metro, various press releases / media statement / research report were considered.

COVID – 3 is based on ratio of Principal Outstanding amount to Present value of collateral.

COVID – 4 is based on availing moratorium.

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Based on the above, the Company has assumed the following scenarios with the respective weights for ECL computation:

Scenario	Weight
Scenario 1	20 %
Scenario 2	15 %
Scenario 3	15 %
COVID 1	10 %
COVID 2	15 %
COVID 3	15 %
COVID 4	10 %

Write off policy

The Company has over the period has established a well-defined Credit Monitoring Mechanism for follow up of the default / delinquent accounts.

A multi-faceted approach is adopted in Credit Monitoring activities which involves participation of In-House employees as well as outsourced agencies. Each loan account is analysed based on the causative factors of becoming default and appropriate follow-up activity is undertaken. In spite of adopting an appropriate follow-up activity, some accounts continue to be delinquent. Sufficient time, as per Law, is given to the Borrowers to regularize their repayments and if still the accounts continue to be under the Non-Performing bracket, legal recourse is adopted.

However, there could be accounts wherein no recovery would be forthcoming despite the best efforts put in by the Company. Such accounts are critically examined on case to case basis and if there is no merit of recovery, such accounts are recommended for write-off to/through internal committees as per the policy approved by the Board. Write-off is a de-recognition of a loan the Company has no reasonable expectations of recovering the contractual inflows.

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Assets written off but are still subjected to enforcement activity	499.55	472.86

Movement of Gross Exposures and impairment provision of the Financial Instruments (Collective and Individual Basis)

(₹ in crore)

	Stage 1		Stage 2		Stage 3		Total	
	Amount	Impairment	Amount	Impairment	Amount	Impairment	Amount	Impairment
Gross Carrying Amount -01.04.2018	**1,59,794.34**	**284.00**	**6,386.32**	**116.71**	**1,290.79**	**908.42**	**1,67,471.45**	**1,309.13**
Net change in exposures	28,116.15	(273.63)	(464.85)	29.89	(119.81)	860.46	27,531.49	616.72
Transfer to Stage 1	2,062.90	53.08	(2,027.41)	(37.82)	(35.49)	(15.26)	-	-
Transfer to Stage 2	(5,609.50)	(4.60)	5,655.17	20.58	(45.67)	(15.97)	-	-
Transfer to Stage 3	(1,145.04)	(34.92)	(984.18)	(17.82)	2,129.22	52.74	-	-
Changes in contractual cash flows due to modifications not resulting in derecognition	(83.39)	(0.01)	(0.93)	(0.01)	(0.04)	-	(84.36)	(0.02)
Amounts Written Off	-	-	-	-	(266.36)	(266.36)	(266.36)	(266.36)
Gross Carrying Amount-31.03.2019	**1,83,135.46**	**23.92**	**8,564.12**	**111.53**	**2,952.64**	**1,524.03**	**1,94,652.22**	**1,659.48**
Net change in exposures	1,62,522.37	313.43	(1,46,484.69)	496.51	57.94	179.28	16,095.62	989.22
Transfer to Stage 1	2,121.01	(71.36)	(2,015.07)	31.82	(105.94)	39.54	-	-
Transfer to Stage 2	(1,51,624.40)	21.07	1,51,868.08	(110.05)	(243.68)	88.98	-	-
Transfer to Stage 3	(1,376.32)	(286.96)	(2,315.65)	(529.66)	3,691.97	816.62	-	-
Changes in contractual cash flows due to modifications not resulting in de-recognition	(99.34)	-	(11.31)	-	(0.52)	-	(111.17)	-
Amounts Written Off	-	-	-	-	(36.25)	(36.25)	(36.25)	(36.25)
Gross Carrying Amount -31.03.2020	**1,94,678.78**	**0.10**	**9,605.48**	**0.15**	**6,316.16**	**2,612.20**	**2,10,600.42**	**2,612.45**

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The movement within the tables is a combination of quarterly movements over the year. The credit impairment charge in the Statement of Profit & Loss comprises of the amount in Total column.

Transfers – transfers between stages are deemed to occur at the beginning of a quarter based on prior quarters closing balances

Net re-measurement from stage changes – the re-measurement of credit impairment provisions arising from a change in stage is reported within the stage that the assets are transferred to.

Net changes in exposures – comprises new disbursements less repayments in the year.

37.4.2.5 Modified Loans

Where the contractual terms of a financial instrument have been modified, and this does not result in the instrument being derecognised, a modification gain or loss is recognised in the Statement of Profit and Loss representing the difference between the original cash flows and the modified cash flows, discounted at the effective interest rate. If the modification is credit-related or where the Company has granted concessions that it would not ordinarily consider, then it will be considered credit-impaired. Modifications that are not credit related will be subject to an assessment of whether the asset's credit risk has increased significantly since origination by comparing the remaining lifetime probability of default (PD) based on the modified terms to that on the original contractual terms.

37.4.3 Market Risk

Market risk is the risk of losses in positions taken by the company which arises from movements in market prices. Any item in the balance sheet which needs re-pricing at frequent intervals and whose pricing is decided by the market forces will be a component of market risk. There are number of items in the Company's balance sheet which exposes it to market risk like Housing loans at floating rate, loans to developers at floating rate, Non-Convertible Debentures (NCDs) with options, bank loans with option, Foreign Currency Bank Loans, Coupon Swaps, etc. The Company is generally exposed to Interest Rate Risk.

37.4.4 Interest Rate Risk

Interest Rate Risk refers to the risk associated with the adverse movement in the interest rates. Adverse movement would imply rising interest rates on liabilities and falling interest yields on the assets. This is the biggest risk which the company faces. It arises because of maturity and re-pricing mismatches of assets and liabilities.

In order to mitigate the impact of this risk, the Company should track the composition and pricing of assets and liabilities on a continuous basis. For the same purpose, the Company has constituted the ALCO Committee which should actively monitor the ALM position and guide appropriately.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed Rate Borrowings	62%	68%
Floating Rate Borrowings	38%	32%
Total Borrowings	100%	100%

The impact of 10 bps change in interest rates on liabilities on the Profit after tax for the year ended March 31, 2020 is ₹ 72.27 crore (FY 2018-19 ₹ 46.73 crore).

37.4.5 Operational Risk

Operational risk is "the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from the expected losses". It can be subdivided into the following categories:

A. Compliance risk is defined as the risk of legal sanctions, material financial loss, or loss to reputation the Company may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best/good practice.

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The Company is regulated by NHB and RBI with effect from August 2019, registered with SEBI and has listing agreements with stock exchanges, i.e. BSE & NSE and Luxembourg. In order to ensure compliance with applicable laws, the Company has put in place adequate processes.

B. Legal risk is the cost of litigation due to cases arising out of lack of legal due diligence. Litigation can also arise out of failure or frauds in the course of business.

The main business is of lending money for/against mortgage loans and is therefore exposed to legal risk. For handling the same, there are robust legal systems for title verification and legal appraisal of related documents. Company has standards of customer delivery and the operational mechanism to adhere to such standards aimed at minimum instances of customers' grievances.

37.4.6 Regulatory Risk

Regulatory risk is the risk that a change in laws and regulations will materially impact the Company. Changes in law or regulations made by the government or a regulatory body can increase the costs of operating the business, and/or change the competitive landscape.

Regulatory risk can arise due to change in prudential rules/norms by the regulators viz; NHB, SEBI, RBI etc. In order to mitigate the effects of same, the Company keeps a track of all regulatory changes and quickly adapts to the change.

37.4.7 Competition Risk

Competition Risk is the risk to the market share and profitability arising due to competition. It is present across all the businesses and across all the economic cycle with the intensity of competition risk varying due to several factors, like, barriers to entry, industry growth potential, degree of competition, etc.

The Company's business environment is characterized by increased youth population, growing economy, increased urbanization, Government incentives, acceptability of credit in society and rise in nuclear families. Due to all these reasons, the Housing Finance industry has seen a higher growth rate than overall economy and several other industries since past several years. This has led to increase in competition and in turn increased pressure on the existing Companies to maintain/ grow market share and profitability. In order to mitigate the risk arising due to competition, the Company has customer centric approach coupled with state of art infrastructure including IT interface.

37.4.8 Currency Risk and mitigation

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company manages itself against currency risk by taking out foreign currency swaps and converting the exposures into Indian Rupees. The Company applies cash flow hedge accounting to the foreign currency element of its floating rate dollar-denominated External Commercial Borrowings and associated cross currency interest rate swaps.

The Company converts ECB into fixed rate Indian Rupee exposures with the floating rate and principal of the hedged item matched by those of the hedging instrument. The Company considers the hedge as a hedge of more than one risk and does not split the interest rate from the principal for hedge accounting purposes.

Hedge Accounting

In December 2019 the company raised an ECB of US$ 200 million in the form of a syndicated loan facility. The tenor of the facility is 3 years. The proceeds are being utilized in accordance with the approval granted by RBI under automatic route and is in conformity with the applicable ECB Guidelines.

As a part of its risk management, the Company has identified a series of risk categories with corresponding hedging strategies using derivative instruments.

When a hedging relationship meets the specified hedge accounting criteria set out in Ind AS 109, the Company applies one of three types of hedge accounting: fair value hedges; cash flow hedges; or hedges of a net investment in a foreign operation.

Transactions that are entered into in accordance with the Company's hedging objectives but do not qualify for hedge accounting, are referred to in these financial statements as economic hedge relationships.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The nature of risk that is needed to be hedged, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis is recorded with reference to the economic relationship between the hedged item and the hedging instrument.

Every hedge relationship is required to be tested to assess whether the hedge relationship meets the hedge effectiveness requirements at the inception of the hedging relationship, and on an on-going basis at each reporting date. This assessment relates to expectations about hedge effectiveness and is therefore only forward looking.

Cash Flow Hedge

Cash flow hedge is a hedge of the exposure to variability in the cash flows of a specific asset or liability, or of a forecasted transaction, that is attributable to a particular risk. It is possible to only hedge the risks associated with a portion of an asset, liability, or forecasted transaction, as long as the effectiveness of the related hedge can be measured. The accounting for a cash flow hedge will be to recognize the effective portion of any gain or loss in other comprehensive income, and recognize the ineffective portion of any gain or loss in Finance cost in the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

Impact of Covid 19 on Hedge Accounting and Interest Rate Swap

Hedge Accounting is purely an accounting exercise – even though now it is dove tailed into the risk management policies of the company – to minimise the impact of fluctuations in the profit & loss account caused primarily due to 'accounting mismatch'. As such we do not see any COVID-19 impact on hedge accounting.

Hedge Ratio

The hedge ratio is consistent with that used for risk management purposes without a deliberate imbalance to derive an inappropriate accounting outcome.

The Company economically hedges the risk of volatility in floating interest rate on US$ External Commercial Borrowings and the Currency Risk on the principal with a Cross Currency Swap with matched terms and matched US$ notional. This actual hedge ratio does not reflect an imbalance (that could result in an accounting outcome that would be inconsistent with the purpose of the hedge accounting) and hence represents an eligible hedge ratio.

Maturity interest rate risk profiles

The following table shows the maturity and interest rate risk profiles of the company's hedging instruments used in its cash flow hedges. As the Company applies one-to-one hedging ratios, the below table effectively shows the outcome of the cash flow hedges:

(₹ in crore)

Maturity of cross currency swaps

March 31, 2020	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Micro cash flow hedges						
Cross currency interest rate swaps						
Notional principal	-	-	-	1,425.73	-	1,425.73
Average fixed rate	0.00%	0.00%	0.00%	7.52%	0.00%	
Average INR/$ Rate				86.20		

March 31, 2019	Within 1 Year	1-3 years	3-8 years	Over 8 years
Micro cash flow hedges				
Cash outflows	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Carrying Value of Derivatives used in Cash Flow Hedges

(₹ in crore)

March 31, 2020	Carrying value assets	Carrying value liabilities	Notional amount
Derivatives used as cash flow hedges			
Cross-currency interest rate swaps	48.62	-	1,425.73
Total derivative financial instruments	**48.62**	**-**	**1,425.73**

March 31, 2019	Carrying value assets	Carrying value liabilities	Notional amount
Derivatives used as cash flow hedges			
Cross-currency interest rate swaps	-	-	-
Total derivative financial instruments	**-**	**-**	**-**

Hedge Instrument

Fair Value of Hedging Instrument

(₹ in crore)

	Carrying value			Changes in fair value of hedging instruments used for measuring hedge ineffectiveness			Reclassified into income statement
	Notional amount	Assets	Liabilities	In Total	Effective portion Recognised in OCI	Hedge Ineffectiveness Recognised in profit & loss account	
Micro cash flow hedges							
Cross currency interest rate swaps	1,425.73	48.62	-	48.62	48.62	-	48.62
Total	**1,425.73**	**48.62**	**-**	**48.62**	**48.62**	**-**	**48.62**

Fair Value of Hedged Item

(₹ in crore)

	Change in fair value of hedged item in the year used for ineffectiveness measurement	Cash flow hedge reserve	
		Continuing hedges	Discontinued hedges
March 31, 2020			
Micro cash flow hedges			
Floating rate US$ notes	48.62	-	-
Total	**48.62**	**-**	**-**

	Change in fair value of hedged item in the year used for ineffectiveness measurement	Cash flow hedge reserve	
		Continuing hedges	Discontinued hedges
March 31, 2019			
Micro cash flow hedges			
Floating rate US$ notes	-	-	-
Total	**-**	**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Movement of Cash Flow Hedge

(₹ in crore)

Movement of cash flow hedges	March 31, 2020	March 31, 2019
Hedging net gains/(losses) arising during the year	48.62	-
Less: Recognised in the income statement	(48.62)	-
Income tax related to the above	0	-
Movement on cash flow hedges	-	-

Impact of Cash Flow Hedge on Balance Sheet

(₹ in crore)

Impact of cash flow hedge on balance sheet and financial result - hedging instruments	For the year ended March 31, 2020	For the year ended March 31, 2019
Nominal value	1,425.73	
Carrying amount – assets	48.62	-
Carrying amount – liabilities	-	-
Balance Sheet item in which hedging instrument is reported	Hedging Instruments	NA
Change in the fair value of the hedging instrument used for estimating hedge ineffectiveness	48.62	-
Amount of hedge ineffectiveness recognised in the income statement	-	-
Profit & Loss item in which hedge ineffectiveness is reported	No ineffectiveness reported	NA

Impact of cash flow hedge on balance sheet and financial result - hedged items	For the year ended March 31, 2020	For the year ended March 31, 2019
Amount of change in the fair value of the hypothetical derivative representing the hedged item used for estimating the hedge ineffectiveness in the reporting period	48.62	-
Revaluation reserve due to cash flow hedge accounting for relationships for which hedge accounting will be continued after the end of the reporting period	-	-
Revaluation reserve due to cash flow hedge accounting for relationships for which hedge accounting is no longer applied	-	-

37.5 Maturity Analysis of Assets and Liabilities:

The Table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled:

As at March 31, 2020

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	1,365.72	-	1,365.72
Bank Balance other than above	528.00	85.23	613.23
Derivative Financial Instruments	80.48	-	80.48
Loans	14,904.17	1,93,083.80	2,07,987.97
Investments	3,663.29	1,833.08	5,496.37
Other Financial Assets	9.86	11.55	21.41
Non-Financial Assets			
Current Tax Assets (Net)	-	354.07	354.07
Deferred Tax Assets (Net)	-	520.04	520.04

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Upto 12 months	More than 12 months	Total
Property, Plant and Equipment	-	134.62	134.62
Capital Work in Progress	0.33	-	0.33
Right of Use Assets	-	117.45	117.45
Other Intangible Assets	-	1.98	1.98
Other Non-Financial Assets	111.92	-	111.92
Total Assets	**20,663.77**	**1,96,141.82**	**2,16,805.59**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	22.90	-	22.90
Lease Liabilities	34.42	91.44	125.86
Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.57	-	34.57
Debt Securities	37,164.14	94,918.12	1,32,082.26
Borrowings (Other than Debt Securities)	21,467.77	23,672.66	45,140.43
Deposits	6,139.06	6,469.93	12,608.99
Subordinated Liabilities	500.00	1,000.00	1,500.00
Other Financial Liabilities	6,247.26	481.23	6,728.49
Non-Financial Liabilities			
Provisions	68.58	76.75	145.33
Other Non-Financial Liabilities	223.66	-	223.66
Total Liabilities	**71,902.36**	**1,26,710.13**	**1,98,612.49**
NET	**(51,238.60)**	**69,431.69**	**18,193.09**

As at March 31, 2019

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	2,801.80	-	2,801.80
Bank Balance other than above	174.16	37.55	211.71
Derivative Financial Instruments	26.98	-	26.98
Loans	13,445.36	1,79,547.38	1,92,992.74
Investments	2,244.98	1,350.08	3,595.06
Other Financial Assets	4.07	9.82	13.89
Non-Financial Assets			
Current Tax Assets (Net)	-	178.05	178.05
Deferred Tax Assets (Net)	-	553.37	553.37
Property, Plant and Equipment	-	132.97	132.97
Other Intangible Assets	-	2.88	2.88
Other Non-Financial Assets	74.02	-	74.02
Total Assets	**18,771.37**	**1,81,812.10**	**2,00,583.47**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Upto 12 months	More than 12 months	Total
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	25.79	-	25.79
Payables	-	-	-
Trade Payables	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	79.94	-	79.94
Debt Securities	36,878.11	97,737.56	1,34,615.67
Borrowings (Other than Debt Securities)	11,231.45	15,152.46	26,383.91
Deposits	4,554.81	3,112.62	7,667.43
Subordinated Liabilities	-	2,000.00	2,000.00
Other Financial Liabilities	12,877.55	411.87	13,289.42
Non-Financial Liabilities			
Provisions	57.16	56.23	113.39
Other Non-Financial Liabilities	148.65	-	148.65
Total Liabilities	**65,853.46**	**1,18,470.74**	**1,84,324.20**
NET	**(47,082.09)**	**63,341.36**	**16,259.27**

38. SEGMENT REPORTING:

The Company is engaged in the business of providing finance for purchase, construction, repairs, renovation of house/ buildings. As such, there are no separate reportable segments, as per Ind AS 108 on 'Segment Reporting'.

39. COMMITMENTS:

a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 0.38 crore (FY 2018-19 ₹ 0.40 crore).

b) Other Commitments: Uncalled liability of ₹ 1.14 crore (FY 2018-19 ₹ 1.14 crore) in respect of commitment made for contribution to LICHFL Urban Development Fund by subscription of 50,000 units (FY 2018-19 50,000 units) of ₹ 10,000/- face value each, paid up value being ₹ 3,761.71 (FY 2018-19 ₹ 3,857.34/-) each.

The Company had committed for an upfront investment of ₹ 37.50 crore subject to a maximum of 10% of aggregate Capital Commitment but not exceeding ₹ 100.00 crore in LICHFL Infrastructure Fund managed by one of the Subsidiary of the Company, namely LICHFL Asset Management Company Limited. The outstanding investment in LICHFL Infrastructure Fund as on 31st March, 2020 is ₹ 1.98 crore (FY 2018-19 ₹ 1.54 crore).

40. CONTINGENT LIABILITIES IN RESPECT OF:

a) Claims against the Company not acknowledged as debts ₹ 1.98 crore (FY 2018-19 ₹ 0.91 crore).

b) On completion of income tax assessment, the Company had received a demand of ₹ 3.48 crore - (including interest of ₹ 0.20 crore) for A.Y. 2003-04, ₹ 22.17 crore (including interest of ₹ 7.22 crore) for A.Y. 2004-05 against which the Company received refund of ₹ 2.20 crore , ₹ 35.72 crore (including interest of ₹ 6.68 crore) against which ₹ 19.51 crore was paid under protest for A.Y. 2005-06, ₹ 23.85 crore (including interest of ₹ 1.38 crore against which the Company received refund of ₹ 1.37 crore for A.Y. 2006-07 and ₹ 15.03 crore (including interest of ₹ 6.34 crore) for A.Y. 2007-08. The said amounts are disputed and the Company has preferred an appeal against the same. The amounts for the respective years have been paid to the credit of the Central Govt. under protest.

c) The Management has assessed there are no executory contracts which have become onerous due to the adverse impact of COVID -19.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

41. MOVEMENT IN PROVISION FOR CONTINGENCIES AS UNDER:

a. Provision includes:

i. Provision for doubtful advances and provision for probable loss on account of bank reconciliation differences.

(₹ in crore)

Provision for Doubtful Advances	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening balance	0.42	0.42
Add: Additional provisional for doubtful advances	-	-
Less: Amounts utilized during the year / provision written back for doubtful advances	-	-
Less: Reversal of provision for doubtful advances	-	-
Closing balance	**0.42**	**0.42**

42. Fixed Deposits with Banks includes earmarked deposits created in favour of trustees for depositors towards maintaining Statutory Liquid Ratio amounting to ₹ 196.50 crore (FY 2018-19 ₹ 177.25 crore). The Company has beneficial interest on the income earned from these deposits.

43. Temporary Book Overdraft of ₹ 682.54 crore (FY 2018-19 ₹ 6,909.46 crore) represents cheques issued towards disbursements to borrowers for ₹ 675.71 crore (FY 2018-19 ₹ 6,894.71 crore) and cheques issued for payment of expenses of ₹ 6.82 crore (FY 2018-19 ₹ 14.75 crore), but not encashed as at March 31, 2020.

44. AUDITOR'S REMUNERATION*:

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditor	0.31	0.32
Tax Audit	0.08	0.08
For Quarterly Limited Reviews	0.15	0.17
In any other manner (Certification work)	0.07	0.03
Reimbursement of Expenses to Auditors	0.06	0.02
Total	**0.67**	**0.62**

* Excluding GST

45. EXPENDITURE IN FOREIGN CURRENCIES:

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Travelling Expenses	0.04	0.17
Professional Fees	0.08	0.07
Fees for filing returns and Trade License fees	0.09	0.04
Salary to Overseas Staff	0.85	0.68
Rent for Overseas Staff Residence	0.45	0.59
Annual Fees	1.22	0.72
Commission	0.06	0.08
Other Expenses	0.09	0.08
Total	**2.88**	**2.43**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

46. Proposed Dividend

(₹ in crore)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
(i)	**Dividends not recognised at the end of reporting period**		
	The directors have recommended final dividend of ₹ 8.00 per fully paid equity share (₹ 7.60 for March 31, 2019). This proposed dividend is subject to approval of shareholders in ensuing Annual General Meeting.	403.73	383.54
	Tax on Proposed Dividend	-	77.61

Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source under section 194K from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

47. The Company is in the continuous process of obtaining confirmation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. The disclosure relating to unpaid amount as at the year-end together with interest paid / payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSMED Act, 2006. No interest has been paid/payable by the Company during the current year to the parties covered under the Micro, Small and Medium Enterprises Development Act, 2006.

48. DISCLOSURE IN RESPECT OF EMPLOYEE BENEFITS:

In accordance with the Indian Accounting Standard on (Ind AS-19) – “Employee Benefits” the following disclosures have been made:

Provident Fund and Pension Fund Liability

The Company has recognised ₹ 17.98 crore (Previous year ₹ 15.23 crore) in the Statement of Profit and Loss towards contribution to Provident fund in respect of company employees. In respect of LIC employees on deputation who have opted for pension, ₹ 0.51 crore (previous year ₹ 0.43 crore) have been contributed towards LIC of India (Employees) Pension Rules, 1995.

(₹ in crore)

Changes in the Present Value of Projected Benefit Obligation:	2019-20	2018-19
Present Value of Benefit Obligation at the Beginning of the Year	75.33	70.06
Interest Cost	5.87	5.50
Current Service Cost	4.13	3.51
Past Service Cost	-	-
Benefit Paid from the Fund	(0.85)	(1.24)
Actuarial Loss/(Gain) on obligations	9.95	(2.50)
Present Value of Benefit Obligation at the End of the Year	**94.43**	**75.33**

(₹ in crore)

Fair Value of the Plan Assets:	2019-20	2018-19
Fair Value of Plan Asset at the Beginning of the Year	66.75	42.70
Interest Income	5.20	3.35
Contributions by the Employer	9.07	25.15
Benefit Paid from the Fund	(0.85)	(1.24)
Actuarial Gain / (Loss) on Plan Assets	(1.73)	(3.21)
Fair value of Plan Assets at the End of the Year	78.44	66.75
Total Actuarial Loss/(Gain) to be Recognised	**8.22**	**0.71**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Actual Return on Plan Assets:	2019-20	2018-19
Expected Return on Plan Assets	5.20	3.35
Actuarial Gain / (Loss) on Plan Assets	(1.73)	(3.21)
Actual Return on Plan Assets	**3.47**	**0.14**

(₹ in crore)

Amount Recognised in the Balance Sheet:	2019-20	2018-19
Liability at the end of the year	(94.43)	(75.33)
Fair Value of Plan Assets at the end of the year	78.44	66.75
Funded Status (Surplus/(Deficit))	(15.99)	(8.58)
Amount recognised in the Balance Sheet	**(15.99)**	**(8.58)**

(₹ in crore)

Net Interest Cost for Current Year:	2019-20	2018-19
Present Value of Benefit Obligation at the Beginning of the Year	75.33	70.06
Fair value of Plan Assets at the Beginning of the Year	66.75	42.70
Net Liability/(Asset) at the Beginning of the Year	8.58	27.37
Interest Cost	5.87	5.50
Interest Income	(5.20)	(3.35)
Net Interest Cost for Next Year	**0.67**	**2.15**

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss for Current Year:	2019-20	2018-19
Current Service Cost	4.13	3.51
Interest Cost	0.67	2.15
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Expense recognised in the Statement of Profit and Loss under staff expenses	**4.80**	**5.66**

(₹ in crore)

Expense Recognised in Other Comprehensive Income (OCI) for Current Year:	2019-20	2018-19
Actuarial Loss/(Gain) on obligations	9.95	(2.50)
Return on Plan Assets, excluding Interest Income	1.73	3.21
Change in Asset Ceiling	-	-
Net (Income)/Expense for the year recognised in OCI	**11.68**	**0.71**

(₹ in crore)

Reconciliation of the Liability recognised in the Balance Sheet:	2019-20	2018-19
Opening Net Liability	8.58	27.37
Expenses recognised in the Statement of Profit & Loss	4.80	5.66
Expenses recognised in OCI	11.68	0.71
Contribution by the Company	(9.07)	(25.15)
Amount recognised in the Balance Sheet under "Provision for Retirement Benefits"	**15.99**	**8.59**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Net Interest Cost for Next Year:	2019-20	2018-19
Present Value of Benefit Obligation at the End of the Year	94.43	75.33
Fair value of Plan Assets at the End of the Year	78.44	66.75
Net Liability/(Asset) at the End of the Year	15.99	8.58
Interest Cost	6.46	5.87
Interest Income	(5.37)	(5.20)
Net Interest Cost for Next Year	**1.09**	**0.67**

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss for Next Year:	2019-20	2018-19
Current Service Cost	5.76	4.13
Net Interest Cost	1.09	0.67
Expense recognised in the Statement of Profit and Loss under staff expenses	**6.85**	**4.80**

(₹ in crore)

Maturity Analysis of the Benefit Payments : From the Fund	2019-20	2018-19
Proiected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	4.14	2.64
2nd Following Year	3.86	2.84
3rd Following Year	6.69	4.53
4th Following Year	6.55	6.21
5th Following Year	6.57	6.10
Sum of Years 6 to 10	48.18	44.89
Sum of Years 11 and above	**134.91**	**117.92**

(₹ in crore)

Sensitivity Analysis	2019-20	2018-19
Projected Benefit Obligation on Current Assumptions	94.43	75.33
Delta Effect of +1% Change in Rate of Discounting	(8.28)	(6.39)
Delta Effect of -1% Change in Rate of Discounting	9.62	7.41
Delta Effect of +1% Change in Rate of Salary Increase	4.32	3.48
Delta Effect of -1% Change in Rate of Salary Increase	(4.56)	(3.69)
Delta Effect of +1%Change in Rate of Employee Turnover	0.38	0.75
Delta Effect of -1%Change in Rate of Employee Turnover	(0.41)	(0.82)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Assumptions:	31.03.2020	31.03.2019
Discount Rate	6.84%	7.79%
Rate of Return on Plan Assets	6.84%	7.79%
Salary Escalation	8.00%	8.00%
Attrition Rate	2.00%	2.00%

Gratuity Contribution is paid to LIC of India under Gratuity Scheme of LIC.

Actuarial Gains/Losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary Escalation and Attrition Rate are considered as advised to the Company by the Actuary; they are in line with the industry practice considering promotion and demand and supply of the employees.

Maturity Analysis of Benefit payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest Risk: A fall in the discount rate which is linked to the Government Security. Rate will increase the present value of the requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule l0l of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after April 1, 2020 is ₹ 13.84 crore (Previous Year ₹ 11.47 crore).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Leave Encashment

(₹ in crore)

Changes in the Benefit Obligation:	2019-20	2018-19
Liability at the Beginning of the year	47.80	41.84
Interest Cost	3.72	3.29
Current Service Cost	2.31	1.70
Benefit Paid	(2.49)	(2.66)
Actuarial (Gain) / Loss on obligations	13.22	3.63
Liability at the end of the year	**64.56**	**47.80**

(₹ in crore)

Amount Recognised in the Balance Sheet:	2019-20	2018-19
Liability at the end of the year	64.56	47.80
Fair Value of Plan Assets at the end of the year	-	-
Amount recognised in the Balance Sheet*	**(64.56)**	**(47.80)**

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss:	2019-20	2018-19
Current Service Cost	2.31	1.70
Interest Cost	3.72	3.29
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss to be recognised	13.22	3.63
Expense recognised in the Statement of Profit and Loss under staff expenses	**19.25**	**8.62**

(₹ in crore)

Reconciliation of the Liability recognised in the Balance Sheet:	2019-20	2018-19
Opening Net Liability	47.80	41.84
Expense recognised	19.25	8.62
Contribution/Benefit Paid by the Company	(2.49)	(2.66)
Amount recognised in the Balance Sheet under "Provision for Retirement Benefits"	**64.56**	**47.80**

Assumptions:	2019-20	2018-19
Retirement Age	58 Years	58 Years
Discount Rate	6.84%	7.79%
Salary Escalation	8.00%	8.00%
Attrition Rate	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation, include inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the actuary and relied upon by the Auditors.

*Exclusive of Amount ₹ 0.06 crore (previous year ₹ 0.08 crore) towards additional provision made for LIC employees.

Sick Leave

The Company has recognised ₹ 2.72 crore (Previous year ₹ 1.24 crore) in the Statement of Profit and Loss towards sick leave in respect of company employees.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

49. RELATED PARTY DISCLOSURE:

a. Related Party Policy:

Related Party Policy is uploaded on the website of the Company and annexed to the Director Report.

b. Names of related parties:

(i) Enterprise having Significant Influence on the Company

Life Insurance Corporation of India

(ii) Enterprises over which Control exists

LICHFL Care Homes Limited

LICHFL Financial Services Limited

LICHFL Asset Management Company Limited

LICHFL Trustee Company Private Limited

(iii) Associates of the Company

LIC Mutual Fund Asset Management Limited

LIC Mutual Fund Trustee Private Limited

(iv) Key Management Personnel

Key Management Personnel	For the year ended March 31,2020	For the year ended March 31,2019
Shri Vinay Sah	MD & CEO (Upto 01.08.2019)	MD & CEO
Shri Siddhartha Mohanty	MD & CEO (From 01.08.2019)	-
Shri Nitin K Jage	Company Secretary	Company Secretary
Shri P Narayanan	Chief Financial Officer (Upto 10.05.2019)	Chief Financial Officer
Shri Sudipto Sil	Chief Financial Officer (From 10.05.2019)	-

(v) Directors (Executive or Otherwise)

Key Management Personnel	For the year ended March 31,2020	For the year ended March 31,2019
Shri V K Sharma	-	Chairman (Upto 31.12.2018)
Shri M R Kumar	Chairman	Chairman (From 25.03.2019)
Shri Hemant Bhargava	Non-Executive Nominee Director (Upto 01.08.2019)	Non-Executive Nominee Director
Smt. Usha Sangwan	-	Non-Executive Nominee Director (Upto 29.09.2018)
Shri Vipin Anand	Non-Executive Nominee Director (From 11.11.2019)	-
Shri Jagdish Capoor	Independent Director	Independent Director
Smt. Savita Singh	Independent Director (Re-designated as Independent Director from 01.04.2019)	Non Independent Director
Shri Dharmendra Bhandari	Independent Director	Independent Director
Shri V. K. Kukreja	Independent Director	Independent Director
Shri Ameet Patel	Independent Director	Independent Director

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Key Management Personnel	For the year ended March 31,2020	For the year ended March 31,2019
Shri P Koteswara Rao	Non Independent Director (Re-designated as Non Independent from 04.05.2019)	Independent Director
Shri T. V Rao	-	Independent Director (Upto 31.07.2018)
Shri Debabrata Sarkar	-	Independent Director (Upto 12.11.2018)
Shri Kashi Prasad Khandelwal	Independent Director (From 01.07.2019)	-
Shri Sanjay Kumar Khemani	Non Independent Director (From 01.07.2019)	-

c. Details of transactions and balance at the year end with related parties:

(₹ in crore)

Related Party	Nature of transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Life Insurance Corporation of India			
	Repayment of non-convertible debentures	500.00	1,750.00
	Interest expenses on Secured and Unsecured loans	1,461.83	1,531.38
	Dividend Payment	154.62	138.34
	Rent Rates and Taxes	8.12	6.71
	Payment of Electricity Expenses	0.45	0.49
	Payment for Staff training, Conference, etc.	0.02	0.14
	Reimbursement of Gratuity, Mediclaim, GSLI and Pension Fund for staff posted from LIC	1.12	0.98
	Net Contribution to LIC of India, P & GS, for Gratuity premium for employees (Post Employment Benefit Fund with Related Entity)	8.45	24.05
	Balance as at the year end towards non convertible debentures (Credit)	16,550.00	17,050.00
	Balance as at the year end towards Interest Accrued on non convertible debentures (Credit)	452.84	576.66
	Balance as at the year end-Others (Credit)	2.39	2.16
LICHFL Care Homes Limited			
	Dividend Income	-	0.25
	Investment in Share Capital of LICHFL Care Homes Limited	-	25.00
	Rent Received	0.24	0.14
	Balance as at the year-end (Debit)	-	-
LICHFL Financial Services Limited			
	Dividend Income	3.80	4.28
	Investment in Public Deposit by LICHFL Financial Services Ltd in LICHFL	24.00	-
	Accrued Interest on PD	1.52	-
	Commission Expenses on Loan Business	43.49	47.87
	Commission Expenses on Public Deposit	0.30	0.10
	Rent Received	0.46	0.45
	Payment of Expenses	0.20	0.44
	Reimbursement of Expenses	0.20	0.44
	Balance as at the year end towards payment of Commission Expense on Loan Business (Credit)	5.10	12.77
	Balance as at the year end towards payment of Commission Expense on Public Deposit (Credit)	0.01	0.01

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Related Party	Nature of transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
	Balance as at the year end towards Public Deposit and Accrued Interest on Public Deposit (Credit)	25.52	-
	Balance as at the year end -Others (Debit)	0.01	0.00
LICHFL Asset Management Company Limited			
	Dividend Income	2.18	1.74
	Investment in Public Deposit by LICHFL Asset Management Co. Ltd in LIC HFL	10.63	8.29
	Redemption of Public Deposit by LICHFL Asset Management Co. Ltd in LIC HFL	7.15	-
	Accrued Interest on Public Deposit BY LICHFL	0.77	0.18
	Interest paid on Public Deposit by LICHFL	0.45	0.24
	Payment of Expenses	0.19	0.20
	Reimbursement of Expenses	0.19	0.20
	Balance as at the year end towards Public Deposit and Accrued Interest on Public Deposit (Credit)	14.35	10.10
	Balance as at the year end- Others (Debit)	0.01	0.01
LIC Mutual Fund Asset Management Limited			
	Dividend Income	0.22	0.43
Shri Siddhartha Mohanty, MD & CEO (From 01.08.2019) & Shri Vinay Sah, MD & CEO (Upto 01.08.2019)	*Managerial remuneration-Total	**0.60	0.57
	Short Term Employment Benefits	0.59	0.56
	Post -Employment Benefits	0.01	0.01
	Outstanding Amount of Loan taken from the Company	0.47	0.35
Shri Nitin K Jage, Company Secretary	*Managerial remuneration-Total	0.41	0.38
	Short Term Employment Benefits	0.41	0.38
	Post Employment Benefits	-	-
	Investment in Public Deposit	0.04	0.21
	Outstanding Amount of Loan taken from the Company	0.08	0.11
Shri P Narayanan, CFO (Upto 10.05.2019) & Shri Sudipto Sil (From 10.05.2019)	*Managerial remuneration-Total	***0.40	0.28
	Short Term Employment Benefits	0.40	0.27
	Post Employment Benefits	0.00	0.01
	Investment in Public Deposit	-	0.28
	Accrued Interest on Public Deposit	-	0.03
	Investment in Public Deposit by Close Members of family	0.48	-
	Accrued Interest on Public Deposit made by Close Members of family	0.06	-
Directors (Executive or Otherwise)	Sitting Fees Paid	0.50	0.46
Shri Hemant Bhargava, Non-Executive Nominee Director (Upto 01.08.2019)	Outstanding Amount of Loan taken from the Company	-	0.04
Shri Jagdish Capoor, Independent Director	Investment in Public Deposit	0.10	-

* As the Provision for Performance Linked Incentive (PLI) and Leave encashment is accrued for the company as a whole and not decided individually, hence not included. However payment made during the financial year 2019-2020 has been included.

** The amount includes Performance Linked Incentive (PLI) paid to Shri Vinay Sah ,MD & CEO (Upto 01.08.2019) during the Financial year 2019-2020 and salary paid to Mr. Siddhartha Mohanty, MD & CEO, (From 01.08.2019) and Shri Vinay Sah, MD &CEO for financial year 2019-2020.

*** The amount includes Performance Linked Incentive (PLI) paid to Shri P Narayanan, CFO (Upto 10.05.2019) during the Financial year 2019-2020 and salary paid to Shri Sudipto Sil, CFO (From 10.05.2019) and Shri P Narayanan, CFO for financial year 2019-2020.

Gratuity attributable to the Company Secretary and CFO (From 10.05.2019) is ₹ 0.20 crore as a post employment benefit. For the MD & CEO and CFO (Upto 10.05.2019), an amount of 5% of Basic Salary plus DA is contributed as a post employment benefit to LIC.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

50. Leases:

a. The impact of change in accounting policy on account on adoption of Ind AS 116 is as follows:

(₹ in crore)

Particulars	Amount
Increase in Finance Cost	10.68
Increase in ROU	150.25
Increase in Depreciation	32.80
Increase in Lease Liability	125.86
Increase/Decrease in Deferred Tax	-
Decrease in Property, Plant & Equipment due to Assets Subleased to Subsidiaries	0.77

b. Actual Payment of Rent from 01.04.2019 to 31.03.2020 is ₹ 40.06 crore

c. The following is the breakup of Current and non-current portion of Lease Liability as on 31.03.2020:

(₹ in crore)

Particulars	Amount
Current	34.42
Non-Current	91.44
Total Lease Liability as on 31.03.2020	**125.86**

d. The following is the movement of Lease Liability as on 31.03.2020:

(₹ in crore)

Particulars	Amount
Opening Value of Lease Liability as of April 1, 2019 due to initial recognition as per Ind AS 116	105.58
Additions	49.48
Interest Expense on Lease Liability	10.68
Actual Payment of Rent	(40.06)
Provision on Disposals	0.19
Closing Value of Lease Liability as of March 31, 2020	**125.86**

e. The Carrying Value of Right of Use Asset as of March 31, 2020:

(₹ in crore)

Particulars	Amount
Opening Value of Right of Use Asset as of April 1, 2019 due to initial recognition as per Ind AS 116	103.98
Additions	49.48
Disposals	3.21
Gross carrying value as of March 31, 2020	**150.25**
Accumulated Depreciation as of April 1, 2019	**-**
Depreciation	36.01
Accumulated Depreciation on Disposals	3.21
Accumulated Depreciation as of March 31, 2020	**32.80**
Carrying Value as of March 31, 2020	**117.45**

f. The following represents the Contractual Maturity of the Lease Liability as on 31.03.2020 on an undiscounted basis:

(₹ in crore)

Particulars	Amount
On demand	-
Upto 3 months	11.66
Above 3 months to 12 months	28.35
Above 1 Year -3 Years	69.26
Above 3 Years-5 Years	26.50
Above 5 Years-10 Years	23.15
Above 10 Years	-
Total	**158.93**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

g. Reconciliation between Ind AS 17 and Ind AS 116:

(₹ in crore)

As at 1 April 2019	Amount
Off-balance sheet lease obligations as of 31 March 2019	-
Current leases with lease term of 12 months or less (short-term leases)	-
Leases of low value assets (low-value leases)	-
Variable lease payments	-
Others	-
Operating lease obligations as of 1 April 2019 (gross without discounting)	199.17
Effect from discounting at the incremental borrowing rate as at 1 April 2019	(44.11)
Lease liabilities as at 1 April 2019	**155.06**
Non-lease components (if any) (net of discount)	-
Lease liabilities due to initial application of Ind AS 116 as at 01 April 2019	-
Lease liabilities from finance leases as at 01 April 2019	-
Total lease liabilities as of 01 April 2019	**155.06**

As a Lessee:

Amount recognised in Statement of Profit and Loss:

(₹ in crore)

Particulars	For the year ended March 31, 2020
Interest on lease Liabilities	10.68
Variable payments not included in measurement of lease liability	-
Income from subleasing ROU assets	(0.12)
Expenses relating to short term leases	-
Expenses relating to leases of low value assets, excluding short term leases of low value assets	-
Total amount recognised in the Statement of Profit and Loss	**10.56**

Amount recognised in the Statement of Cash Flow:

(₹ in crore)

Particulars	For the year ended March 31, 2020
Total amount of cash outflows for leases (net of rental inflows)	39.36

As a Lessor :

Operating Lease

The Company has entered into operating leases on its furniture to its subsidiaries. These leases have a term of three years. All leases include a clause to enable upward revision on rental charge every three years according to the prevailing market conditions. Future minimum lease rentals receivable under non-cancellable operating leases as at 31.03.2020 are, as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2020
Within one year	0.02
After one year but not more than five years	0.02
More than five years	-
Total	**0.04**

An impairment loss on furniture and other office equipment of ₹ 0.65 crores is recognised in the Statement of Profit and Loss, on account of the current fair value of the lease being less than the net investment in the lease.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Finance Lease

The Company has finance leases for furniture leased to its subsidiaries and subleased premises to subsidiaries. The company's obligations under Finance lease are secured by lessor's title to leased assets. Future minimum lease payments under finance lease s together with present value of the net minimum lease payments are, as follows:

(₹ in crore)

Particulars	As at March 31, 2020
Within one year	0.72
After one year but not more than five years	0.54
More than five years	-
Total minimum lease payments	1.26
Less: Finance charges	0.09
Present value of minimum lease payments	**1.18**

Due to COVID-19 situations, no changes have been made in the terms of lease arrangements, neither have lessors given any concession to the lessee with respect to lease payments. None of the lease agreements have become onerous. The incremental borrowing rate of the Company, used to determine the present value of new lease liabilities has not been impacted due to COVID-19 situation.

51. EARNINGS PER SHARE:

Earnings per share is calculated by dividing the profit attributable to the equity (ordinary) shareholders by the weighted average number of equity (ordinary) shares outstanding during the year as under:

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax attributable to equity shareholders	(₹ in crore)	2,401.84	2,430.97
Weighted average number of equity shares outstanding during the year	Nos.	50,46,63,000	50,46,63,000
Basic and Diluted Earnings per equity share	₹	47.59	48.17
Face value per equity share	₹	2/-	2/-

52. TAXES ON INCOME:

Movement in Deferred Tax Assets / Liabilities

(₹ in crore)

Particulars	As at April 1, 2019	Profit or Loss	Other Comprehensive Income	Total	As at March 31, 2020
Property, plant and equipment	(3.60)	(28.41)	-	(28.41)	(32.01)
Expected credit losses	579.89	24.46	-	24.46	604.35
Provisions other than those pertaining to Expected credit loss	23.83	0.13	-	0.13	23.96
Financial assets at fair value through profit or loss	-	2.31	-	2.31	2.31
Re-measurements of employee benefits through OCI	(1.14)	-	4.83	4.83	3.69
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(111.04)	1.48	-	1.48	(109.56)
Income recognition on NPA cases	(7.96)	(23.52)	-	(23.52)	(31.48)
Others	73.38	(14.62)		(14.62)	58.76
Total	**553.37**	**(38.17)**	**4.83**	**(33.34)**	**520.03**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Movement in Deferred Tax Assets / Liabilities

(₹ in crore)

Particulars	As at April 1, 2018	Profit or Loss	Other Comprehensive Income	Total	As at March 31, 2019
Property, plant and equipment	(3.43)	(0.17)	-	(0.17)	(3.60)
Expected credit losses	457.46	122.43	-	122.43	579.89
Provisions other than those pertaining to Expected credit loss	29.56	(5.73)	-	(5.73)	23.83
Financial assets at fair value through profit or loss	3.49	(3.49)	-	(3.49)	-
Re-measurements of employee benefits through OCI	(1.39)	-	0.25	0.25	(1.14)
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(102.68)	(8.36)	-	(8.36)	(111.04)
Income recognition on NPA cases	(7.96)	-	-	-	(7.96)
Others	67.21	6.17	-	6.17	73.38
Total	**442.28**	**110.85**	**0.25**	**111.10**	**553.37**

Income Tax recognised in Statement of profit and loss:

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Tax		
In respect of Current Year	828.98	1,059.43
In respect of prior years	-	-
Deferred Tax		
In respect of Current Year	38.17	(110.85)
Total Income Tax expense recognised in the current year	**867.15**	**948.58**

Reconciliation of income tax expense of the year to the accounting profit is as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Standalone Profit before tax	3,268.99	3,379.55
Income tax expense calculated at 25.168% (Previous Year 34.944%)	822.74	1,180.95
Effect of expenses that are not deductible in determining taxable profit	193.15	112.71
Effect of incomes which are exempt from tax	(1.56)	(2.34)
Effect on deferred tax balances due to the changes in income tax rate	154.81	-
Deduction under section 36(1)(viii) of the Income tax Act, 1961	(185.36)	(232.05)
Others	(116.63)	(110.69)
Income tax expense recognised in statement of profit and loss	**867.15**	**948.58**

The tax rate used for the reconciliations above is the corporate tax rate of 25.168% for the year 2019-2020 and the rate of 34.944% for the year 2018-19 payable by the Company in India on taxable profits under tax law in Indian jurisdiction.

While recognising provision for income tax for the year ended March 31, 2020, the Company has exercised the option of lower tax rate permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. The Company has adopted new tax rate of 22% plus applicable surcharge and cess as per the said Section 115BAA.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The new effective tax rate, applicable under section 115BAA is 25.168%.

In the current COVID 19 situation, the Company has re-assessed the recognised deferred tax assets. The Company has recognised previously unrecognised deferred tax assets/ liabilities to the extent that it has become reasonably certain and is of view that sufficient future taxable income will be available against which such deferred tax assets can be realised. The Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

53. CORPORATE SOCIAL RESPONSIBILITY

Establishment and Other expenses includes ₹ 61.49 crore for the year ended March 31, 2020 (Previous year ₹ 18.78 crore) for contribution towards Corporate Social Responsibility (CSR) in accordance with Companies Act, 2013.

Details of CSR expenditure during the financial year

a) Gross amount required to be spent by the company during the year is ₹ 61.49 crore (Previous Year ₹ 57.49 crore).

b) Amount spent during the year:

(₹ in crore)

Sl. No	Particulars	In cash	Yet to be paid	Total
(i)	Construction/acquisition of any asset	14.77 (13.00)	25.47 (-)	40.24 (13.00)
(ii)	On purposes other than (i) above	6.54 (5.78)	14.71 (-)	21.25 (5.78)

Figures in bracket are in respect of the Previous Year

c) Details of related party transactions as per Indian Accounting Standard (Ind AS-24), "Related Party Disclosures"-Nil

d) Provision of ₹ 40.18 crore has been made for CSR expenditure unspent by the company as on March 31, 2020 (Previous Year Nil).

54. TRANSFER TO SPECIAL RESERVES

Special Reserve has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company. Special Reserve No. I relates to the amounts transferred upto the Financial Year 1996-97, whereas Special Reserve No. II relates to the amounts transferred thereafter. In the current financial year ₹ 749.99 crore (FY 2018-19 ₹ 749.99 crore) has been transferred to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961 and an amount of ₹ 0.01 crore (FY 2018-19 ₹ 0.01 crore) to Statutory Reserve under Section 29C the NHB Act.

As per National Housing Bank's (NHB) circular vide circular NHB(ND)/DRS/Pol. 62/2014 dated 27th May, 2014, the Company has adjusted the opening balance of reserves for creation of Deferred Tax Liability (DTL) on the Special Reserve as at 1st April, 2014 created under Section 36(1)(viii) of the Income tax Act, 1961.

55. DISCLOSURE REQUIRED BY NATIONAL HOUSING BANK

The following disclosures have been given in terms of Notification no. NHB.HFC.CG DIR.1/MD&CEO/2016 dated February 9, 2017 issued by the National Housing Bank. These figures are not traceable to the Financial Statements as at March 31, 2020. The differences are arising as the disclosures are made as per the regulatory requirement vis á vis the financial statements prepared as per Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013.

Comparative numbers in these disclosures have been provided as per the audited financial statements as at and for the year ended March 31, 2019.

Minimum Disclosure Requirements

The following additional disclosures have been given in terms of Notification no. NHB.HFC.CG-DIR.1/ MD&CEO/2016 dated February 9, 2017 issued by the National Housing Bank.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 1 to 4 to the Standalone Financial Statement for the year ended March 31, 2020.

1. Advances

Disclosure regarding provisions made for substandard, doubtful and loss assets as per the Prudential Norms contained in the Housing Finance Companies (NHB) Directions, 2010 as amended are as under:

a. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

As per NHB Directions Housing Finance Companies shall not lend more than 15% of its owned fund to Single borrower and 25% of its owned fund to any single group of borrowers. The Company has not exceeded prudential exposure limits during the year.

b. Unsecured Advances

(₹ in crore)

Particulars	Outstanding amount	Tangible Security	Unsecured		Nature of Security
			Intangible Security	Unsecured	
Loan given to HFC's	627.98 (276.67)	- (-)	627.98 (276.67)	- (-)	Book debt on specific assets
Loan given under Lease Rental Discounting	122.66 (122.66)	29.28 (29.28)	93.38 (93.38)	- (-)	Rights over receivables
Loan given to Individuals	529.36 (157.50)	373.73 (99.49)	- (-)	155.63 (58.01)	Immovable Property
Loan Against Deposit	15.32 (0.79)	- (-)	15.32 (0.79)	- (-)	Fixed Deposit Receipt
Total	**1,295.32 (557.62)**	**403.01 (128.77)**	**736.68 (370.84)**	**155.63 (58.01)**	

Figures in bracket are in respect of the Previous Year.

- As per the NHB Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016, for determining the amount of unsecured advances the rights, licenses, authorization, etc., charged to the HFCs as collateral in respect of projects (including infrastructure projects) financed by them, should not be reckoned as tangible security. Hence such advances are reckoned as unsecured.

c. Housing Loans and Non-Housing Loans

(₹ in crore)

Asset Classification	Housing		Non-Housing	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Standard Assets				
a) Total Outstanding Amount				
(i) Total Outstanding Amount	1,66,484.79	1,54,474.02	36,032.97	35,775.58
(ii) Accrued Interest*	1,274.14	985.82	364.53	248.91
b) Provisions made	744.00	559.55	432.54	243.86
Sub-Standard Assets				
a) Total Outstanding Amount	2,319.85	1,390.67	839.57	417.47
b) Provisions made	355.14	208.60	125.94	62.62

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in crore)

Asset Classification	Housing		Non-Housing	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Doubtful Assets – Category-I				
a) Total Outstanding Amount	928.82	268.62	163.36	101.47
b) Provisions made	236.95	67.15	40.84	25.37
Doubtful Assets – Category-II				
a) Total Outstanding Amount	646.80	310.51	399.56	134.04
b) Provisions made	259.17	124.20	159.83	53.62
Doubtful Assets – Category-III				
a) Total Outstanding Amount	275.26	129.40	240.36	113.09
b) Provisions made	275.26	129.40	240.36	113.09
Loss Assets				
a) Total Outstanding Amount	132.35	88.75	21.97	17.68
b) Provisions made	132.35	88.75	21.97	17.68
Total				
a) Total Outstanding Amount				
(i) Total Outstanding Amount of the Portfolio	**1,70,787.87**	**1,56,661.97**	**37,697.79**	**36,559.33**
(ii) Accrued interest*	**1,274.14**	**985.82**	**364.53**	**248.91**
b) Provisions made	**2,002.87**	**1,177.65**	**1,021.48**	**516.24**

* Accrued Interest includes Interest Accrued but not due and Interest Accrued and due.

d. Movement of NPAs

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(I) Net NPAs to Net Advances (%)	1.99%	1.08%
(II) Movement of NPAs (Gross)		
a) Opening balance	2,971.70	1,303.60
b) Additions during the year	3,544.44	2,188.90
c) Reductions during the year	548.23	520.80
d) Closing balance	5,967.90	2,971.70
(III) Movement of Net NPAs		
a) Opening balance	2,081.20	711.66
b) Additions during the year	2,552.07	1624.74
c) Reductions during the year	513.18	255.20
d) Closing balance	4,120.10	2,081.20
(IV) Movement of Provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	890.48	591.94
b) Provisions made during the year	992.37	564.16
c) Write-off/write-back of excess provisions	35.05	265.62
d) Closing balance	1,847.80	890.48

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

2. There were no loans given against collateral of gold jewellery.

3. Investments

(₹ in crore)

Particulars			As at March 31, 2020	As at March 31, 2019
A.	**Value of Investments**			
	i)	Gross value of Investments	5,433.29	3,561.81
		(a) In India	5,433.29	3,561.81
		(b) Outside India	-	-
	ii)	Provisions for Depreciation	9.17	10.00
		(a) In India	9.17	10.00
		(b) Outside India	-	-
	iii)	Net value of Investments	5,424.12	3,551.81
		(a) In India	5,424.12	3,551.81
		(b) Outside India		
B.	**Movement of provisions held towards depreciation on investments**			
	(i)	Opening balance	10.00	10.00
	(ii)	Add: Provisions made during the year	-	-
	(iii)	Less: Write-off / Written-back of excess provisions during the year	0.83	-
	(iv)	Closing Balances	9.17	10.00

4. Derivative Instruments:

Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
i)	The notional principal of swap agreements	1,821.73	396.00
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	53.87	5.34
iii)	Collateral required by the HFC upon entering into swaps	-	-
iv)	Concentration of credit risk arising from the swaps	53.87	5.34
v)	The fair value of the swap book	53.87	5.34

(a) Interest Rate Swaps for hedging underlying liability aggregate to ₹ 1821.73 crore (Previous Year ₹ 396.00 crore).

(b) Foreign currency exposure in respect of coupon linked with LIBOR that are not hedged by derivative instruments as on March 31, 2020 amount to ₹ NIL crore (Previous Year ₹ NIL crore).

Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

The exposure of the Company to Derivatives contracts is in the nature of Interest Rate Swaps and Currency Swaps to manage risk associated with interest rate movement and fluctuation in currency exchange rate.

Derivative policy of the Company specifies the exposure norms with respect to single counterparty and the total underlying amount at the time of entering into the new derivative contract.

The Asset Liability Management Committee (ALCO) of the Company oversees efficient management of risk associated with derivative transactions. Company identifies, measures, monitors the exposure associated with derivative transaction. For effective mitigation of risk it has an internal mechanism to conduct regular review of the outstanding contracts which is reported to the ALCO & Risk Management Committee of the Board which in turn reports to the Audit Committee and to the Board of Directors.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The gain realized on early termination of swap is amortized over the balance tenor of the swap or underlying liability whichever is less. Loss if any on early termination is charged to revenue in the same year. The carry difference, between coupon rate liability and the swap contract rate is accounted quarterly on accrual basis.

B. Quantitative Disclosure

(₹ in crore)

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	1,425.73	396.00
(ii) Marked to Market Positions		
(a) Assets (+)	48.62	5.25
(b) Liability (-)	-	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

5. Break up of 'Provisions and Contingencies' pursuant to NHB norms

(₹ in crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1. Provisions for depreciation on Investment		
Provisions for depreciation on Investment	-	-
Long term investment written off (Non Trade)	24.34	1.45
Less-Provision for Investments written back	(0.83)	-
2. Provision made towards Income tax	828.98	1,059.43
3. Provision towards NPA		
(i) Provision towards NPA	992.37	564.16
Less - Provision for loans written back	(35.05)	(265.62)
(ii) Loans written off	35.71	265.66
Less - Loans written off recovered	(8.37)	(13.22)
4. Provision for Standard Assets* (with details like teaser loan, CRE, CRE-RH, etc.)	373.13	146.55
5. Other Provision and Contingencies:		
(i) Provision For Other Doubtful Asset Receivable	(0.00)	-
(ii) Provisions for Contingency Written Back	-	-
(iii) Provision For Other Doubtful Asset Written Back	-	-
(iv) Provision for Loan Against Public Deposit	0.06	-
(v) Amounts written off Others	(0.06)	-
Total	**2,210.28**	**1,758.41**

* Provision on Standard Asset includes provision on Individual Housing Loan ₹ NIL crore (Previous Year ₹(NIL), CRE-RH (₹ 24.36) crore (Previous Year ₹ 32.80 crore), CRE ₹ 3.25 crore (Previous Year ₹ 122.33 crore) and CRE Others of ₹ 1.52 crore (Previous Year ₹ 8.58 crore) and Covid Moratorium Cases ₹ 392.71 crore (Previous Year NIL).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

6. Concentration of Public Deposits, Advances, Exposures and NPAs

6.1 Concentration of Public Deposits

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Deposits of twenty largest Public depositors	2,469.28	1,415.05
Percentage of Deposits of twenty largest Public depositors to Total Deposits of the Company	35.80%	35.85%

6.2 Concentration of Loans & Advances

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Loans & Advances to twenty largest borrowers	8,356.96	8,040.10
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the Company	4.01%	4.16%

6.3 Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to twenty largest borrowers / customers	8,520.47	8,569.08
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the Company on borrowers / customers	3.91%	3.89%

6.4 Concentration of NPAs

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to top ten NPA accounts	1,771.44	785.31

6.5 Sector-wise NPAs

Sr. No	Sector		Percentage of NPAs to Total Advances in that sector
A.	**Housing Loans:**		
	1	Individuals	1.18%
	2	Builders/Project Loans	23.02%
	3	Corporates	-
	4	Others (specify)	-
B.	**Non-Housing Loans:**		
	1	Individuals	2.95%
	2	Builders/Project Loans	3.27%
	3	Corporates	6.85%
	4	Others (Commercial)	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

7. Exposure

7.1 Exposure to Real Estate Sector

(₹ in crore)

Category				As at March 31, 2020	As at March 31, 2019
a)	**Direct exposure**				
	(i)	Residential Mortgages –			
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented ; Individual Housing Loans upto ₹ 15 lakh : ₹ 41,287.76 crore (FY 2018-19 ₹ 41,067.59 crore)		1,90,104.37	1,75,766.62
	(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		17,504.30	17,037.28
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures –			
		(a)	Residential (PTC-B)	-	-
		(b)	Commercial Real Estate	-	-
b)		**Indirect Exposure**			
		Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		627.98	276.67

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

7.2 Exposure to Capital Market

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; *	98.00	99.10
(ii)	advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	29.96	30.54
Total Exposure to Capital Market		**127.96**	**129.64**

* includes Investment in Subsidiary Companies and Investment in Associate Companies & other Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Capital to Risk Assets Ratio (CRAR)

	Particulars	As at March 31, 2020	As at March 31, 2019
i.	CRAR (%)	13.89%	14.36%
ii.	CRAR - Tier I capital (%)	12.19%	12.30%
iii.	CRAR - Tier II Capital (%)	1.70%	2.06%
iv.	Amount of subordinated debt raised as Tier- II Capital (₹ in crore)	1500.00	2000.00
v.	Amount raised by issue of Perpetual Debt Instruments (₹ in crore)	-	-

8. Asset Liability Management

Maturity pattern of certain items of assets and liabilities is as under:

(₹ in crore)

Particulars	1 day to 30-31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Liabilities											
Deposit	176.42	154.76	558.18	1,751.48	3,505.77	4,545.25	1,948.56	-	-	-	12,640.42
Borrowings from banks	70.00	26.78	563.46	804.98	19,459.55	11,393.21	7,168.62	2,784.33	917.35	-	43,188.28
Market Borrowings***	1,485.16	3,476.00	5,009.23	8,230.30	21,396.29	43,257.45	25,303.19	16,534.10	11,038.40	-	1,35,730.12
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances*	2,107.08	2,212.27	2,435.23	8,053.63	21,190.95	19,651.33	18,852.08	21,980.12	34,994.73	71,040.08	2,02,517.50
Investments**	2,000.00	1,627.94	-	-	10.00	19.01	158.00	31.00	539.50	1,068.56	5,454.01
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

* Net of Provisions

** Net of Investment diminutions and G-Sec taken at face value.

*** Commercial Paper & Zero Coupon Bond taken at face value.

9. Disclosure regarding penalty or adverse comments as per Housing Finance Companies (NHB) Directions, 2010 during the current year:

a. In respect of two loan accounts, pursuant to the letter from NHB dated 11.04.2019, the company paid a penalty of ₹ 10,000/- plus GST at the rate of 18% in relation to Breach of Para 4.1 (iv) (e) of Master Circular on Fair Practice Code date 10.07.2016.

b. In respect of one loan account, pursuant to the letter from NHB dated 19.12.2019, the company paid a penalty of ₹ 5,000/- plus GST at the rate of 18%, in relation to Breach of Para 4.1 (iv) (e) of Master Circular on Fair Practice Code date 10.07.2016.

c. The observations from NHB inspection reports with reference to Company's position as on 31.03.2018 and 31.03.2019 have been suitably addressed and replied to NHB.

d. During the financial year the Company has reported fraud in eighty seven loan accounts with outstanding amount of ₹ 40.64 crore.

10. Indian Accounting Standard 24 - Related Party Transactions

Details of all material transactions with related parties are disclosed in Note 49.

11. Indian Accounting Standard 110- Consolidated Financial Statements

Refer to the Consolidated Financial Statements for the relevant disclosures.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

12. Draw Down from Reserves

The Company has not drawn any amount from Reserves created in terms of Section 36(1) (viii) of the Income Tax Act, 1961 and Statutory Reserve under Section 29C of the NHB Act.

13. Overseas Assets

(₹ in crore)

Asset Description	As at March 31, 2020	As at March 31, 2019
Total Tangible Assets	0.01	0.01
Balance in Dubai Foreign Account	0.45	0.45

14. Disclosure of Complaints

Customers Complaints

Particulars		As at March 31, 2020	As at March 31, 2019
a)	No. of complaints pending at the beginning of the year	-	-
b)	No. of complaints received during the year	12,298	11,656
c)	No. of complaints redressed during the year	12,290	11,656
d)	No. of complaints pending at the end of the year	8	-

15. Miscellaneous

15.1 Registration obtained from other financial sector regulators

The Company was incorporated under the Companies Act, 1956 on 19th June, 1989 and is governed by Companies Act, 2013. It is regulated by NHB and registered under section 29A of the NHB Act, 1987. Apart from this, the Company is not registered under any other financial regulators. The regulators of Housing Finance Companies is transferred to RBI from August 2019. Hence, no fresh registration is required to be obtained from RBI.

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

"CRISIL AAA/ Stable" by CRISIL, "CARE AAA" by CARE & "ICRA A1+" by ICRA. This rating indicates the highest degree of safety regarding timely payment of interest and principal. There is no change in rating during the year.

Sr. No.	Particulars	CRISIL Ratings
1	Non-Convertible Debentures	CRISIL AAA/STABLE
2	Upper Tier II Bonds	CRISIL AAA/STABLE
3	Tier II Bond	CRISIL AAA/STABLE
4	Commercial Paper	CRISIL A1+
5	Fixed Deposits Programme	FAAA/STABLE
6	Bank Loan Facilities(Long Term)	CRISIL AAA/STABLE
7	Bank Loan Facilities(Short Term)	CRISIL A1+

Sr. No.	Particulars	CARE Ratings
1	Non-Convertible Debentures	CARE AAA/STABLE
2	Lower Tier II Bonds	CARE AAA/STABLE
3	Upper Tier II Bonds	CARE AAA/STABLE

Sr. No.	Particulars	ICRA Ratings
1	Commercial Paper	ICRA A1+

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

15.3 Remuneration of Directors

The Independent Directors of the Company receive only sitting fees for attending the Board / Committee meetings and they do not have any other material or pecuniary relationships or transaction with the Company, its Promoters, its Directors, Management, Subsidiaries or Associate.

The details of sitting fees paid to Non-Executive Directors (other than LIC Nominee Directors) has been mentioned in Corporate Governance Report forming part of the Annual Report.

15.4 Management Discussion and Analysis

Management Discussion and Analysis report containing Industry structure and developments, opportunities and threats, segment-wise or product-wise performance, outlook, risks and concerns, internal control systems and their adequacy, discussion on financial performance with respect to operational performance, material developments in HR/Industrial Relations including number of people employed, etc., forming part of a separate section of the Annual Report.

15.5 Revenue Recognition

Revenue recognition is as per the Accounting Policy mentioned under Significant Accounting Policies. Refer Note 2.3

16. Reserve Fund u/s 29C of NHB Act, 1987

(₹ in crore)

Particulars		As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year			
a)	Statutory Reserve u/s 29C of the National Housing Bank Act,1987	0.15	0.14
b)	Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	5,104.34	4,354.35
Total		**5,104.49**	**4,354.49**
Addition / Appropriation / Withdrawal during the year			
Add:			
a)	Amount transferred u/s 29C of the NHB Act, 1987	0.01	0.01
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	749.99	749.99
Less:			
a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b)	Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987.	-	-
Balance at the end of the year			
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.16	0.15
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	5,854.33	5,104.34
Total		**5,854.49**	**5,104.49**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

17. Exchange Traded Interest Rate (IR) Derivative

(₹ in crore)

Particulars	Amount
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-
(a)	-
(b)	-
(c)	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2019 (instrument-wise)	
(a)	-
(b)	-
(c)	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
(a)	-
(b)	-
(c)	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
(a)	-
(b)	-
(c)	-

18. Securitisation

18.1

(₹ in crore)

Particulars	No./Amount
1. No of SPVs sponsored by the HFC for securitisation transactions	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	
(i) Off-balance sheet exposures towards Credit Enhancements	
(a)	-
(b)	-
(ii) On-balance sheet exposures towards Credit Enhancements	
(a)	-
(b)	-
4. Amount of exposures to securitization transactions other than MRR	
(i) Off-balance sheet exposures towards Credit Enhancements	
(a) Exposure to own securitizations	
i)	-
ii)	-
(b) Exposure to third party securitisations	
i)	-
ii)	-
(ii) On-balance sheet exposures towards Credit Enhancements	
(a) Exposure to own securitizations	
i)	-
ii)	-
(b) Exposure to third party securitisations	
i)	-
ii)	-

18.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction:

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

18.3 Details of Assignment transactions undertaken by HFCs:

(₹ in crore)

	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts assigned	-	-
(iii)	Aggregate consideration	-	-
(i)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

18.4 Details of non-performing financial assets purchased or sold

A. Details of non-performing financial assets purchased:

(₹ in crore)

		Particulars	As at March 31, 2020	As at March 31, 2019
1.	(a)	No. of accounts purchased during the year	-	-
	(b)	Aggregate outstanding	-	-
2.	(a)	Of these, number of accounts restructured during the year	-	-
	(b)	Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

(₹ in crore)

	Particulars	As at March 31, 2020	As at March 31, 2019
1.	No. of accounts sold	-	-
2.	Aggregate outstanding (₹ in crore)	-	-
3.	Aggregate consideration received (₹ in crore)	-	-

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

There are no prior period items that have impact on the current year's profit and loss.

19.2 Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	**Overseas**
-	-

56. The additional Information pursuant to Schedule III to the Companies Act, 2013 are either Nil or Not Applicable.

57. The previous year figures have been reclassified / regrouped / restated to confirm to current year's classification.

Signature to Notes 1 to 57

As per our report of even date attached

For and on behalf of the Board of Directors

For Gokhale & Sathe
Chartered Accountants
FRN 103264W

For M.P. Chitale & Co.
Chartered Accountants
FRN 101851W

Rahul Joglekar
Partner
M.No.129389

Ashutosh Pednekar
Partner
M. No. 41037

M. R. Kumar
Chairman
DIN: 03628755

Jagdish Capoor
Director
DIN: 00002516

Siddhartha Mohanty
Managing Director &
Chief Executive Officer
DIN : 08058830

Nitin K. Jage
General Manager (Tax.)
& Company Secretary
FCS No. 8084

Sudipto Sil
CFO

B. K. Unhelkar
General Manager
(Accounts)

Place: Mumbai
Date: June 19, 2020