

BOARD'S REPORT

To the Members of LIC Housing Finance Limited

Your Directors are pleased to present the Thirty Fourth Annual Report together with the Audited Financial Statements (standalone and consolidated) for the year ended 31st March, 2023 of LIC Housing Finance Limited (**'the Company'**).

FINANCIAL HIGHLIGHTS

(₹ In crore)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Profit before Tax	3557.00	2778.15
Tax Expense	(665.97)	(490.87)
Profit after Tax	2891.03	2287.28
Other Comprehensive Income	5.03	(4.72)
Total Comprehensive Income	2896.06	2282.56
Appropriations		
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	984.99	859.99
Statutory Reserve u/s 29C of NHB Act, 1987	0.01	0.01
General Reserve	850.00	700.00
Impairment Reserve	-	92.72
Dividend	467.55	467.55
Balance carried forward to next year	593.51	162.29
	2896.06	2282.56

APPROPRIATION

Transfer to Reserves:

The Company has transferred ₹ 984.99 crore to Special Reserve u/s 36(1)(viii) of the Income-tax, Act., 1961 excluding ₹0.01 crore to the Statutory Reserve u/s 29C of NHB Act; and an amount of ₹850 crore to General Reserve.

Hence, the total amount transferred to special reserve is ₹ 985 crore (including ₹ 0.01 crore to Statutory Reserve u/s 29C of NHB Act) and ₹ 850 crore to General Reserves.

DIVIDEND:

The Company has in place a Dividend Distribution Policy formulated in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which intends to ensure that a rationale decision is taken, with regard to the amount to be distributed to the shareholders as dividend, after retaining sufficient funds for the Company's growth, to meet its long-term objective and other purposes. The Policy also lays down various parameters to

be considered by the Board of Directors of the Company before recommendation of dividend to the Members of the Company.

Considering the performance of the Company during the financial year 2022-2023, the Board of Directors felt the need to strike a balance between being prudent and conserving capital in the Company, while at the same time catering to the expectations of shareholders, and also considering the Dividend Distribution Policy and in terms of RBI Circular No. DOR.ACC.REC.No.23/21.02.067/2021-22 dated 24th June, 2021, have recommended payment of dividend for the financial year ended 31st March, 2023 of ₹ 8.50 per equity share of face value of ₹2/- per share i.e., @ 425 percent. The total dividend outgo, if declared by the shareholder at the 34th Annual General Meeting, for the current year would amount to ₹ 467.55 crore, same as for the previous year. The dividend payable shall be subject to the approval of the Members of the Company at the ensuing Annual General Meeting.

The dividend declared by the Company for the financial year ended 31st March, 2023 is in compliance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy is available on the website of the Company at <https://www.lichousing.com/static-assets/pdf/DIVIDEND%20DISTRIBUTION%20POLICY%202021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true> and link of the same is provided in Annexure 5.

INDIAN ACCOUNTING STANDARDS

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

PERFORMANCE

Income and profit

The Company earned total revenue of ₹ 22674.20 crore for the FY 2022-23 as compared to ₹ 19953.02 crore in the FY 2021-2022, registering an increase of 13.64 percent, as compared to previous year. The percentage of administrative expenses to the housing loans, which was 0.40 percent in the previous year, has reduced to 0.36 percent during the financial year 2022-2023, mainly due to arrears of wages given in the previous year which were included in employee benefits expenses.

Profit before tax and after tax for FY 2022-23 stood at ₹ 3557.00 crore and ₹ 2891.03 crore respectively as against ₹ 2778.15 crore and ₹ 2287.28 respectively, for the previous year. The variance was on account of increase in Interest income due to increase in LHPLR by 2.10% till December 2022 which has impacted the Interest Income during the Quarter. Most of the Loans given are at Floating rate.

LENDING OPERATIONS

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

As at 31st March, 2023 the loan book consisted of 83.15 per cent of IHL, 2.61 per cent of NHC, 9.97 per cent of NHI & 4.27 per cent of project portfolio (As per IND-AS).

INDIVIDUAL HOUSING LOAN (IHL):

During the year the main thrust continued on individual housing loans. The Company has sanctioned 1,94,398 Individual Housing Loans (IHL) amounting to ₹ 53,140.33 crore and disbursed 2,00,459 loans aggregating to ₹ 53,458.5 crore during FY 2022-23. IHL constitute 82.92 percent of the total sanctions and 83.38 percent of the total disbursements for the FY 2022-23 as compared to 86.61 percent and 86.76 percent respectively during the FY 2021-22. The gross IHL portfolio grew by 12 percent from ₹ 2,04,230* crore as on 31st March, 2022 to ₹ 2,28,730* crore as on 31st March, 2023.

NON-HOUSING INDIVIDUAL (NHI)

The company has sanctioned 31,089 Non-Housing Individual Loan (NHI) amounting to ₹ 7,298.54 crore and disbursed 31,975 loans amounting to ₹ 7,458.91 crore during the FY 2022-23. NHI constitute 11.39 percent of the total sanctions and 11.63 percent of the total disbursement for the FY 2022-23 as compared to 9.93 percent and 10.57 percent respectively during FY 2021-22. The gross NHI portfolio grew by 7.41 percent from ₹ 25,519 crore as on 31st March, 2022 to ₹ 27,411 crore as on 31st March, 2023.

NON-HOUSING CORPORATE (NHC)

The company has sanctioned 75 Non-Housing Corporate Loan (NHC) amounting to ₹ 547.44 crore and disbursed 80 loans amounting to ₹ 500.57 crore during the FY 2022-23. NHC constitute 0.85 percent of the total sanctions and 0.78 percent of the total disbursement for the FY 2022-23 as compared to 1.01 percent and 0.54 percent respectively during FY 2021-22. The gross NHC portfolio decreased by 14.60 percent from ₹ 8,393 crore as on 31st March, 2022 to ₹ 7,168 crore as on 31st March, 2023.

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

Amount sanctioned: ₹ 5,74,305.18 crore

Amount disbursed: ₹ 5,52,270.11 crore

Since inception 35,07,395 customers have been serviced by the Company up to 31st March, 2023. The number of live customers on 31st March, 2023 were 15,19,771.

Project loans:

The project loans sanctioned and disbursed by the Company during the year were amounting to ₹ 3,097 crore and ₹ 2,697 crore respectively. Corresponding figures for the previous year were ₹ 1,563 crore and ₹ 1,311 crore. These loans are generally for short durations, giving better yields as compared to the individual housing loans.

AWARDS AND RECOGNITIONS:

- Winner of "Financial Inclusion & Future of Financial Services in India - Vision 2030" Award under Large NBFC class at the 17th Annual Summit & Awards Banking & Financial Sector Lending Companies by ASSOCHAM
- Winner of "Best Housing Finance Company (Large)" at PMAY Empowering India Awards 2022
- Kendriya Sainik Board felicitated the Company for CSR contribution towards education of Veer Naaris & Single Parent Children.
- Hon. Ramesh Bais, Governor of Maharashtra, accorded Best Rural Development Project to Shri Y Viswanatha Gowd, MD & CEO of the Company
- Indian Chamber of Commerce 5th Social Impact Awards 2022 bestowed to the Company for Empowering the Rural Population across India.

MARKETING AND DISTRIBUTION

During the year under review, efforts were taken to further strengthen the distribution network. The distribution network of the Company consists of 281 Marketing Offices and Customer Service Points. The distribution network also includes 48 offices of LICHFL Financial Services Ltd., wholly owned subsidiary company engaged in distribution of various financial products including housing loan. The Company has representative offices in Dubai.

REPAYMENTS

During the F.Y. 2022-2023, ₹ 38,778.33 crore was received by way of scheduled repayment of principal through monthly instalments as well as prepayment of principal ahead of schedule, as compared to ₹ 38,927.64 crore received in the previous year.

NON-PERFORMING ASSETS AND PROVISIONS

The amount of gross Non-Performing Assets (NPAs) as of 31st March, 2023 was ₹ 12,124.74 crore, which is 4.41 percent of the loan portfolio of the Company, as against ₹ 11,616.40 crore i.e., 4.64 percent of the loan portfolio as of 31st March, 2022. The net NPA as of 31st March, 2023 was ₹ 6,743.52 crore i.e. 2.50 percent of the loan portfolio vis-à-vis ₹ 6,596.73 crore i.e. 2.69 percent of the loan portfolio as at 31st March, 2022. The total cumulative provision towards housing loan portfolio including provision for standard assets as at 31st March, 2023 is ₹ 7,230.29 crore as against ₹ 5,839.12 crore in the previous year.

Company has written off ₹ 544.71 crore during the FY 2022-23, in comparison to the amount of ₹ 23.03 crore which has been written off in the previous year.

RESOURCE MOBILISATION

During the year, the Company mobilised funds aggregating to ₹ 1,06,992.66 crore by way of the Non-Convertible Debentures (NCD), Term Loans / Line of Credit (LoC) / Working Capital Demand Loan (WC DL) from Banks, NHB refinance, Commercial Paper and Public Deposits. The Company has availed refinance of ₹ 2975 crore from NHB under affordable housing scheme at very low rate. The following is a brief about the various sources of fund mobilised during FY 2022-23:

NON-CONVERTIBLE DEBENTURES (NCD)

During the year, the Company issued NCD amounting to ₹ 29,555.50 crore on a private placement basis which have been listed on Wholesale Debt Segment of National Stock Exchange of India Ltd. The NCDs have been assigned highest rating of 'CRISIL AAA/Stable' by CRISIL & 'CARE AAA/Stable' by CARE. As at 31st March, 2023, NCDs amounting to ₹1,23,446.40 crore were outstanding. The Company has been regular in making repayment of principal and payment of interest on the NCDs.

As at 31st March, 2023, there were no NCDs which have not been claimed by the Investors or not paid by the Company after the date on which the said NCDs became due for redemption. Accordingly, the amount of NCD remaining unclaimed or unpaid beyond due date is Nil.

TIER II BONDS

As at 31st March, 2023, the outstanding Tier II Bonds stood at ₹1795.77 crore. Considering the balance term of maturity as at 31st March, 2023, ₹1795.77 crore of the book value of Tier II Bonds is considered as Tier II Capital as per the Guidelines issued by NHB for the purpose of Capital Adequacy.

TERM LOANS FROM BANK/ LOC / WC DL, REFINANCE FROM NHB / COMMERCIAL PAPER

The total Term/ LOC outstanding from the Banks as at 31st March, 2023 were ₹ 83,089.07 crore as compared to ₹ 68,143.04 crore as at 31st March, 2022. The Refinance from NHB as at 31st March, 2023 stood at ₹11,303.18 crore as against ₹ 8,304.18 crore as at 31st March, 2022. During the year, the Company has availed ₹ 5,200 crore Refinance from NHB under various refinance schemes. As at 31st March, 2023, Commercial Paper amounting to ₹13,513.59 crore were outstanding as compared to ₹ 8,364.22 crore for corresponding previous year. During the year 2022-23, the Company issued Commercial Paper amounting to ₹ 17,668.89 crore from market as compared to ₹ 11,646.42 crore for the previous year.

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

FIXED DEPOSITS (INCLUDING PUBLIC DEPOSIT)

As at 31st March, 2023, the outstanding amount on account of Public Deposits was ₹3505.27 crore as against ₹ 4595.48 crore in the previous year and outstanding amount on account of Corporate Deposits was ₹ 8120.94 crore as against ₹ 13478.02 crore in the previous year. During F.Y. 2022-23, the number of depositors has reduced for public deposit from 26156 to 21197 and for Corporate Deposit the same number reduced from 1831 to 1180.

₹957.85 crore has been collected as Public Deposits while ₹5243.83 crore was collected as Corporate Deposits. Total aggregate amount collected was ₹6201.68 crore.

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

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

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

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

UNPAID/UNCLAIMED DIVIDEND

During the financial year under review, after giving due notice to the members, your Company has transferred unclaimed dividend of ₹ 1.30 crore pertaining to the financial year 2014-15 to the IEPF, established by the Central Government, on expiry of seven years from the date of transfer to unpaid dividend account.

TRANSFER OF SHARES TO IEPF

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Rules made thereunder, the Company has transferred in aggregate 66,758 equity shares of ₹2/- each to

IEPF in respect of which the dividend remained unclaimed for a period of seven consecutive years i.e., from 2014-15 till the due date of 29th September, 2022 in respect of which, individual notice had also been sent to concerned Shareholders.

UNCLAIMED DEPOSITS

In total 610 Nos. of Fixed deposits amounting to ₹53.62 crore (out of which 589 are public deposits amounting to ₹18.51 crore) which were due for repayment on or before 31st March, 2023 were not claimed by the depositors. Since then, 110 depositors have claimed or renewed deposits of ₹19.21 crore (out of which 103 are public deposits amounting to ₹4.86 crore) as on 30th June, 2023. Depositors were appropriately intimated for renewal / claim of their deposits. Further, adequate follow-up is initiated in respect of those cases where Fixed deposits are lying unclaimed.

As per the provisions of Section 125 of the Companies Act, 2013, deposits and interest thereon remaining unclaimed for a period of seven years from the date they became due for payment have to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, accordingly, as on 30th June, 2023 ₹7.73 lakhs against unclaimed Principal and ₹12.78 lakhs against unclaimed interest on deposits has been transferred to IEPF. Concerned depositors can claim their refunds from the IEPF authority.

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

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

REGULATORY COMPLIANCE

Following the amendment in the Finance Act, 2019 and the subsequent notification by the Reserve Bank of India (RBI) in August 2019, HFCs are being treated as one of the categories of Non-Banking Financial Companies (NBFCs) for regulatory purposes and accordingly come under RBI's direct oversight. The NHB, however, would continue to carry out supervision of HFCs. In this regard Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 was notified on 17th February, 2021 in supersession of the regulations/ directions as given in Chapter XVII of these directions.

The Company has been following guidelines, circulars and directions issued by the RBI/ NHB, from time to time. The Company has complied with the Master Direction-Non-Banking Financial Company - Housing Finance Company

(Reserve Bank) Directions, 2021 and other directions/guidelines prescribed by RBI regarding deposit acceptance, accounting standards, prudential norms, capital adequacy, credit rating, corporate governance, liquidity, information technology framework, fraud monitoring, concentration of investments, risk management, capital market exposure norms, Know Your Customer, Anti-Money Laundering and the Company also adopted the guidelines on maintenance of Liquidity Coverage Ratio with effect from 1st December, 2021, as per RBI master directions.

Your Company has been maintaining capital adequacy ratio as prescribed by the RBI. The capital adequacy ratio was **18.23** percent as at 31st March, 2023, as against 18.08 percent as at 31st March, 2021 (as against the regulatory minimum of 15 percent).

The Company also has been following Directions / Guidelines / Circulars issued by SEBI, MCA, NHB and RBI from time to time, as applicable to a Listed Company.

During the year, the SBR guidelines have come into effect on and from 1st October, 2022 and as per the RBI Circular DoR.FIN. S4252/03.10.001/2022-23 dated 4th October, 2022. The Board of the Company was required to ensure that the stipulations prescribed in the SBR framework are adhered to within a maximum time-period of 24 months from the date of the RBI Press Release. Since the press release wherein the RBI had released the list of NBFCs in the Upper Layer under the SBR Regulations was issued on 30th September, 2022, which includes the name of the Company, the maximum time period available to the Board is 30th September, 2024. Accordingly, the Board have already the year already adopted certain mandatory policies prescribed under the SBR framework. Going forward the Company under the SBR framework the Company is required to implement Internal Capital Adequacy Assessment Process (ICAAP) pursuant to which the Company is required to assess the economic capital in addition to the CRAR through an internal assessment which shall be on similar lines as ICAAP prescribed for commercial banks under Pillar 2 (Master Circular - Basel III Capital Regulations dated 01st July, 2015).

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

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

AUDITORS, AUDIT REPORTS AND OBSERVATIONS

Statutory Audit

As per the guidelines for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the RBI vide ref. no. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021, the Company is required to appoint the statutory auditors for a continuous period of three years, subject to the firms satisfying the eligibility norms (to be confirmed by the firms in Form B) each year and also to inform RBI (i.e. Central Office of RBI (Department of Supervision)) about the appointment of SCAs/SAs for each year by way of a certificate in Form A within one month of such appointment. Accordingly, the Company has appointed the statutory auditors namely M/s. SGCO & CO LLP, Chartered Accountants (Firm Registration No.: 112081W/W100184) and M/s. Khandelwal Jain & Co, Chartered Accountants (Firm Registration No.: 105049W) as Joint Statutory Auditors of the Company (Hereinafter collectively referred to as 'Joint Statutory Auditors' / JSAs) for a term of 3 consecutive years at Thirty Third AGM held on 29th September, 2022, to hold office until the conclusion of the Thirty Sixth Annual General Meeting to be held in the year 2025. The intimation regarding the same was also given to the NHB, RBI & MCA.

The Auditors' Report for FY 2022-23 does not contain any qualification, reservation or adverse remark on the financial statements for the year ended 31st March, 2023. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Joint Statutory Auditors' Report dated 16th May, 2023 for the financial year 2022-23 is enclosed with the financial statements in this Annual Report

INTERNAL AUDIT

Internal Audit

The RBI has vide Circular No. RBI/2021-22/53-DoS.CO.PPG.SEC/03/11.01.005/2021-22 dated 11th June, 2021 made the Risk Based Internal Audit (RBIA) Framework applicable to the Company and the Company is required to put in place a RBIA framework by 30th June, 2022, in accordance with the provisions of the aforesaid circular. Accordingly, company has put in place a RBIA policy and implemented RBIA.

Internal Audit of Back Offices

The Company has an in-house mechanism for Internal Audit of all its back offices which are the nodal offices looking after the accounting, sanction and disbursement functions. Such Audit is conducted by the team(s) of in-house officials of audit department. The Company maintains an exhaustive checklist/questionnaire for the purpose of such Audit and the same is updated regularly. The in-house internal audit team(s) submit quarterly reports in respect of the Back offices assigned to them and such reports are periodically reviewed by the Internal Audit Committee at Corporate Office, which is a management level Committee at the Corporate Office. Detailed deliberations take place in respect of key points related to Internal Audit Reports

and the same are also placed before the Audit Committee of the Board for their information and guidance.

Internal Audit of Corporate Office

M/s. Borkar & Muzumdar, Chartered Accountants, Mumbai are Internal Auditors for Internal Audit of the Corporate Office for financial year 2022-23.

Going forward, the Management has decided to develop capabilities internally for the RBIA Internal Audit of Corporate Office from financial year 2023-24.

Currently, The Company has developed an in-house mechanism for Internal Audit of Corporate Office. From FY 23-24 and onwards the audit will be conducted by in-house officials of audit department except certain specific areas which requires special domain expertise. The appointment of such experts shall be made with prior approval of audit committee.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. N. L. Bhatia & Associates, Practicing Company Secretaries, undertook the Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Auditor's Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark. Report of the Secretarial Auditor for the financial year 2022-23 in Form MR-3 is annexed to this report as **Annexure 6**.

A certificate from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries, Mumbai (UIN: P1996MH055800), regarding compliance of the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Corporate Governance Report, which does not contain any qualification, reservation or adverse remark.

Cost Records and Cost Audit:

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

Corporate Governance

Your Company has been complying with the principles of good Corporate Governance over the years. The Board of Directors supports the broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. The report on Corporate Governance is appended as a separate section in this Annual Report. The said Report covers in detail the Company's philosophy on code of governance, board composition, its appointments, membership criteria, declaration by Independent Directors, Board evaluation, familiarisation programme, vigil mechanism, etc.

Management Discussion and Analysis Report

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

Business Responsibility and Sustainability Reporting by listed entities

The Securities and Exchange Board of India (SEBI) introduced new requirements for sustainability reporting by listed entities. The new reporting called the Business Responsibility and Sustainability Report (BRSR) has replaced the earlier Business Responsibility Report (BRR). In terms of the aforesaid amendment, with effect from the financial year 2022 -2023, filing of BRSR is mandatory for the top 1000 listed companies (by market capitalisation) and has replaced the existing BRR.

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

*Note: Considering the enhanced regulatory provision for Environmental Social and Governance matters, a separate ESG Committee was constituted and CSR-ESG Committee was renamed as CSR Committee with effect from 07th June, 2023 on approval at 236th Meeting of Board of Directors.

Depository system

For transaction of the Company's shares in dematerialised form, the Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL). The shareholders have a choice to select the Depository Participant. As at 31st March, 2023, 4300 members of the Company continue to hold shares in physical form. As per the SEBI circular, the Company's shares have to be transacted in dematerialised form and therefore, members are requested to convert their physical holdings to dematerialised form. Members may contact the R&T Agent for any assistance in the said process of converting physical shares into DEMAT. For the purpose of various compliances under the SEBI Regulations, NSDL is the designated depository of the Company.

OUTLOOK FOR FY 2023-2024

During the FY 2023-2024 the focus, resources and logistics of the Company would be directed towards the following activities:

- Growing portfolio and increasing the share of high-margin products – non-Core products and Griha Suvidha
- Tapping into newer markets not presently covered by recruiting marketing intermediaries/connectors and holding camp offices
- Solidifying the base of Direct Marketing Executive (DME) / Direct Marketing Intermediaries (DMIs) Channel by recruiting new market intermediaries and individuals and increasing the share of business from this channel
- Reach out to new customers not covered under regular norms with differentiated products backed by mortgage insurance cover to improve yields
- Customising products to tap into niche segments like HNI and Millennials/Gen Z segments of customers
- Implementing additional initiatives under Project RED to drive automation in processing leading to improvement in turn-around time
- Leveraging technology to ease customer onboarding, streamline processes and expand scope of business potential mapping
- Adopting digital transformation processes to bring personalisation in customer servicing and enhancing customer experience throughout loan journey
- Strengthening digital processes through e-appraisal and PLO
- Making HomY application more effective and further easing the customer onboarding process and endeavouring to maximise the customer outreach
- Digital onboarding by more than 50% (including through HomY)
- Making use of data and analytics for segment driven customer acquisition
- Increasing the use of cloud-based office automation and collaboration tool
- Modernising technology in line with growing business needs and automation
- Increasing the emphasis on marketing activities in smart cities to increase business share
- Implementing and stabilising Lending and Accounting solutions
- Imparting continuous training to intermediaries and marketing officials to increase productivity
- Cross-selling insurance products by exploring the role of corporate agency and earning fee-based income
- Assessing Risk-Reward relationship in credit decision making in view of the overall profitability
- Explore strategic tie-ups which may increase customer touchpoints and also enable LIC HFL to offer value-added services.
- Increasing presence in social media and augmenting about customer engagement programs to increase brand visibility.

THE MANAGEMENT PERSPECTIVE ABOUT FUTURE OF THE COMPANY

The improving macro-economic environment and the rapid pace of urbanisation and affordable mortgages spurred growth of the Indian housing finance market. In spite of the peaking interest rates home loan industry showed its resilience, and due to various price discounts and aggressive marketing strategies adopted by the builder community as well as by the Banks and Financial Institutions, the demand for real estate increased and customers returned to the home loan market, the Company fortified its market presence, enhanced profitability and improved asset quality. The efforts of the Marketing Intermediaries was also crucial in increasing the demand of the home loans. The Company's 10,000 + strong active agency force is the best among the financial institutions in India with the widest reach to every nook and corner of the country.

During the year, the Company has always maintained its rate of interest in line with the market dynamics. Its motto of *Home Delivery of Home Loans* improved the customer experience and delighted them with doorstep services. It maintains focus on designing products that address the emerging needs of customers. During the year, 4 new products were launched to address the needs of customers in the non-core segment.

As it consolidated its position as the largest housing finance player, the Company ramped up its presence across Tier 2&3 and smart cities by expanding its reach and tap the increasing potential with the addition of areas offices. It also expanded presence in new geographies, increased focus on high-yielding loan against property and intensified the recovery efforts. It also plans to strengthen its distribution network with more Direct Marketing Executives (DMEs), and is working on enhancing the business through digital connectors and strategic tie-ups. It will continue with its journey of Home Distribution of Home Loan (HDHL).

Known for its strong asset quality, the Company is further strengthening its underwriting procedures and improving operational flexibility, strengthening digital outreach and focusing on customer contact. It continuously tracks and analyses the performance of its loan portfolio to identify potential areas of concern and takes corrective actions. The Company has adopted an aggressive approach towards recovery activities, with several follow-up mechanisms such as tele calling, contacting borrowers, SMS, e-mails and other communication on a regular basis. For chronic cases, action under SARFAESI / NCLT is initiated to recover the loan.

The Company bolstered its digital initiatives to counter competition and rolled out key business expansion strategies, and is making effective use of data and analytics for segment-driven customer acquisition. In recent past various new technology-based initiatives were launched internally as part of Project RED to enhance customer experience and to drive automation in processing leading to improvement in turn-around time. It also leverages technology to further ease customer onboarding, streamline processes and expand the

scope of business potential mapping. Efforts are being taken to make the HomY app even more effective and maximise digital onboarding go more than 50%. These efforts are helping the Company improve upon TAT considerably.

Moving ahead, the Company plans to continue growing in the individual home loan category. Further, it will also promote its flagship products like Griha Varishta and Griha Suidha, serving the requirements of senior individuals covered under the Defined Pension Benefit Scheme (DPBS). It will also serve the segment with self-employed customers with less than 600 CIBIL score, with backing of the guarantee of Indian Mortgage Guarantee Corporation (IMGC).

The Company ensures judicious management of treasury and other aspects of operations to ensure co-ordinated and result-oriented efforts in its business and to increase market share. As far as borrowing is concerned, the Company would endeavor to churn its borrowings to maintain minimum cost of borrowing and have a better impact on the Net Interest Margin. The Company has also been working on reducing its delinquencies and bringing down non-performing assets as well as fast-tracking recovery and monitoring. Through constant review and upgradation of compliance initiatives, it endeavours to put in place the best corporate governance practices. To further expand its reach and deliver value to its shareholders, it ensures judicious management of treasury and other aspects of operations to ensure co-ordinated and result-oriented efforts in its business and to increase market share.

COMPLIANCE UNDER COMPANIES ACT, 2013

Pursuant to section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has complied with the compliance requirements and the details of compliances under Companies Act, 2013 are enumerated below:

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March, 2023 is available on the website of the Company in the following link (Please download the document and then try to view):

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

REPORTING OF FRAUDS BY AUDITORS:

Under Section 143(12) of the Companies Act, 2013, during the year under review, neither the Joint Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee, any instances of fraud committed against the Company by its officers or employees, outsiders, the details of which was required to be mentioned in the Board's report.

SECRETARIAL STANDARDS:

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

RATING RATIONALE:

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

Total Bank Loan Facilities Rated	₹130085.88 crore (Enhanced from ₹99085.88 crore)
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)
₹30000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Assigned)
₹6929 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹11705 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹199 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹15000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹15000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹15000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹5000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹10000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹15000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹25000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹25000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹25000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹25000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹5000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹5976 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹20000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹4750 crore Tier II Bond	CRISIL AAA/Stable (Reaffirmed)
Fixed Deposits Programme	CRISIL AAA/Stable (Reaffirmed)
₹17500 crore Commercial Paper	CRISIL A1+ (Reaffirmed)

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

₹41000 crore Non-Convertible Debentures	CARE AAA / Stable (Assigned)
₹212441 crore Non-Convertible Debentures	CARE AAA / Stable (Reaffirmed)
₹3000 crore Tier II Bond	CARE AAA / Stable (Reaffirmed)

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

BOARD MEETINGS HELD DURING THE YEAR:

During the year under review, **nine (9) Board meetings** were held. Detailed information on the meetings of the Board as well as Committee meetings, their composition and attendance record of the members of respective Committees of the Board are included in the Report on Corporate Governance which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in the accounting policy hitherto in use.

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for the year ended on that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively. Note on internal financial control is attached as Annexure 1 to this Report and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:

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

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

The Company endeavours to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As of 31st March, 2023, the Board had Eleven (11) members, consisting of two (2) Executive Directors nominated by LIC of India ('The Promoter') which includes the Managing Director & CEO and Chief Operating Officer ('COO')*; two (2) Non-Executive and Non-Independent Directors, while the remaining seven (7) were Independent Directors including one Independent woman director.

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

The performance of the members of the Board, and the Board as a whole were evaluated at the meeting of Independent Directors held on 9th February, 2023.

We affirm that except Nominee Director (Chairman, LIC Director, Managing Director & CEO and COO), sitting fees were paid to all the other Directors for Board and Committee Meetings attended by them. However, Managing Director & CEO and COO were paid remuneration as applicable to an Officer in the cadre of Zonal Manager (Selection Scale) of LIC of India and PLI as per the terms laid out in the Nomination and Remuneration Policy of the Company.

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

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

There has not been any observations, qualification, reservation or adverse remark in the Joint Statutory Auditors' Report dated 16th May, 2023 for the financial year 2022-23.

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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

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

The Related Party Transactions Policy and Procedures, as amended from time to time, as reviewed by the Audit Committee and approved by Board of Directors is uploaded on the website of the Company and the link of the same is provided in **Annexure 5**.

The particulars of contracts or arrangements with the 'Related Parties' referred to in sub-section (1) of Section 188 of the Act, are furnished in Note No. 49 of the Notes forming part of the Standalone Financial Statements and Note No. 50 of the Notes forming part of the Consolidated Financial Statements for FY 2022-23, forming a part of the Annual Report. This apart the same is also referred in **Annexure 3** which forms part of the Board's Report.

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

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

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31st March, 2023 and the date of the Board's Report i.e. 24th July, 2023.

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

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

A. Technology absorption -

- (i) The efforts made towards technology absorption - Various initiatives under Project RED got implemented. Among them is the most crucial, core lending system. The new lending system will enable an integrated approach towards digital lending with many peripheral applications being part of it. Other implementations include:
 - Treasury automation
 - Customer servicing using digital channels like Bots, whatsapp etc.
 - Deposits automation
 - Compliance to regulatory framework like AML & KYC
- (ii) The benefits derived like product improvement, efforts to reduce cost of fund, product development or import substitution - The benefits are mainly towards:
 - Reduced TAT for customer onboarding
 - Digital lending and STP process
 - Phygital journey enables lesser paper consumption
 - Online payment services
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of financial year)- Not applicable.
 - (a) The details of technology imported - Not applicable.
 - (b) The year of import - Not applicable.
 - (c) Whether the technology has been fully absorbed - Not applicable
 - (d) If not fully absorbed areas where absorption has not taken place and the reason thereof - Not applicable

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

B. Foreign Exchange Earnings and Outgo-

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

During the year ended 31st March, 2023, the Company does not have any foreign exchange earnings and the foreign exchange outgo was ₹1.42 crore. This does not include foreign currency cash flows in derivatives and foreign currency exchange transactions.

RISK MANAGEMENT POLICY OF THE COMPANY:

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement, monitor, review risk management policy; review of the current status on the outer limits prescribed in the Risk Management policy and report to the Board; review the matters on risk management. Under risk management mechanism, risks faced by the Company are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedure are in place for monitoring, mitigating and reporting risk on a periodic basis. In the opinion of the Board, none of the risks faced by the Company threaten its existence. The Company has appointed Chief Risk Officer as per the relevant NHB Circular. With effect from 01st May, 2023 Company appointed Mr. J Sangameswar as the Chief Risk Officer in place of Mr. K Ramesh.

The Company has a Risk Management Policy in place. During the financial year under review, the Risk Management Policy of the Company was reviewed and put up to the Board of Directors. The same was approved in the Board Meeting dated 02nd March, 2023.

REMUNERATION POLICY

The Company framed the Remuneration Policy in order to align with various provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI Circular DOR.GOV.REC.No.29/18.10.002/2022-23 dated 29th April, 2022.

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

REMUNERATION TO NON-EXECUTIVE DIRECTORS:

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

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

REMUNERATION TO NON-EXECUTIVE NOMINEE DIRECTORS:

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

REMUNERATION TO EXECUTIVE NOMINEE DIRECTOR:

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

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

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

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

In the present set up of the Company, Key Managerial Personnel, other than Managing Director & CEO, are Company Secretary and Chief Financial Officer. Remuneration payable to Company Secretary, Chief Financial Officer and other employees is as decided by the Board of Directors as per Service Terms, Conduct Rules 1990 as amended from time to time.

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

Corporate Social Responsibility (CSR) Policy:

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Company has established Corporate Social Responsibility Committee and the statutory disclosures with respect to the CSR Committee and

an Annual Report on CSR activities is annexed as **Annexure 4** to this report.

COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE IS AS FOLLOWS:

Shri Akshay Rout	Chairman	Non-executive Director
Shri Y.Viswanatha Gowd	Member	Managing Director & CEO
Ms J. Jayanthi	Member	Independent Director

(#) Shri Ashwani Ghai ceased to be the member of the committee on account of his resignation w.e.f 13th June, 2023 due to transfer as Additional Director to MDC Mumbai by LIC India.

ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE:

The Nomination and Remuneration Committee had recommended Criteria for evaluation of Directors, Chairperson, Non-Executive Directors, Board level committee and Board of Directors as a whole and the evaluation process of the same.

The Board of Directors, other than the independent directors, carried out an annual evaluation of its performance, board level committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 through circulation. At the Independent Directors meeting held on 9th February 2023, the Independent directors carried out the evaluation of the performance of the rest of the Board Members.

The performance of the Board was evaluated after seeking inputs from all the Directors based on criteria such as the Board composition and structure, effectiveness of Board process, information and functioning, process of disclosure and communication, access to timely, accurate and relevant information etc.

The performance of the various Board Committee was evaluated by the Board after seeking inputs from the respective committee members, on the basis of criteria such as the composition of committee, effectiveness of committee meeting, functioning, etc.

The Board reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, presented views convincingly, resolute in holding views etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman were evaluated.

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

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company along with its subsidiaries and associates, in the same form and manner as that of the Company which shall be laid before the ensuing Thirty Fourth Annual General Meeting of the Company along with the Company's Financial Statement under sub-section (2) of Section 129 i.e. Standalone Financial Statement. Further, pursuant to the provisions of Indian Accounting Standard (Ind AS) 110, Consolidated Financial Statements notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, issued by the Ministry of Corporate Affairs, the Consolidated Financial Statements of the Company along with its subsidiaries and associates for the year ended 31st March, 2023 form part of this Annual Report.

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

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

Directors:

As on 31st March, 2023, the Board had Eleven members, consisting of two executive Directors nominated by the promoter, LIC of India which includes the Managing Director & CEO, Shri Y. Viswanatha Gowd, and the COO Shri Ashwani Ghai(#). Apart from these two (2) Nominee Directors, there are two (2) Non-Executive and Non-Independent Directors namely Shri P Koteswara Rao, and Shri Akshay Rout. Other seven (7) Board Members are Independent Directors including one Independent Woman Director namely Ms. Jagennath Jayanthi. The other Independent Directors are viz., Dr. Dharmendra Bhandari, Shri Ameet N Patel, Shri V. K. Kukreja, Shri Kashi Prasad Khandelwal, Shri Ravi Krishan Takkar and Shri Sanjay Kumar Khemani(*).

Shri M. R. Kumar, Chairman and Shri Raj Kumar, Non-Executive Nominee Director resigned from the Board of the Company on 13th March, 2023 and 09th February, 2023 respectively, consequent upon their superannuation from the services to LIC of India. The LIC of India nominated Shri Siddhartha Mohanty as Chairman and Shri M Jagannath as Non-Executive Director with effect from 05th April, 2023.

(#) Shri Ashwani Ghai resigned w.e.f 13th June, 2023 on account of his transfer as Additional director to MDC Mumbai by LIC India.

(*) The designation of Sri Sanjay Kumar Khemani was re-designated from Non- Executive Director to Independent Director on 06th February, 2023.

Succession Planning:

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

In terms of Article 138(b) of the Articles of Association of Company, LIC of India is entitled to nominate up to one third of the total number of Directors of the Company and therefore, the Board after consideration, approved posting of senior official from LIC of India as Nominee of LIC of India for the post of COO as part of succession plan for MD & CEO with a view to ensuring stability and effective implementation, within reasonable time (generally 4 to 6 months) prior to the exit of the serving MD&CEO, of long term business strategies. LIC of India had posted Shri Ashwani Ghai as COO of the Company with effect from 5th September, 2022 (date of Joining LICHFL being 7th September, 2022) and subsequently was appointed as Whole Time Director on 1st November, 2022 whose appointment have been approved by the Members through Postal Ballot. Further on account of transfer of Shri Ashwani Ghai on 13th June, 2023, LIC of India had posted Shri T Adhikari as COO of the Company with effect from 22nd June, 2023 who will be appointed as the Managing Director & CEO of the company in place of Shri Yerur Viswanatha Gowd who will superannuate from the Company on 31st July, 2023

Further, in terms of the Regulation 17 (4) of the SEBI (LODR), 2015 the Company has adopted a succession planning policy for its Key Managerial and senior management personnel which has been hosted on the website of the Company on the below mentioned link:https://www.lichousing.com/static-assets/pdf/Policy_on_Succession_Planning.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

APPOINTMENTS / RESIGNATIONS OF DIRECTORS:

Appointments:

Shri Siddhartha Mohanty (DIN 08058830)

On the resignation of Shri M. R. Kumar (DIN 03628755) from the Chairmanship of the Board of the Company, the Nomination and Remuneration Committee in terms of 'Fit and Proper' criteria adopted by the Board, after having undertaken process of due diligence, and after considering Shri Siddhartha Mohanty (DIN 08058830) suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, recommended his appointment to the Board and the Board appointed him as Chairman, Additional Director in the capacity of Non-Executive Nominee Director of the Company with effect from 05th April, 2023. Being appointed as an Additional Director under Articles 143 of the Articles of Association of the Company pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, SEBI Listing Regulations, Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank)

Directions, 2021 including any amendment, modification, variation or re-enactment thereof, for the time being in force and in terms of Articles 141, 143 of the Articles of Association of the Company, the appointment was put for approval of members for voting through postal ballot. On approval of shareholders through postal ballot, Shri Siddhartha Mohanty was appointed as Chairman, Director of the Company with effect from 28th June, 2023.

Shri Jagannath Mukkavilli (DIN 10090437)

On resignation of Shri Raj Kumar (DIN 06627311) as Non-Executive Nominee Director of the Board of the Company, The Nomination and Remuneration Committee in terms of 'Fit and Proper' criteria adopted by the Board after having undertaken process of due diligence, and after considering Shri Jagannath Mukkavilli (DIN 10090437) suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, recommended his appointment to the Board and the Board appointed him as Additional Director in the capacity of Non-Executive Nominee Director of the Company with effect from 05th April, 2023. Being appointed as an Additional Director under Articles 143 of the Articles of Association of the Company pursuant to the provisions of Section 152, 161 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, SEBI Listing Regulations, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 including any amendment, modification, variation or re-enactment thereof, for the time being in force and in terms of Articles 141, 143 of the Articles of Association of the Company, the appointment as Director liable to retire by rotation, under the provisions of Articles of Association of the Company through a resolution to be passed through postal ballot was put for consideration. On approval of the shareholders through postal ballot, Shri Jagannath Mukkavilli (DIN 10090437) was appointed as Non-Executive Nominee Director of the Company with effect from 28th June, 2023.

Shri Ashwani Ghai (DIN 09733798)

Based on the evaluation, qualification, expertise, track record, integrity, due diligence and the satisfaction of the 'fit and proper criteria', Nomination and Remuneration committee recommended and thereby Board appointed Shri Ashwani Ghai as Chief Operating Officer of the Company with effect from 05th September, 2022. He was inducted on Board of Directors with effect from 01st November, 2022 as Additional Director in the capacity of Whole Time Director. Subsequently, the appointment was approved by the shareholders through postal ballot on 18th December, 2022.

Shri Ravi Krishan Takkar (DIN 07734571)

As per the recommendation of the Nomination & Remuneration Committee, which undertook process of due diligence, and considered the candidature to be suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, the Board at its meeting held

on 25th July, 2022, approved the appointment of Shri Ravi Krishan Takkar (DIN 07734571), as an Additional Director (Non Executive-Independent) for a period of five consecutive years, not liable to retire by rotation. The Shareholders of the Company approved his appointment in the 33rd Annual General Meeting (AGM).

Resignation/ Superannuation/ Completion of term:

Shri M R Kumar

Shri M R Kumar (DIN 05190124) had tendered his resignation from Directorship of the Company with effect from 13th March, 2023 on attainment of superannuation from the services of LIC of India.

Shri Raj Kumar

Shri Raj (DIN 06627311) had tendered his resignation from Directorship of the Company with effect from 09th February, 2023 on attainment of superannuation from the services of LIC of India.

Shri Jagdish Capoor

The second term of Shri Jagdish Capoor (DIN 00002516) as Independent Director of the Company came to an end on 23rd May, 2022 in terms of terms of the provisions of Section 149 (10) and (11) of the Companies Act, 2013.

Resignation of Shri Ashwani Ghai (DIN 09733798)

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

DIRECTOR RETIRING BY ROTATION:

Shri Akshay Rout who have been longest in office would be retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

APPOINTMENTS / RESIGNATION OF THE KEY MANAGERIAL PERSONNEL:

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

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

Superannuation of Shri Nitin K Jage

Shri Nitin K Jage, General Manager (Taxation) & Company Secretary (Membership no. FCS8084), superannuated on 31st May, 2022 after completing almost 27 years of service.

Appointment of Ms. Varsha Hardasani

Ms. Varsha Hardasani (Membership no. ACS50448), who possess around 12 years of experience in Secretarial Compliances, Legal Matters, Accountancy and Finance field across different sectors

and who apart from being a Company Secretary is also a Law and Commerce Graduate and also possesses a Masters in Accountancy & Finance, took charge as Company Secretary & Compliance officer of the Company w.e.f. 1st June, 2022.

Resignation of Shri Ashwani Ghai (DIN 09733798)

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

COMMITTEES OF THE BOARD:

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

The Company has following Committees of the Board:

- I) Audit Committee
- II) Stakeholders Relationship Committee
- III) Nomination and Remuneration Committee
- IV) CSR Committee*
- V) Risk Management Committee
- VI) Executive Committee
- VII) Debenture Allotment Committee
- VIII) Strategic Investment Committee
- IX) IT Strategy Committee
- X) Preferential Allotment Committee**
- XI) Investment Committee***
- XII) Committee for approval of issuance of Duplicate Share Certificate(s)****
- XIII) ESG Committee*

*Note: Considering the enhanced regulatory provision for Environmental Social and Governance matters, a separate ESG Committee which earlier was part of CSR-ESG Committee was formed and CSR-ESG Committee was renamed as CSR Committee with effect from 07th June, 2023 on approval at 236th Meeting of Board of Directors.

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

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

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

Composition of Audit Committee is as follows:

Shri Kashi Prasad Khandelwal	Chairman	Independent Director
Shri Sanjay Kumar Khemani**	Member	Independent Director
Smt Jagennath Jayanti	Member	Independent Director

** Shri Sanjay Kumar Khemani was inducted in the Committee w.e.f. 15th September, 2021

There has not been any instance during the year when recommendations of Audit Committee were not accepted by the Board.

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

SUBSIDIARIES AND GROUP COMPANIES

As on 31st March, 2023, the Company has four Subsidiaries namely, LICHFL Care Homes Limited, LICHFL Asset Management Company Limited, LICHFL Trustee Company Private Limited and LICHFL Financial Services Limited. The Consolidated financial statements incorporating the results of all the subsidiaries of the Company for the year ended 31st March, 2023, are attached along with the statement pursuant to Section 129 of the Companies Act, 2013, with respect to the said subsidiaries. Brief write up including performance and financial position of each of the subsidiaries is provided as under:

1. LICHFL Care Homes Limited

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

During the FY 2022-23, the Company reported Losses before Tax of ₹26.57 crore and Losses after Tax stood at ₹21.31 crore.

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

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

2. LICHFL Asset Management Company Limited

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

The Company was appointed as Investment Manager in 2010 to raise and manage the LICHFL Sponsored, LICHFL Urban Development Fund (LUDF). The Company has raised total commitments of ₹529.35 crore from Banks, Financial Institutions, Corporates and HNIs as against the targeted size of ₹500 crore and announced financial closure on 30th March, 2013. The Company has deployed INR 461.30 crore in 9 Portfolio Companies, acquisition or operation of affordable / mid income housing, related infrastructure and Hospitals. With receipts from 7 exits, the Fund has so far achieved an IRR of 25.34%.

The Company also launched a new Alternative Investment Fund (AIF) namely LICHFL Housing & Infrastructure Fund (LHIF), with a total corpus of ₹1000 crore including Green Shoe Option (GSO) of ₹250 crore and the focus of the Fund is on Affordable Housing and Property backed Infrastructure in sectors which include Educational Institutions, Hospitals, Industrial Parks & Warehouses. As on 31st March 2022, the total Contribution Agreements signed in respect of LICHFL Housing & Infrastructure Fund is ₹812 crore of which the drawable amount is ₹765 crore.

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

During the FY 2022-23, the Company earned a Profit before Tax (PBT) of ₹10 crore and Profit after Tax (PAT) stood at ₹7.55 crore. The Company has recommended dividend @ 30% for FY 2022-23 on its paid up share capital.

3. LICHFL Trustee Company Private Limited

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

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

The Company was appointed as Trustee in 2017 for LICHFL Housing & Infrastructure Trust (LHIT) and further appointed LICHFL AMC Ltd. as Investment Manager for LICHFL

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

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

During the FY 2022-23, the Company earned a Profit before Tax (PBT) of ₹0.18 crore and Profit after Tax (PAT) stood at ₹0.16 crore.

4. LICHFL Financial Services Limited

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

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

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

The Company has earned a Profit before Tax (PBT) of ₹22.23 crore and Profit after Tax (PAT) stood at ₹16.34 crore for the FY 2022-23 and recommended dividend @ 30% for FY 2022-23 on paid up share capital of ₹9.50 crore.

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

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

AS ON 31ST MARCH, 2023, THE COMPANY HAS TWO ASSOCIATE COMPANIES NAMED LIC MUTUAL FUND ASSET MANAGEMENT COMPANY LIMITED AND LIC MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED.

The Annual Report which consists of the financial statements of the Company on standalone as well as consolidated financial statements of the group for the year ended 31st March 2023, has been sent to all the members of the Company. It does not contain Annual Reports of Company's subsidiaries. The Company will provide Annual Report of all subsidiaries upon request by any member of the Company. These Annual Reports are also available on Company's website viz www.lichousing.com.

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Subsidiary Company's operations in future.

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

LIC Mutual Fund was established on 20th April 1989 by LIC of India. LIC Housing Finance Limited holds 39.30 % equity in this entity. Being an associate company of India's premier and most trusted brand, LIC Mutual Fund is one of the well-known players in the asset management sphere. With a systematic investment discipline coupled with a high standard of financial ethics and corporate governance, LIC Mutual Fund is emerging as a preferred Investment Manager amongst the investor fraternity.

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

For the FY 2022-23 both the Profit before Tax (PBT) as well as Profit after Tax (PAT) of LICMFAMC stood at ₹1.08 crore, as there was no tax expense.

2. LIC Mutual Fund Trustee Company Private Limited

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

The Company has earned a Profit before Tax (PBT) of ₹1.59 lakhs and Profit after Tax (PAT) stood at ₹1 lakhs for the FY 2022-23.

FINANCIAL DETAILS OF SUBSIDIARIES

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

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Note on Internal Financial Control as Annexure 1 is attached to this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy in place which provides whistle blowers an opportunity to raise concerns relating to reportable matters as defined in the policy. The mechanism adopted by the Company encourages the whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimisation of whistle blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism / Whistle Blower Policy is reviewed annually or as and when the regulators amendments are required to be incorporated therein, as the case may be.

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

EMPLOYEE STOCK OPTION:

The company does not have any Employee stock option scheme.

EMPLOYEE REMUNERATION:

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

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

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

*Remuneration is not paid to Non-Executive Directors (including Independent Directors)

Executive Director	Ratio to median remuneration
Shri Yerur Viswanatha Gowd (MD&CEO)	5:1
Shri Ashwani Ghai (WTD&COO)	3:1

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

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

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

KMP	% Increase in remuneration in the financial year
MD&CEO	9.22%
WTD&COO	N.A.
Chief Financial Officer**	28.21%
Company Secretary***	N.A.

* Shri Ashwani Ghai (WTD&COO) was appointed 05/09/2022 hence no comparable figure is available for FY 2021-22

** the increase in remuneration of Chief Financial Officer was on account of promotion from Joint General Manager Cadre to General Manager Cadre

***As there was change in Company Secretary on account of superannuation of Shri Nitin Jage and appointment of Smt Varsha Hardasani the increase in remuneration is not applicable.

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

15.33%

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

2462

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

Particulars	31 st March,	15 th November	%
	2023	1994 (IPO)	
Market Price (in ₹)	328.70**	12*	2639.17

*Adjusted Issue price on account of sub-division

**BSE-closing Price ₹328.70

f. Average percentile increase already made in the salaries of employees other than managerial personnel in the financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in managerial remuneration for the year was 9.22%. The average annual Increase in the salaries of the employees other than managerial personnel during the year was 15.33%.

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

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

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

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

Prevention, Prohibition & Redressal of Sexual Harassment of women at workplace:

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

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

- Number of complaints received in the year: Nil
- Number of complaints disposed of during the year: Nil
- Number of cases pending more than ninety days: Nil
- Number of workshops or awareness programme against sexual harassment carried out: Nil
- Nature of action taken by the employer or district officer: Nil

Your Company on a regular basis sensitises its employees on prevention of sexual harassment through various workshops, awareness programmes.

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/ EXCHANGES

The Company has received the notice for delay of compliance under Regulation 57(1), 60(2), 17(1), 50(1) and 52(7)/(7A) of Listing Regulations from Stock Exchanges total amounting to ₹ 8,27,820/- against which waiver application has been filed as the deviations were beyond the control of the Company. The matter is presently under consideration of the Stock Exchange(s).

Pursuant to the letter from RBI dated 31/10/2022, in relation to non-compliance to provisions of relevant directions under Sub-sections(1) & (2) of section 29B of the NHB Act. the Company was levied a penalty of ₹ 5,00,000/-. The Company has paid the penalty on 07th November ,2022.

The Company confirms that these are not significant or material in nature.

HUMAN RESOURCES

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

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

Employee relations remained cordial, and the work atmosphere remained congenial during the year.

ACKNOWLEDGMENTS

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

For and on behalf of the Board

Chairman

Place: Mumbai
Date: 24th July, 2023

ANNEXURE 1

TO THE BOARD'S REPORT

NOTE ON INTERNAL FINANCIAL CONTROL

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

Explanation: For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

- 2. Policies and Procedures:** The Company has laid down relevant policies and procedures. As part of the Internal Control Framework (ICF), the Company has in place standard operating procedures (SOP) covering the key activities / functions / processes (Retail Loans, Project Loans, Borrowings, Treasury, Accounting etc.)
- 3. Compliance Reporting:** The Company has in place process to ensure compliance with the provisions of all applicable laws and the same is reported in the form of quarterly compliance reports by the process owners to the MD & CEO as well as to the Board.
- 4. Risk Management System:** The Company has in place a Risk Management Policy which provides a framework to address the risk faced by the Company on a sustainable basis. The risk management function within the Company is responsible for review of existing risks and identifying potential risks and risk mitigation measures. There is a system of quarterly reporting to the Risk Management

Committee, Audit Committee and the Board. Apart from the Risk Management Policy, the company also maintains IFC documentation in the form of Risk Control Matrix (RCM), Entity Level Controls (ELC) and Financial Closure and Reporting process (FCRP) which forms the basis of IFC Testing.

- 5. Internal Audit System:** The Internal Audit process determines the existence, adequacy, effectiveness and adherence to the Company's internal controls, besides review of processes, adherence to SOP and compliance with statutory provisions/ regulatory guidelines. The internal audit of Back Offices is conducted by the Internal Audit Department and Internal audit of Corporate Office is conducted by an independent firm of Chartered Accountants.
- 6. Adequacy and Effectiveness of Internal Financial Control:** The SOP, Compliance Reporting, Risk Management System and Internal Audit System adopted by the Company facilitate orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. All these ensure that Internal Financial Controls within the Company, are adequate and operating effectively.

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

ANNEXURE 2 TO THE BOARD'S REPORT

FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
 - a) Name(s) of the related party and nature of relationship: N.A.
 - b) Nature of contracts/arrangements/transactions: N.A.
 - c) Duration of the contracts / arrangements / transactions: N.A.
 - d) Salient terms of the contracts or arrangements or transactions including the value if any: N.A
 - e) Justification for entering into such contracts or arrangements or transactions: N.A
 - f) Date(s) of approval by the Board: N.A
 - g) Amount paid as advance, if any: N.A
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: N.A.
2. Details of material contracts or arrangements or transactions at arm's length basis:
 - a) Name(s) of the related party and nature of relationship: Annexure 3 (e) to this report
 - b) Nature of transactions: As per Annexure 3 (e) to this report.
 - c) Duration of the transactions: On-going basis
 - d) Salient terms of the contracts or arrangements or transactions including the value if any: For basis of Transactions please refer Annexure 3.
 - e) Date of approval by the Board: 16th May 2023
 - f) Amount paid as advance, if any: Nil

For and on behalf of the Board of Directors

Date: 16th May, 2023
Place: Mumbai

Shri Siddhartha Mohanty
Chairman

ANNEXURE 3 TO THE BOARD'S REPORT

RELATED PARTY DISCLOSURE

Following are the Related Parties and Related Party Transactions for the year ended 31st March, 2023.

a) Enterprise having Significant Influence on the Company:-

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

b) Enterprises over which Control exists:-

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

c) Associates of the Company:-

Name of the Related Party	Nature of Relationship	% of shares held by LICHL
LIC Mutual Fund Asset Management Co. Ltd	Associate	39.30%
LIC Mutual Fund Trustee Co. Ltd.	Associate	35.30%

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

Name of the Related Party	Nature of Relationship	
	For year ended 31 st March, 2023	For year ended 31 st March, 2022
Key Management Personnel		
Shri Y. Viswanatha Gowd	MD & CEO	MD & CEO
Shri Ashwani Ghai	Chief Operating Officer (From 01.11.2022)	-
Shri Nitin K Jage	Company Secretary (Resigned on 31.05.2022)	Company Secretary
Smt. Varsha Hardasani	Company Secretary (From 01.06.2022)	-
Shri Sudipto Sil	Chief Financial Officer	Chief Financial Officer
Directors (Executive or Otherwise)		
Shri M R Kumar	Chairman (Resigned on 13.03.2023)	Chairman
Shri Vipin Anand	-	Non-Executive Nominee Director (Resigned on 30.07.2021)
Shri Raj Kumar	Non-Executive Nominee Director (Resigned on 09.02.2023)	Non-Executive Nominee Director (From 13.08.2021)
Shri Jagdish Capoor	Independent Director (Resigned on 23.05.2022)	Independent Director
Shri Dharmendra Bhandari	Independent Director	Independent Director
Shri V. K. Kukreja	Independent Director	Independent Director
Shri Ameet Patel	Independent Director	Independent Director
Shri P Koteswara Rao	Non Independent Director	Non Independent Director
Shri Kashi Prasad Khandelwal	Independent Director	Independent Director
Shri Sanjay Kumar Khemani	Independent Director (Designation change w.e.f. 06.02.2023)	Non Independent Director
Shri Akshay Rout	Non Independent Director	Non Independent Director
Smt. Jagennath Jayanthi	Independent Director	Independent Director

e) Details of Material transactions with Related Party:

(₹ In crore)

Related Party	Nature of transaction	For year ended 31 st March, 2023	For year ended 31 st March, 2022	Basis Of Transaction
Life Insurance Corporation of India	Issue of Equity Shares	-	9.08	Further raising of Capital through allotment on a preferential basis of ₹4.54 crore Equity Shares having Face Value of ₹2 per share and premium of ₹ 512.43 per share .
	Securities Premium on Issue of Equity Shares	-	2,326.43	
Life Insurance Corporation of India	Repayment of Non-Convertible Debentures	1,500.00	1,500.00	-
	Interest expenses on Secured and Unsecured loans/Debt Securities	1,046.28	1,130.34	As per coupon of the instrument as on the date of the contract which was as per then prevailing market rate.
	Dividend Payment	211.52	211.52	Dividend paid based on the percentage of holding and the Dividend rate approved by the Shareholders
	Rent Paid	10.10	9.55	
	Payment of Electricity Expenses	0.78	0.55	
	Payment for Staff training, Conference, etc.	0.06	-	
	Reimbursement of Gratuity, Medclaim, GSLI and Pension Fund for staff posted from LIC	1.84	1.85	
	Contribution to LIC of India, P & GS, for Gratuity premium for employees, renewal of group insurance.	9.05	18.25	
	Rewriting Fees Income	47.69	-	Change in ROI of LIC staff loan from 8.75% to 6.75%
	Balance as at year end towards Non Convertible Debentures (Credit)	11,550.00	13,050.00	-
	Balance as at year end towards Interest Accrued on Non Convertible Debentures (Credit)	243.03	291.32	-
	Balance as at year end- Others (Credit)	1.81	2.09	-

ANNEXURE 4 TO THE BOARD'S REPORT

ANNUAL CSR REPORT 2022-23

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

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

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Jagdish Capoor*	Independent Director	7	1
2	Shri Akshay Rout	Non-Independent Director	7	7
3	Smt. J. Jayanthi	Independent Director	7	7
4	Shri Y. Viswanatha Gowd	MD & CEO (Nominee Director)	7	7
5	Shri Ashwani Ghai**	Whole Time Director (Nominee Director)	7	3

* Shri Jagdish Capoor, Independent director completed his term on 23rd May, 2022

** Shri Ashwani Ghai has taken charge of COO, LIC HFL on 01st November 2022

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

- CSR Committee – https://www.lichousing.com/static-assets/pdf/Committees_Membership_Feb23.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
- CSR Policy– https://www.lichousing.com/static-assets/pdf/Corporate_Social_Responsibility_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
- CSR Approved Projects – https://www.lichousing.com/static-assets/pdf/CSR_Projects_approved_FY_22_23.pdf?craftSite=lichfl-corporate-website-cms

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

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

- | | | |
|----|--|-------------------|
| a) | Average net profit of the Company as per sub-section (5) of section 135. | : ₹ 3152.61 crore |
| b) | Two percent of average net profit of the Company as per sub-section (5) of section 135. | : ₹ 63.04 crore |
| c) | Surplus arising out of the CSR projects or programs or activities of the previous financial years. | : NIL |
| d) | Amount required to be set off for the financial year, if any | : Not Applicable |
| e) | Total CSR obligation for the financial year [(b)+(c) -(d)] | : ₹ 63.04 crore |

5. a) Amount spent on CSR Projects (both Ongoing Project and : ₹ 8.70 crore Other than Ongoing Project)
- b) Amount spent in Administrative Overheads : ₹ 1.01 crore
- c) Amount spent on Impact Assessment, if applicable : ₹ 0.23 crore
- d) Total amount spent for the Financial Year [(a)+(b) +(c)] : ₹ 9.94 crore
- e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹ crore)				
	Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 9.94	₹ 53.28	21 st April 2023	NA	NIL	NA

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

Sl. No.	Particular	Amount (in ₹ crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 63.05
(ii)	Total amount spent for the Financial Year	₹ 9.94
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹ crore)	Balance amount in Unspent CSR account under sub-section (6) of section 135 (in ₹ crore)	Amount spent in the Financial Year (in ₹ crore)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any Amount (in ₹ crore)	Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹ crore)	Deficiency, if any
1	FY19-20	Nil*	Nil*	₹ 8.02	NA	NA	₹ 7.95	Nil
2	FY20-21	₹ 47.02	₹ 15.39	₹ 20.06	₹ 8.80	28-09-2021	₹ 15.53	Nil
3	FY21-22	₹ 45.72	₹ 11.38	₹ 34.34	₹ 2.30	26-07-2022	₹ 11.38	Nil

* During the financial year 2019-20 the Company has created a provision of ₹40.18 crore for ongoing CSR projects.

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

Yes No

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

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

(1) Sl. No.	(2) Short Particulars of the property or asset(s) [including complete address and location of the property]	(3) Pin code of the property or asset(s)	(4) Date of creation	(5) Amount of CSR amount spent (in ₹ crore)	(6) Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Medical Equipment (Operation Theatre, ICU, Post-Operative Recovery, and Central Sterile Supply - CSSD) Address: Advanced Centre for Treatment, Research and Education in Cancer (ACTREC), Kharghar, Navi Mumbai, Maharashtra	410210	01 st April, 2022, to 30 th June, 2023	5.80	CSR00001287	Advanced Centre for Treatment, Research, & Education in Cancer (ACTREC)	ACTREC, Sector 22, Utsav Chowk - CISF Rd, Owe Camp, Kharghar, Navi Mumbai, Maharashtra - 410210
2	Construction of Start-up Incubator Institute Building Address: Baltikra, Baitalpur Road, Barpar, Araipar, Uttar Pradesh	274202	25 th March, 2023	5.00	CSR00004047	Jagriti Sewa Sansthan	10/236, Raghav Nagar, Deoria, Uttar Pradesh - 274001
3	Construction of 75 Sanitation Complexes for schools Address: Kurnool, Ananthapur districts of Andhra Pradesh and Gadwal, Mahboob Nagar Districts of Telangana	NA	01 st April, 2022 to 29 th March, 2023	3.80	NA	Various Schools in Andhrapradesh and Telangana	Kurnoo, Ananthapur districts of Andhra Pradesh and Gadwal, Mahboob Nagar Districts of Telangana
4	Construction of 30 Sanitation Complexes for schools Address: Pondicherry	NA	1 st December, 2022 to 31 st March, 2023	3.42	NA	Various Beneficiaries (Govt Schools)	Pondicherry
5	102 Sanitation Unit Address: 6 Aspirational District in Odhisa and Chhattisgarh	NA	31 st March, 2022 to 30 th June, 2023	3.21	CSR00000161	Wockhardt Foundation	Odhisa and Chhattisgarh
6	1 inter cultivator weeder, 2 mini tractor, 2 Rotavator, 1 Printer, 1 UPS, 1 Generator, 3 school toilets, 2 Village Pond Outlets Address: Bettamugilalam Panchayat, Krishnagiri District, Tamil Nadu	635113	01 st April, 2022 to 31 st March, 2023	2.79	NA	Various beneficiaries (Individual and Community)	Bettamugilalam Panchayat, Krishnagiri District, Tamil Nadu
7	75 school toilets Address: Kadapa and Kurnool in Andhra Pradesh	NA	01 st April, 2022 to 29 th March, 2023	2.50	NA	Various Beneficiaries (Govt Schools)	Kadapa and Kurnool in Andhra Pradesh
8	280 Rainwater Harvesting Tanks Address: Kuttanad Taluk, Alappuzha District, Kerala	NA	01 st April, 2022 to 29 th March, 2023	2.37	NA	Various Beneficiaries (Individual Households)	Kuttanad Taluk, Alappuzha District, Kerala
9	32 Micro-irrigation system, 2 Solar based grid system for PHC, 600 smokeless Chulha, 3 Bio-gas plant, 5 Stop Dam, 7 Water Filters and 80 Solar lights Address: Block-Dahanu, District-Palghat, Maharashtra	401602	01 st April, 2022, to 15 th February, 2023	2.00	CSR00001360	Krushi Vikas va Gramin Prashikashan Sanstha	Block-Dahanu, District-Palghar, Maharashtra

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
10	Office Setup, 5 RO Units, 1 School Sanitation Unit, 5 farm Ponds, 48 Solar Street Lights, Address: Thiruchili Block, Virudhunagar District, Tamil Nadu	NA	01 st April, 2022, to 31 st March, 2023	1.99	NA	Various beneficiaries (individuals, and community)	Thiruchili Block, Virudhunagar District, tamilnadu
11	10 micro sprinklers, 25 goatry units, 100 solar streetlights, 2 anagnwadi renovation Address: Nuh, Haryana	NA	01 st April, 2022 to 30 th November, 2022	1.89	NA	Various beneficiaries (individuals, anganwadi and community)	Nuh district, Haryana
12	5 Hand Washing facility in schools, 3 Water Drinking facilities in villages (LOCO model), 25 solar streetlights, 5 school libraries, 101 horticulture nursery units Address: Sonbhadra, Uttar Pradesh	NA	01 st April, 2022 to 31 st March, 2023	1.87	NA	Various beneficiaries (schools and community)	Sonbhadra district, Uttar Pradesh
13	75 Sanitation Units in 75 Schools Address: Ranchi and Khunti in Jharkhand	NA	1 st September, 2022 to 1 st March, 2023	1.83	NA	Various Beneficiaries (School and School Management Committees)	Ranchi and Khunti district of Jharkhand.
14	70 Street lights, 4 Jal Minars, 4 smart classrooms, 02 solar powered irrigation system, 03 Grain Bank, 03 Bee Keeping Unit, 01 Micro enterprise, 01 Skilling Centre for tailoring, 05 Community Toilet Construction. Address: Gaya, Bihar	NA	01 st April, 2022, to 28 th February, 2023	1.74	NA	Various Beneficiaries (Village Development Committees, Individuals, Community, Schools, Anganwadis, Farmers Group, SHGs)	Atri block of Gaya district of Bihar.
15	3 Jal Minar, 3 Sanitation Units, 2 Smart Classrooms, 7 Agri-Tool Bank, 175 Solar streetlights, 70 Vermi-compost unit Address: Block-Antah, District-Baran, Rajasthan	325205	01 st April, 2022, to 31 st October, 2022	1.72	CSR00000044	Aroh Foundation	Block-Antah, District-Baran, Rajasthan
16	Solar Insect Traps- 500, Solar Street Lights -42, Water on Wheels - 500, Cattle Trough -4, Bore well recharge -4, farm Ponds-11 Address: Raichur District, Karnataka	NA	01 st April, 2022 to 31 st March, 2023	1.60	NA	Various beneficiaries (individuals, and community)	Raichur District, Karnataka

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
17	100 solar lights to HH, Sports kit to 7 School, 42 Solar streetlight, 170 LBS, 2 Stop Dam, 6 Tank and Well renovation and 3 Agri-Tool Bank Address: Block-Chachaura Binaganj, District-Guna, M.P.	473118	01 st April, 2022 to 29 th March, 2023	1.58	CSR00000339	Centre for Advanced Research and Development	Block-Chachaura Binaganj, District-Guna, M.P.
18	03 Tailoring Unit, 30 sewing Machines, 70 solar streetlights, 03 Jalminar with 3 arsenic filters, 03 Smart Classroom with Power Backup, 03 renovation of toilets, 03 solar irrigation system, 03 fish tanks. Address: Malda, West Bengal	NA	01 st April, 2022 to 31 st March, 2023	1.52	NA	Various Beneficiaries (Village Development Committee, school, Anganwadi, SHGs)	Malda district of West Bengal
19	4 Hand washing unit at PHC, 21 hand Washing Unit at Schools, 152 Hand Washing units at HHs, Address: Durg, Chhattisgarh	491111	01 st March, 2022 to 28 th February, 2022	1.51	CSR00002830	SAMARTHAN-Centre for Development Support	Durg, Chhattisgarh
20	5 Mobile Health Units Address: Chittorgarh (Rajasthan), Haridwar (Uttarakhand), Savli (Gujarat), Guwahati (Assam) and Bangalore (Karnataka)	NA	30 th March, 2022 to 29 th March, 2023	1.28	CSR00001657	Jubilant Bhartia Foundation	Plot 1A, Sector 16A, Noida, Uttar Pradesh, 201301
21	30 individual toilets, 6 school libraries, 6 smart classrooms with LCD and content, 2 km fencing wall, 8 trenches for water conservation, 60 street solar lights, 40 goatry units, 16 cow rearing units Address: Tehri Gharwal, Uttarakhand	NA	01 st April, 2022 to 31 st March, 2023	1.28	NA	Various beneficiaries (individuals, schools and community)	Tehri Gharwal district, Uttarakhand
22	210 nutrition gardens, 70 household water soakpits, 70 solar street lights, 2 playground, 2 each computers, power back up system, almirah, tables and 6 chairs, 35 goatry units Address: Moga, Punjab	NA	01 st April, 2022 to 31 st March, 2023	1.20	NA	Various beneficiaries (individuals and community)	Moga district, Punjab
23	Office setup Address: MYRADA, Municipal Colony, Maniyur, Chitradurga, Karnataka	577501	01 st April, 2022 to 31 st March, 2023	1.20	CSR00001099	Mysore Resettlement and Development Agency (MYRADA)	MYRADA, Municipal Colony, Maniyur, Chitradurga, Karnataka

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
24	14 Drying Yard, 10 Compost Pit, 14 Sports Kits, 06 Custom Hiring Centre, 50 Backyard Poultry Unit, 240 Smokeless Stoves, 10 Community Dugwell, 10 Community Ponds Address: Dhenkanal, Odisha	NA	1 st September, 2022 to 1 st March, 2023	1.18	NA	Various Beneficiaries (Village Development Committees, Individuals and Community)	Sadar block of Dhenkanal district of Odisha.
25	1 School Toilet, 40 household toilets, 1 community toilet, Open Drainage System Address: Mentada Mandal, Vizianagaram, Andhra Pradesh	NA	01 st April, 2022 to 31 st March, 2023	1.14	NA	Various beneficiaries (Individual and Community)	Mentada Mandal, Vizianagaram, Andhra Pradesh
26	3 Sanitation Unit, 1 Solar based Jal Minar, Address: Block-Antah, District-Baran, Rajasthan	325205	01 st October, 2022 to 30 th September, 2023	1.01	CSR00000044	Aroh Foundation	Block-Antah, District-Baran, Rajasthan
27	10 Nursery raising units, 30 vermi compost units, 40 poultry units, 4 agri products centre, 46 vegetable crates Address: Lalitpur, Uttar Pradesh	NA	01 st April, 2022 to 31 st March, 2023	1.00	NA	Various beneficiaries (individuals, and community)	Lalitpur district, Uttar Pradesh
28	14 Processing machines, 3 solar driers, 3 collection centres, 3 market outlets, 39 bee keeping units, 44 poultry units, 13 goatry units, 17 home stay established, 3 knitting machines, 6 sewing machines Address: Nainital (Uttarakhand) and Solan (Himachal Pradesh)	NA	01 st April, 2022 to 31 st August, 2022	1.00	NA	Various beneficiaries (individuals and community)	Nainital (Uttarakhand) and Solan (Himachal Pradesh)
29	5 school renovation, 5 school library set up, 4 Anganwadi renovation, 5 seed bank, 5 agri tool bank, 60 goatry units, 60 poultry unit, 40 vending cart entrepreneurs, 10 hand pumps installation, 5 Jal Minars, 100 domestic solar lanterns, 20 vermi compost units, Address: Lucknow, Uttar Pradesh	NA	01 st April, 2022 to 30 th June, 2022	0.97	NA	Various beneficiaries (individuals, School and community)	Lucknow district, Uttar Pradesh
30	04 Pig Breeding Unit (Through Convergence) and 15 Poultry Unit Address: Jorhat, Assam	NA	01 st April, 2022 to 31 st July, 2022	0.92	NA	Various Beneficiaries (Individuals and Self Help Groups)	East Selenghat Block of Jorhat district of Assam.

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
31	05 Integrated Livestock Development Centre Address: Hazaribagh Jharkhand	NA	01 st April, 2022 to 31 st March 2023	0.89	NA	Various Beneficiaries (Self Help Groups and Members of SHGs)	Katkamsandi block of Hazaribagh district of Jharkhand.
32	25 Sanitation complexes Address: Bahraich and Balrampur, Uttar Pradesh	NA	01 st December, 2022 to 31 st March, 2023	0.78	NA	Various beneficiaries (school children)	Bahraich and Balrampur districts, Uttar Pradesh
33	40 Solar Street Light, 300 Solar Home Light for Children, 05 units of farm equipment support to farmers group, 09 Smart Classroom Setup, 09 sports kit for Bal Sansad, 01 Sanitary Pad Production Unit, 01 Paper Plate Manufacturing Unit, One Sattu Flour Making Unit, One cloth bag manufacturing unit, 04 sports kit to Youth Groups, 02 weighing machines for Pasu Sakhis. Address: Palamu district of Jharkhand.	NA	01 st April, 2022 to 31 st March 2023	0.77	NA	Various Beneficiaries (Village Development Committees, Individuals, Community, Schools, Anganwadis, Farmers Group, SHGs)	Palamu District of Jharkhand.
34	Paper plate making machine, Inverter Address: Regonda Mandal, jayashankar Bhupalppalle District, Telangana	506348	01 st April, 2022 to 31 st July, 2022	0.75	NA	Individual Beneficiary	Regonda Mandal, jayashankar Bhupalppalle District, Telangana
35	30 LED TV, 30 Smart TV Panel, and 30 Solar panel Address: Almora and Udham Singh Nagar, Uttarakhand	NA	01 st December, 2022 to 31 st March, 2023	0.58	NA	Various beneficiaries (schools)	Almora and Udham Singh Nagar Districts, Uttarakhand
36	35 dustbins, 1 Material Recovery Facility, 2075 waste collection bags, 2 Bailer Machine, 1 Laptop, 1 CCTV camera, 1 printer, 1 cabinet, 1 table, 4 chairs, 1 water filter-RO, 1 rickshaw Address: Sahastradhara, Dehradun, Uttarakhand	NA	30 th March, 2022 to 31 st March, 2023	0.55	NA	Various beneficiaries (Community)	Sahastradhara, Dehradun, Uttarakhand

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
37	Office Setup Address: Vizianagaram, Andhra Pradesh	535003	01 st December, 2022 to 31 st March, 2023	0.55	CSR00001053	Financial Inclusion Improves Sanitation & Health Society	FINISH Society, Near New Wisdom Progressive Inter College, New Nandi Vihar Colony, Chinnat, Lucknow, Uttar Pradesh - 266028
38	17 Tubewell Address: South 24 Paragana, West Bengal	NA	01 st December, 2022 to 28 th February, 2023	0.48	NA	Various Beneficiaries (Community, Water User Groups)	South 24 Paraganas District of West Bengal.
39	30 Solar Powered Smart Classrooms Address: Uttar Karnataka District, karnataka	NA	01 st December, 2022 to 31 st March, 2023	0.45	NA	Various Beneficiaries (Govt Schools)	Uttar Karnataka District, karnataka
40	Water trough - 13, Solar Dryer- 1 Address: Bettamugilalam Panchayat, Krishnagiri District, Tamil Nadu	635113	01 st December, 2022 to 31 st March, 2023	0.45	NA	Various beneficiaries (individuals, and community)	Bettamugilalam Panchayat, Krishnagiri District, Tamil Nadu
41	25 units of Solar Electrification Address: Nagaland, Manipur, Mizoram, Meghalaya and Tripura.	NA	1 st January 2023 to 31 st March 2023	0.42	NA	Various Beneficiaries (School and School Management Committees)	Nagaland, Manipur, Mizoram, Meghalaya and Tripura.
42	4 Sanitary Complexes in Govt Schools Address: North Tripura	NA	1 st January 2023 to 31 st March 2023	0.38	NA	Various Beneficiaries (School and School Management Committees)	North Tripura District of Tripura.
43	Solar power back up, 35 computers and 1 RO unit Address: A.P. Residential School (RCE-Boys), Tadikonda, Guntur, Andhra Pradesh	522236	29 th December, 2022	0.32	NA	A.P. Residential School (RCE- Boys)	A.P. Residential School (RCE-Boys), Tadikonda, Guntur, Andhra Pradesh - 522236
44	Construction of 12 Water Bodies (Anicut, Check Dam) in Block-Rapar, Kutch, Gujarat Address: Block-Rapar, Kutch- Gujarat	NA	31 st August, 2022	0.29	CSR00000832	Samarth Charitable Trust	Kutch, Gujarat
45	Ambulance and Dialysis unit Address: Taluk Hospital, Chavakkad, Thrissur, Kerala	NA	20 th April, 2022	0.25	NA	Various Beneficiaries (Individual)	Directorate of Health Services, Palayam - Airport Road, near General Hospital Road, Junction, Thiruvananthapuram

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
46	High Frequency Oscillatory Ventilation (HFOV) for Neonatal Intensive Care Unit (NICU) Address: A1/7, Purania Rd, Sector H, Sector-A, Aliganj, Lucknow, Uttar Pradesh	226024	12 th January, 2023	0.25	CSR00021593	Late Shri S C Trivedi Memorial Mother and Child Care Trust	A1/7, Purania Rd, Sector H, Sector-A, Aliganj, Lucknow, Uttar Pradesh - 226024
47	Waste Collection Truck Address: Bangalore Urban	NA	08 th November, 2022	0.25	CSR00000063	Samarthanam Trust for the Disabled	Samarthanam Trust for the Disabled CA:39, 15 th Cross, 16 th Main, Sector-4, HSR Layout, Bangalore
48	5 Rooftop Solar Power Plant for Govt Schools Address: Ramanagara District in Karnataka	NA	01 st April, 2022 to 28 th February, 2023	0.23	NA	Various Beneficiaries (Govt Schools)	Ramanagara District in Karnataka
49	40 solar street lights Address: Lucknow, Uttar Pradesh	NA	01 st July, 2022 to 31 st March 2023	0.22	NA	Various beneficiaries (Community)	Lucknow district, Uttar Pradesh
50	01 Health Awareness Vehicle Address: Patna, Bihar	800001	23 rd March, 2023	0.19	CSR00001047	Bihar Voluntary Health Association	West of Ganga Apartment, LCT Ghat, Mainpura, Patna-800001.
51	19-Seater School Bus for Physically Disabled Students Address: Ajmer, Rajasthan	305023	20 th May, 2022	0.19	CSR00007136	Rajasthan Mahila Kalyan Mandal	Vishwamitra Ashram, Sikar Road, Chachiyawas, Rajasthan 305023
52	01 Ambulance Address: Bhawanipatna, Odisha	766001	20 th January, 2023	0.19	CSR00003476	Swasthya Swaraj Society	2/379, Ramnagar Pada, P.O. Bhawanipatna-766001, Kalahandi district of Odisha.
53	40 units of bee keeping/mud hives, 20 units of orchard and fruit plantation, Address: Sirmaur, Himachal Pradesh	NA	01 st December, 2022 to 31 st March, 2023	0.15	NA	Various beneficiaries (Community)	Sirmaur district, Himachal Pradesh
54	48 KW Solar Grid System at Eye Hospital Address: 236, Sector-6, Hiran Magri, Udaipur, Rajasthan 313002	313002	15 th January, 2023	0.10	CSR00003030	Tara Sansthan	236, Sector-6, Hiran Magri, Udaipur, Rajasthan 313002
55	Distribution of 15 Sanitary Napkin Vending Machine Address: Jhabua, Madhya Pradesh	457661	06 th August, 2022	0.01	NA	District Collector Office, Jhabua	District Collector Office, Basant Colony, Jhabua, Madhya Pradesh 457661

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

The Company is dedicated to supporting meaningful projects and collaborates exclusively with reputable implementation agencies that have a proven track record. CSR initiatives are implemented through a systematic disbursement process that involves monitoring and verification of the efficient utilisation of funds by the implementation partners. As a result of this tranche-based disbursement system, only part payments have been released to the implementation partners, and the remaining funds are scheduled to be released in accordance with the approved work plan. This approach ensures that the CSR projects sanctioned by LIC HFL CSR are effectively executed, contributing to the sustainable development of communities, and aligning with the organisation's core values. During the financial year 2022-23, the Company made diligent efforts to evaluate and process the received contribution requests. We remain committed to maximising the utilisation of our CSR funds.

Sd/-

[Managing Director & Chief Executive Officer]

Sd/-

[Chairman of CSR Committee]

ANNEXURE 4a TO THE BOARD'S REPORT

EXECUTIVE SUMMARY REPORT CSR PROJECT IMPACT ASSESSMENT






PROJECT 1: HOLISTIC RURAL INITIATIVES FOR DEVELOPMENT ACTION AND YIELD (HRIDAY)

Implementing Partner: Action for Food Production (AFPRO)

Alignment with UN Sustainability Goals:



RESEARCH METHODOLOGY

 Year of Implementation	 Type of Beneficiaries	 Sample Covered	 Project Location	 Stakeholders Covered
FY 2021-22	Community-women	100	Gurla, Chintavalasa, Meesalapeta, Gurramavalsa & Rabanda in Vizianagaram district (Aspirational district) of Andhra Pradesh	

PROJECT BACKGROUND

Vizianagaram, located in the northeastern plains of Andhra Pradesh, has been identified as an economically disadvantaged district by the Government of India. The district has a predominantly rural population, with 82% residing in rural areas and relying on agriculture, dairy farming, and fisheries as their primary livelihood sources. Rainfed farming plays a significant role, with around 80% of cultivated land relying on rainfall for irrigation. In order to address inequality and improve living standards, authorities have prioritized the development of essential skills and capacity-building to foster inclusive growth in the district. A key component of this strategy involves promoting and establishing micro and medium-scale enterprises that contribute to the community development index. To ensure comprehensive progress, a holistic approach has been adopted, focusing on livelihood enhancement, agricultural development, and infrastructure improvement from the second year onwards. This approach also explores convergence options to maximize the impact of resources and initiatives in Vizianagaram.

FINDINGS OF THE STUDY

Key Outputs:

- Strong female representation: 97.0% of respondents are women, showcasing their active involvement.
- 58.0% come from families with 3-4 members.
- 44.0% of respondents work as daily wage laborers.
- 97.0% of households fall within ₹ 5000 to Rs 10,000 income range.
- 100% frequency ensures regular healthcare access.
- 98.0% of respondents received information on safe sanitary practices
- 75.0% of disease awareness focuses on Malaria and 71.0% on seasonal diseases.
- 84.2% of respondents part of SHGs for over 10 years.
- Prevalence of savings and loaning: 100.0% engage in loaning, 77.9% include savings.
- 100.0% rely on government supply for primary water supply.
- 98.0% aware of LIC HFL (LIC Housing Finance Limited).

IMPACT OF THE STUDY

- SHG benefited in increased income (76.9%), knowledge (66.7%) and teaching money-saving practices (66.7%).
- 98.0% of respondents face no challenges in water availability
- 78.6% of respondents have made soak pits in their houses.
- 100% have seen the drive and believe in awareness camps.

RATING BASED ON OECD FRAMEWORK

Relevance	● ● ● ● ●	Effectiveness	● ● ● ● ●	Efficiency	● ● ● ● ●
Coherence	● ● ● ● ●	Efficiency	● ● ● ● ●	Sustainability	● ● ● ● ●

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






PROJECT 2: HOLISTIC RURAL INITIATIVES FOR DEVELOPMENT ACTION AND YIELD (HRIDAY)

Implementing Partner: MYRADA- Mysore Resettlement and Development Agency

Alignment with UN Sustainability Goals:



RESEARCH METHODOLOGY

				
Year of Implementation	Type of Beneficiaries	Sample Covered	Project Location	Stakeholders Covered
FY 2021-22	Residents of Targeted Villages	100	Kambalam & Bettamugilalam in Krishnagiri District, Tamil Nadu	Community Leaders

PROJECT BACKGROUND

Villages in India face challenges such as limited access to basic amenities, quality education, healthcare, and economic opportunities. The rural communities of Kambalam and Bettamugilalam in Tamil Nadu’s Krishnagiri District have historically lacked access to crucial government-led initiatives. To address this, LIC HFL launched the Holistic Rural Initiative for Development Action and Yield (HRIDAY) project in collaboration with MYRADA. The project focuses on livelihood development, education, health, natural resource management, and capacity building to uplift these communities. Limited access to education, healthcare, clean water, sanitation, and economic opportunities have hindered the well-being and progress of residents. The HRIDAY project follows a holistic approach aligned with the Sustainable Development Goals (SDGs) to cater to diverse community needs. By implementing various activities, the project aims to create a sustainable and inclusive environment, enhance income generation, promote holistic child development, and preserve traditional practices. Collaboration with Community-Based Organizations (CBOs) ensures community participation and ownership, while market linkages facilitate sustainable economic growth.

FINDINGS OF THE STUDY

Key Outputs:

- 66.7% of the respondents reported having a market for the sale of their agricultural products
- Livelihood development activities were reported as the sole activity undertaken by all respondents (100%) associated with Self-Help Groups (SHGs).
- All schools (100%) reported students drinking water from the newly installed water filter.

IMPACT OF THE STUDY

- The project has successfully raised awareness among all the respondents (100%) about the pond restoration activity.
- 100% of the beneficiaries now have access to sufficient water for irrigation, leading to improved agricultural productivity and sustainability.
- 100% of the schools have benefited from the construction of new toilets, improving sanitation and hygiene practices.

RATING BASED ON OECD FRAMEWORK

Relevance	● ● ● ● ●	Effectiveness	● ● ● ● ●	Impact	● ● ● ● ●
Coherence	● ● ● ● ●	Efficiency	● ● ● ● ●	Sustainability	● ● ● ● ●






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

PROJECT 3: HOLISTIC RURAL INITIATIVES FOR DEVELOPMENT ACTION AND YIELD (HRIDAY)

Implementing Partner: Sahbhagi Sikshan Kendra

Alignment with UN Sustainability Goals:



RESEARCH METHODOLOGY				
				
Year of Implementation	Type of Beneficiaries	Sample Covered	Project Location	Stakeholders Covered
FY 2021-22	Unemployed individuals, underprivileged farmers and women	100	Mahuari, Lotaniya, Basari & Mangaldih in Palamu (Aspirational district) of Jharkhand	Farmer, Unemployed youth, Community-women

PROJECT BACKGROUND

The Holistic Rural Initiative for Development Action and Yield (HRIDAY) is an organization focused on intervening in tribal communities in Japla, Jharkhand, India. Supported by LIC Housing Finance Limited (LIC HFL), Mumbai, HRIDAY aims to bring about integrated and inclusive village development by addressing key parameters such as quality education, good health, sustainable livelihood, youth employment, clean energy, and gender equality. The goal is to improve the living conditions of people in remote tribal communities and create a replicable model that can be implemented in other villages, accelerating development and transforming the backward regions.

FINDINGS OF THE STUDY

Skill Development Project

Key Outputs:

- 73.3% have a higher secondary education level.
- 50.0% of families have 4-6 members and 46.7% have more than 6 members.
- 46.7% are engaged in farming
- 43.3% have average monthly income between ₹10,000 and ₹15,000.
- 90.0% attended sewing machine operator training.
- 76.7% received a training completion certificate.
- 90.0% were unemployed before receiving training.

Impact of the Study:

- For 100.0%, LIC HFL-sponsored CSR program helped in work/market linkage.
- 96.7% secured work after undergoing training.
- 75.9% currently work as sewing machine operators.
- 86.2% have a present monthly income of ₹10,000-₹15,000.
- 93.1% are able to support their family financially.

SHG Village Development Project**Key Outputs:**

- 78.0% received training covering various aspects beyond a specific category.
- 100% formed SHGs after training.
- 80% SHGs have 15 members.
- 58% associated with SHGs for 2 years.
- 22% SHGs offer individual loans.

Impact of the Study:

- For 68%, savings is a major activity.
- For 54%, monthly compulsory savings comes up to ₹750.
- 60% SHGs charge 2% interest on group loans.
- For 34%, individual savings are up to ₹10,000 or ₹10,001-20,000.
- 32% have individual savings of more than ₹20,000.
- 48% have taken loans from SHGs.
- 5.8% have loan amounts in the range of ₹2000-₹5000.
- 70.8% have taken loans for medical purposes.
- 89% repay loans on time.
- 38% are involved in group business activities.
- 57.9% earned money from group business but lesser amounts.
- 36% have access to small savings deposits as a benefit from the group.

SRI Cultivation Project:**Key Outputs:**

- 80.0% used the "Chitta Ropan" method before training.
- 100.0% received handholding training on SRI rice cultivation in the field.
- 55.0% faced issues with low production issues.
- 100.0% received seeds for cultivation.
- 65.0% used seeds and techniques for two seasons.

Impact of the Study:

- 75.0% observed an increased quantity of rice production.
- 75.0% experienced a profit increase of 10%-20%.

RATING BASED ON OECD FRAMEWORK

Relevance	● ● ● ● ●	Effectiveness	● ● ● ● ●	Impact	● ● ● ● ●
Coherence	● ● ● ● ●	Efficiency	● ● ● ● ●	Sustainability	● ● ● ● ●

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

PROJECT 4: RAINWATER HARVESTING PROJECT

Implementing Partner: Ashoka Trust for Research in Ecology and the Environment

Alignment with UN Sustainability Goals:



RESEARCH METHODOLOGY				
Year of Implementation	Type of Beneficiaries	NGO Partner	Project Location	Project Budget
FY 2022-23	Individuals from Village	Ashoka Trust for Research in Ecology and the Environment	Kuttanad (14 panchayats), Alappuzha, Kerala	₹ 2,36,57,000

PROJECT BACKGROUND

LIC HFL Partnered with Ashoka Trust for Research in Ecology and the Environment and constructed Rainwater Harvesting Tanks in Kuttanad Panchayat in Alappuzha, Kerala. In this project, the project activities include, Mobilization of funds for the construction of rainwater harvesting tanks, Collaboration with stakeholders, such as the local panchayat and community members, Awareness campaigns and training sessions on the importance of rainwater harvesting and its maintenance, given Behavioural change training for the beneficiaries for the wise use of the water resources, also encouraging them to play their roles in water conservation. Construction of rainwater harvesting tanks in the identified locations and Finally Testing the quality of harvested rainwater to ensure it is suitable for drinking.

FINDINGS OF THE STUDY

- Before the LIC HFL-sponsored CSR program implementation, 64% of respondents obtained drinking water from rivers, ponds, or community water bodies, indicating reliance on natural water sources.
- After the RWH implementation, 86% of respondents now obtain drinking water from household tap connections connected to RWH structures, significantly increasing access to drinking water.
- The majority of respondents experienced moderate scarcity of drinking water before RWH installation. However, after RWH, 91% reported no water scarcity at all, indicating improved water sufficiency.
- The majority of respondents spent between ₹ 300 to ₹ 500 on drinking water before RWH installation, highlighting cost savings after implementation.
- 97% of respondents contributed money towards RWH construction, demonstrating high financial involvement and support.
- The LIC HFL-sponsored CSR program conducted meetings to consult 100% of respondents regarding RWH construction, ensuring active engagement and involvement of the community.

IMPACT OF THE STUDY

- Significant improvement in overall health conditions, with 98% of respondents reporting no suffering from waterborne diseases after RWH implementation.
- 97% of respondents are part of a water user group formed by the LIC HFL sponsored CSR program, indicating high participation and community-led initiatives.
- 97% of respondents perceive the RWH structure as very beneficial, highlighting the positive impact and advantages of the implementation.
- 84% of respondents rate the RWH CSR intervention as excellent, demonstrating high satisfaction with the corporate social responsibility initiative.
- 98% of respondents reported no problems with the RWH structure, indicating a high level of satisfaction and minimal issues.

RATING BASED ON OECD FRAMEWORK					
Relevance	● ● ● ● ●	Effectiveness	● ● ● ● ●	Impact	● ● ● ● ●
Coherence	● ● ● ● ●	Efficiency	● ● ● ● ●	Sustainability	● ● ● ● ●

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

PROJECT 5: SUPPORT FOR LASIK EYE CARE EQUIPMENT

Implementing Partner: Sri Shanmukhananda Fine Arts & Sangeetha Sabha

Alignment with UN Sustainability Goals:



RESEARCH METHODOLOGY				
Year of Implementation	Type of Beneficiaries	NGO Partner	Project Location	Project Budget
FY 2021-22	50	Sri Shanmukhananda Fine Arts & Sangeetha Sabha Project	Mumbai	₹ 15 crore

PROJECT BACKGROUND

LIC HFL had partnered with Sri Shanmukhananda Fine Arts & Sangeetha Sabha and donated LASIK Eye Surgery equipment and performed 50 free LASIK eye surgeries for the Mumbai Dabbawalla Association and their families. Additionally, Eye Screening camps were conducted to find eye-related problems for the less fortunate people. Further, LASIK treatment is given to students and those who are in need of surgery in the economically weaker sections of society Free of cost or at subsidized rates. Finally Created a new wing for LASIK surgery at the present location of the Centre.

FINDINGS OF THE STUDY

- 76% of respondents have an annual family income of less than ₹1,20,000/-.
- 76% of respondents availed of completely free Lasik surgery.
- 40% of respondents came to know of the CSR Intervention through a screening camp in their community conducted by the implementing partner.
- 55% of respondents approached a private hospital, but could not afford Lasik surgery.

IMPACT OF THE STUDY

- 100% of the beneficiaries reported better vision than before.
- 60% of the beneficiaries stated that they can now read newspapers/books, watch television, or pursue their favorite hobbies.
- 55% of the respondents stated that they are able to see the name boards of buses clearly now.
- 48% of the respondents reported that they now feel safe crossing the road because of clearer vision. 45% of the respondents are able to undertake domestic chores independently now.
- 40% can spend more time reading books without eye irritation or pain.
- 30% of the respondents said that they are now able to have a clear vision of distant objects and places as compared to before.

RATING BASED ON OECD FRAMEWORK					
Relevance	● ● ● ● ●	Effectiveness	● ● ● ● ●	Impact	● ● ● ● ●
Coherence	● ● ● ● ●	Efficiency	● ● ● ● ●	Sustainability	● ● ● ● ●





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

PROJECT 6: MOBILE AMBULANCE SERVICE

Implementing Partner: Parivaar Education Society

Alignment with UN Sustainability Goals:



RESEARCH METHODOLOGY			
			
Year of Implementation	Outreach of Project	NGO Partner	Project Location
FY 2021-22	12,629 Patients served	Parivaar Education Society	Barwani and Jhabua Districts of Madhya Pradesh

PROJECT BACKGROUND

LIC HFL Partnered with Parivaar Education Society and Donated the 24*7 Mobile Ambulance in Barwani and Jhabua Districts of Madhya Pradesh. This project has provided life-saving services to people by providing ambulances that can run in difficult-to-reach areas like forests and Hilly Areas and Supported in the recovery of patients suffering from Chronic Diseases over a long time and making hospital/Health care facilities accessible to them.

FINDINGS OF THE STUDY

- 75.4% of the Beneficiaries Have availed of Ambulance Service at least once.
- 96.9% of the Beneficiaries Had faced no Challenges in accessing the ambulance service
- 100% of the respondents knew about the ambulance service.

IMPACT OF THE STUDY

- Timely access to healthcare
- Enhanced support system
- High satisfaction levels

RATING BASED ON OECD FRAMEWORK			
Relevance	● ● ● ● ●	Effectiveness	● ● ● ● ●
Coherence	● ● ● ● ●	Efficiency	● ● ● ● ●
		Impact	● ● ● ● ●
		Sustainability	● ● ● ● ●

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

ANNEXURE 5

TO THE BOARD'S REPORT

WEB LINKS

Pursuant to various provisions of the Companies Act, 2013, Housing Finance Companies-Corporate Governance (National Housing Bank) Directions, 2016 and Listing Regulations, the web link of some of the important policies / code placed on the website of the Company is provided below:

Sr. No.	Name of the policy / code / document	Brief Summary	Web link
1.	Dividend Distribution Policy	The policy details guidelines for dividend distribution for equity shareholders as per Listing Regulations	https://www.lichousing.com/static-assets/pdf/DIVIDEND%20DISTRIBUTION%20POLICY%202021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
2.	Corporate Social Responsibility Policy	The Company recognises its obligation towards society and therefore the policy lays down its focus areas for contributions, mechanism for implementation, monitoring of the projects / activities towards social and economic development of the underprivileged / economically backward section of the society irrespective of gender, caste, creed and religion in areas around which Company operates.	https://www.lichousing.com/static-assets/pdf/Corporate_Social_Responsibility_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
3.	Policy For Determining Material Subsidiaries	The policy determines the guidelines for material subsidiaries of the Company and also provides governance framework for material subsidiaries.	https://www.lichousing.com/static-assets/pdf/Policy_for_Determining_material_Subsidiaries.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
4.	Policy For Determination of Materiality	The policy determines the requirements for disclosing material events including deemed material events for the Company.	https://www.lichousing.com/static-assets/pdf/Policy%20for%20determination%20of%20Materiality%20of%20an%20Event%20or%20information%202021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
5.	Governance Guidelines	The Governance Guidelines has been prepared to keep abreast with regulatory changes, incorporate best professional practices and enhance board effectiveness.	https://www.lichousing.com/static-assets/pdf/Governance%20Guidelines.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
6.	Whistle Blower Policy	The Company adopted whistleblower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud.	https://www.lichousing.com/static-assets/pdf/Whistle_Blower_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
7.	Related Party Transaction Policy and Procedures	The policy regulates all the transactions between the Company and its related parties	https://www.lichousing.com/static-assets/pdf/Related_Party_Transaction.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
8.	Code of conduct for Board of Directors and senior Management	The code details on uncompromising business ethics and compliance program.	https://www.lichousing.com/static-assets/pdf/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20management.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
9.	Familiarisation Programme For Independent Directors	The policy is aimed at familiarising Independent directors about their role, rights, responsibilities, business model, etc.	https://www.lichousing.com/static-assets/pdf/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

Sr. No.	Name of the policy / code / document	Brief Summary	Web link
10.	Nomination and Remuneration Policy	The policy details the compensation principles	https://www.lichousing.com/static-assets/pdf/Remuneration-Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
11.	Policy On Archiving of Information or Content Hosted on Website	The policy lays the guidelines on archival and retention of records of the Company.	https://www.lichousing.com/static-assets/pdf/POLICY%20ON%20ARCHIVING%20OF%20INFORMATION%20OR%20CONTENT%20HOSTED%20ON%20WEBSITE%202021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
12.	Corporate Disclosure Policy	The policy lays down procedure for disclosure / dissemination of Price Sensitive Information.	https://www.lichousing.com/static-assets/pdf/Corporate%20Disclosure%20Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
13.	Policy On Preservation Of Documents	The policy is as per the Regulation 9 of the Listing Regulations, 2015 and it determines preservation period for records / documents based on their reference value and legal requirements.	https://www.lichousing.com/static-assets/pdf/Policy-on-Preservation-of-Documents-1.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
14.	Board Diversity Policy	The policy sets out the approach to ensure diversity and committed to equality of opportunity in all aspects of its business.	https://www.lichousing.com/static-assets/pdf/Board-Diversity-Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
15.	Business Responsibility and Sustainability Reporting (BRSR) Policy	In accordance with Regulation 34(2) (f) of the SEBI Listing Regulations, notified on 5th May, 2021	https://www.lichousing.com/static-assets/pdf/Principles-and-Policies-of-Business-Responsibility.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
16.	Code Of Internal Procedure and Conduct for Insider Trading-2015	The code is guideline to regulate, monitor and report trading in securities of the Company.	https://www.lichousing.com/static-assets/pdf/Prohibition%20of%20Insider%20Trading.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
17.	Policy on appointment of Joint Statutory Auditors	The policy contains procedures to be followed for the appointment of SAs and is in line with the RBI vide its circular Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27 th April, 2021, which provides for guidelines for Appointment of Statutory Auditors (SA's) of Commercial banks, (excluding RRBs), UCBs and NBFCs (including HFCs).	https://www.lichousing.com/static-assets/pdf/Policy_on_Appointment_of_Statutory_Auditors.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
18.	Policy on succession planning for appointment/nomination / induction to the Board of Directors and senior management	The Policy has been formulated as per the requirement of Regulation 17(4) of SEBI (LODR), 2015 which requires that the board of directors of the listed entity shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management.	https://www.lichousing.com/static-assets/pdf/Policy_on_Succession_Planning.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
19.	Terms and Condition of appointment of Managing Director	Contains the Terms and Condition of appointment of Managing Director	https://www.lichousing.com/static-assets/pdf/TermsAndConditions%20of%20appointment%20of%20Managing%20Director-2021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
20.	Terms and Condition of appointment of Independent Directors	As per Regulation 46 (2) (b) which requires that the listed entity shall disseminate terms and conditions of appointment of independent directors .	https://www.lichousing.com/static-assets/pdf/TermsAndConditions%20of%20appointment%20of%20Independent%20Directors-2021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

Sr. No.	Name of the policy / code / document	Brief Summary	Web link
21.	Terms and Condition of appointment of Non-Independent Directors	Contains the terms and Condition of appointment of Non-Independent Directors	https://www.lichousing.com/static-assets/pdf/TermsAndConditions%20of%20appointment%20of%20Non%20Independent%20Director-2021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
22.	Policy on 'Fit and Proper' Criteria for Directors	As per Direction 52 of the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (Annex VII 'Fit and Proper' Criteria for Directors of HFCs)	https://www.lichousing.com/static-assets/pdf/Policy%20on%20Fit%20and%20Proper%20Criteria%20for%20Directors%20adopted%20by%20the%20Company.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
23.	PR Publicity Policy	To provide a framework for the Company for all future PR & Publicity strategies and to ensure uniformity in the Company's brand communication.	https://www.lichousing.com/static-assets/pdf/PR_Publicity_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
24.	Fair Practices Code	As per Direction 77.2 of the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (Annex XIII , Fair Practice Code)	https://www.lichousing.com/static-assets/pdf/FAIR_PRACTICES_CODE.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
25.	Code of Conduct for Direct Recover Agents	As per Direction 85.5 of the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (Annex XI, Guidelines for engaging Recovery Agents by Housing Finance Companies)	https://www.lichousing.com/static-assets/pdf/CODE_OF_CONDUCT_FOR_THE_RECOVERY_AGENTS.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
26.	Model Code Of Conduct For Marketing Intermediaries	As per Direction 82.7 of the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (Annex X, Model Code of Conduct for Direct Selling Agents (DSAs)/ Direct Marketing Agents (DMAs) of Housing Finance Companies)	https://www.lichousing.com/static-assets/pdf/CODE%20OF%20CONDUCT%20FOR%20MARKETING%20INTERMEDIARIES.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
27.	Memorandum and Articles of Association	As per the requirements of Companies Act, 2013	https://www.lichousing.com/static-assets/pdf/Memorandum%20and%20Articles%20of%20Association.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
28.	Anti-Fraud Policy	Policy to minimise the incidents of Fraud and its impact.	https://www.lichousing.com/static-assets/pdf/Anti_Fraud_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
29.	List of CSR Projects Approved by Competent Authority FY 2022-23	As required by the Companies Act, 2013 and Rules Made Thereunder	https://www.lichousing.com/static-assets/pdf/CSR_Projects_approved_FY_22_23.pdf?crafterSite=lichfl-corporate-website-cms
30.	Annual Report	Annual Reports from FY 2009-2010 to FY 2021-2022	https://www.lichousing.com/annual-report
31.	Policy on Protection of Women against Sexual Harassment.	To ensure implementation of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. 2. To provide protection against sexual harassment of women at workplace, for prevention and also for redressal of complaints of sexual harassment and matter connected therewith or incidental thereto.	https://www.lichousing.com/static-assets/pdf/Policy_for_Implementation_of_Prevention_of_Sexual_Harassment_of_Women_at_Workplace.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
32.	Corporate Announcement	Disclosures pursuant to SEBI Listing Regulations, 2015	https://www.lichousing.com/corporate-announcement

ANNEXURE 6

TO THE BOARD'S REPORT

To,
The Members,
LIC Housing Finance Limited

Our report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
- (2) We have followed the Auditing Standards issued by the Institute of Company Secretaries of India ("ICSI") and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards issued by the Institute of Company Secretaries of India ("ICSI") provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Where ever required we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

DATE: JULY 21, 2023
PLACE: MUMBAI

FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY SECRETARIES
UIN: P1996MH055800
PR NO.: 700/2020

BHARAT UPADHYAY
PARTNER
FCS: 5436
CP. NO.: 4457
UDIN: F005436E000658396

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section - 204(1) of the Companies Act, 2013 and Rule No. - 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
LIC Housing Finance Limited

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good governance practices by **LIC Housing Finance Limited** having **Corporate Identification Number (CIN) L65922MH1989PLC052257** (hereinafter called "**the Company**"). Secretarial Audit was conducted in conformity with the auditing standards issued by the Institute of Company Secretaries of India ("**the Auditing Standards**") and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and authorised representatives during the conduct of the Secretarial Audit, we hereby report that in our Opinion, the Company has, during the Audit period covering the **Financial Year ended on 31st March, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force.
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulation and Bye-Laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable.
- (v) The National Housing Bank Act, 1987 and the Guidelines and Circulars issued thereunder from time to time.
- (vi) The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.
- (vii) Housing Finance Company Issuance of Non-Convertible Debentures on Private Placements (NHB) Directions, 2014.
- (viii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 a. as amended from time to time.
 - b. Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996/Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time.
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
 - d. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
 - e. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
 - f. Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 as amended from time to time.
 - g. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time.
 - h. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Financial Year.**
 - i. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable to the Company during the Financial Year.**

- j. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the Financial Year.**

(ix) Other applicable Laws as per the list attached 'Annexure-A'.

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

(b) MCA Notification holding Meetings through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all Directors to Schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Decisions at the Board Meetings were **passed unanimously and with requisite majority in General Meeting**. The decisions at all Board level Committee Meetings were taken unanimously and reason / rational for the decision has also been recorded in the minutes.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

During the period under review, the Company has paid a cumulative amount of ₹ 8,27,820/- as fine under protest for the delay in compliance under **Regulation - 17 (1),50(1),52(7)/(7A),57(1) & 60 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

At the **Annual General Meeting held on 29th September, 2022** the Shareholders approved the following by way of a **Special Resolution**:

- i. Appointment of **Shri Ravi Krishan Takkar (DIN NO.: 07734571)** as an Independent Director of the Company to hold office for a term commencing **with effect from 25th July, 2022 to 24th July, 2027** not liable to retire by rotation.
- ii. Issuance of **Redeemable Non-Convertible Debentures and /Or Other Hybrid Instruments on a Private Placement Basis** for cash at par, premium or discount up to ₹ 44,000/- crore.
- iii. Approval for **Proposed Material Related Party Transactions** to the tune of ₹ 3,183 crore with **Material Related Party** namely **Life Insurance Corporation of India**.

DATE: JULY 21, 2023 FOR M/S. N.L. BHATIA & ASSOCIATES
PLACE: MUMBAI. PRACTICING COMPANY SECRETARIES

UIN: P1996MH055800
PR NO.:700/2020

BHARAT UPADHYAY
PARTNER

FCS: 5436

CP. NO.: 4457

UDIN: F005436E000658396

ANNEXURE - A

LIST OF APPLICABLE LAWS.

1. Tax Laws.
2. Information Technology Act, 2000.
3. The Prevention of Money Laundering Act, 2002.
4. Compliance with Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI).
5. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.