

which catered to enrolling women as Aadhar Mitras. We also generate business through digital platforms such as digital lead aggregators under the 'Digital Aadhar Mitra' program website and social media platforms. See “– *Information Technology*” on page 173 for further details.

Our extensive presence across India through physical locations, sales personnel, digital and technology enabled solution and the Aadhar Mitra program positions us to be the lender of choice for low income housing segment loan products amongst our target customers.

Robust, comprehensive systems and processes for underwriting, collections and monitoring asset quality

We have implemented a robust and comprehensive credit assessment, risk management and collections framework to identify, monitor and manage risks inherent in our operations. We exclusively finance retail customers, a majority of whom are salaried individuals purchasing residential properties. We have also adopted an internal 'risk appetite statement' that sets out the aggregate level and types of risk we are willing to accept while achieving our business objectives. Under this policy we have adopted a benchmark for business decisions that are based on balancing risk and return and making the best use of our capital. We routinely monitor our performance against various qualitative and quantitative metrics under this policy, these include capital, profitability, asset quality, credit, operational, liquidity and compliance risk.

As of March 31, 2023 and December 31, 2023, our loan-to-value on Gross AUM on outstanding basis was 57.8% and 58.3% with a moderate level of loan-to-value ratios across various buckets at the time of the sanctioning of the loan (for further details, see "*Selected Statistical Information – Product Wise LTV On Gross AUM On Outstanding Basis (%)*" on page 229). As of December 31, 2023, all of our outstanding loans are secured in our favor by a mortgage over property or other security.

We have split our underwriting process such that underwriting for salaried customers is undertaken at our RPUs for quick turnaround and processing. For all other customer segments at the branch level we have specialized teams for credit underwriting, technical and legal due diligence and fraud control. We have an experienced team of credit managers across our branches to undertake credit assessment. Our well-defined systems and processes along with proper checks and balances enable credit approvals to be done by appropriate underwriting authority.

We have streamlined sanction, pre-disbursement and post disbursement processes on our IT platform, which cover the entire lifecycle of the customer from lead generation, credit underwriting, legal and technical processes to loan disbursement and monitoring and collections. Our in-house technical team comprises a team of civil engineers that is deployed to assess property valuation which enables us to make accurate valuations of the properties that we are financing. We have implemented digital solutions across our business to efficiently undertake various aspects of our business. Our credit underwriting, risk management and fraud detection teams utilize technology to process loan applications, analyze credit risks, identify fraud and utilize an objective cognitive rule-based policy to make credit decisions. Our analytics-backed platform shortens the turnaround time to process loan applications and to make credit decisions. See “– *Information Technology*” on page 173 for further details. The streamlined loan application process, coupled with improved accuracy with the assistance of our analytics-backed platform, allows us to effectively manage the inherent risks in our operations.

Overlaid on this is a governance framework which includes a risk management team and an internal audit team. We have assigned loan sanctioning authority at various levels of committees at the branch, region and head office levels by specifying pre-determined thresholds on the loan amounts depending on the branch type and product category. This decentralized approach reduces processing times while ensuring prudent risk allocation.

We have an in-house collections team to ensure timely collections. Further, between March to August 2020, pursuant to RBI's directions, we granted moratorium on payment of instalments in the period to all eligible customers who requested the moratorium. In this period, we continued to regularly engage with our customers to inform them about the features of the moratorium and other aspects relating to their loans. This continuous engagement led to gradual improvement in our quarterly collection efficiencies as specified in the table below:

	FY2021				FY2022				FY2023				Nine months ended December 31, 2023		
	Jun 2020	Sep 2020	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023
Collection Efficiency	66.7%	85.3%	96.7%	99.1%	93.6%	100.6%	99.0%	101.7%	97.4%	99.3%	99.5%	100.5%	98.5%	100.2%	99.1%

For further details, see “*Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors Affecting our Results of Operations - General Economic Conditions in India and the impact of the COVID-19 outbreak*” on page 338.

We manage delinquency by making this a joint responsibility of the sales, credit, risk and collections teams. This joint approach enables us to identify potential delinquencies in advance, put in place remedial measures and ensure smooth collections. We proactively handle and address delinquencies using a range of strategies to monitor such accounts and take active steps to