onerous requirements and conditions on our operations, in addition to those which we are undertaking currently, or change the manner in which we conduct KYC or authenticate our customers. Any such changes and the related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations. On February 17, 2021, RBI issued the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("**RBI Master Directions – HFC**") in supersession of, among others, the Master Circular – Housing Finance Companies (NHB) Directions, 2010 and the RBI notification on Review of regulatory framework for Housing Finance Companies (HFCs) dated October 22, 2020. Accordingly, activities of HFCs, are primarily regulated by the RBI Master Directions - HFC, including various aspects of our business such as what constitutes housing finance and housing finance company, net owned fund requirement, capital adequacy, sourcing of funds, on-boarding of customers, credit approval and risk management and asset classification and provisioning. Certain other generally applicable legislations also regulate other aspects of our business such as recovery of debt and taxation. For details, see "*Key Regulations and Policies in India*" on page 179.

Further, RBI continues to review the regulatory framework for HFCs with the objective of further harmonisation and extension of certain regulations applicable to NBFCs to HFCs, in a phased manner. Any such changes in the regulatory framework would likely lead to increased compliance requirements for our Company and connected costs.

10. We assign a portion of our loan assets through direct assignments and through a co-lending arrangement to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned to banks and other institutions or any decline in demand for such assignment of loan assets may adversely impact our financial performance and/or cash flows.

As part of our means of raising and/or managing our funds, we assign a portion of the receivables from our loan portfolio to banks and other institutions. Such assignment transactions are conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. The table below sets forth, for the periods indicated, our fresh assignment of loan assets:

(₹ in million, except percentages)

	For FY2021		For FY2022		For FY2023		For nine months ended December 31, 2022		For nine months ended December 31, 2023	
	Amount	% of Own Book	Amount	% of Own Book	Amount	% of Own Book	Amount	% of Own Book	Amount	% of Own Book
Our fresh assignment of loan assets	5,778.7	5.4%	7,721.2	6.4%	11,339.6	8.1%	7,780.8	5.8%	8,000.5	5.0%

We also signed co-lending agreements with two public sector banks and one private sector bank to leverage our distribution network and widen our sources of funds. The co-lending arrangement allows us to cater to a larger customer base with lesser capital by leveraging the larger balance sheet of our partner banks. See "*Our Business – Our Strategy – Optimize our borrowing costs and reduce operating expenses further*" on page 161. The following table sets forth details of the amount of loan assets under our co-lending agreements as of the dates indicated:

(₹ in million, except percentages)

	As of March 31, 2021		As of March 31, 2022		As of March 31, 2023		As of December 31, 2022		As of December 31, 2023	
	Amount	% of Own Book	Amount	% of Own Book	Amount	% of Own Book	Amount	% of Own Book	Amount	% of Own Book
Loan assets under co-lending agreements	-	-	-	-	1,267.7	0.9%	380.5	0.3%	4,372.0	2.7%

Any change in statutory and/or regulatory requirements in relation to assignments by financial institutions, including the requirements prescribed by RBI and the Government of India, could have an adverse impact on our assignment transactions. The commercial viability of assignment transactions has been significantly affected by changes and developments relating to regulation governing such transactions. Such changes include:

- Prohibition on carrying out assignment transactions at rates lower than the prescribed base rate of the bank;
- Prohibition on HFCs focused on the low income housing segment such as our Company from offering credit enhancements in any form and liquidity facilities in the case of loan transfers through direct assignment of cash flows;