

## ANNEXURE TO DIRECTORS' REPORT - 4

### REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Company ensures exercising principals of corporate ethics, accountability and integrity. It has been maintaining high standards of corporate governance. It has transparently disclosed information to all the stakeholders. The Company has framed its policies as per applicable laws, regulatory guidelines and has been constantly reviewing and revising them as per business needs and changes in laws/regulations from time to time.

The Company has maintained long term relationship with its valued customers, viz. depositors, loan customers, business partners and its various other stakeholders financiers. The Company follows principles of transparency and adequacy in all the disclosures made through its public documents; Annual Reports, financial results etc. The Company practices ethical standards in all its dealings. Over the years, it has strengthened its corporate practices and disclosures.

The Company has complied with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended, RBI Directions, NHB Directions/Regulations as are/were applicable on the Company.

The following is the Board's report on corporate governance.

### BOARD OF DIRECTORS

The Board is overall responsible to oversee the Company's management and to protect the long-term interest of the stakeholders.

### LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS AS REQUIRED IN THE CONTEXT OF ITS BUSINESS AND SECTOR FOR WHICH IT FUNCTION EFFECTIVELY AND THOSE ACTUALLY AVAILABLE WITH THE BOARD

The Board should provide valuable leadership and guidance to the Company. The Directors should possess extensive knowledge of the operations of the Company and the people involved. The Company deals with mortgages and operates in the financial sector. The Board should possess the wisdom of various lifecycles of the financial sector, the key challenges being faced, the competition, it should have the required experience with credit cycles, workouts and remedial management. The Board with its collective wisdom should provide oversight to the Company during the challenging times.

The Company's board has people with extensive experience in the financial sector, economics, mortgages, banking, international operations, fintech regulation, currency management, credit and information technology. The Directors are highly qualified and have held leadership positions in high performing institutions. They are fully equipped to provide leadership and guidance to the Company in its quest to achieve growth and quality of business and attain leadership position in the mortgage industry. The brief profiles of Directors are given

in the Annual Report. In the opinion of the Board, the desired skills are available with the board members.

### COMPOSITION

As on March 31, 2021, the Board consists of 12 members comprising six independent directors, five non-executive directors (including the Chairman) and one Managing Director & CEO. Mr. CH SS Mallikarjuna Rao (Chairman) and Mr. Rajneesh Karnatak are the nominee directors of Punjab National Bank. Mr. Sunil Kaul and Mr. Kapil Modi are the nominee Directors of Quality Investment Holdings. None of the other directors are related to each other. The independent directors meet the criteria prescribed for an independent director as stipulated in Regulation 16(1)(b) of the LODR and the provisions of Section 149(6) of the Companies Act, 2013. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013.

During the year, the following appointments/ cessations took place amongst the board members;

- a) Mr. Tejendra Mohan Bhasin was appointed as Independent Director with effect from April 02, 2020.
- b) Mr. Sanjaya Gupta was relieved of his responsibilities as Managing Director with effect from April 28, 2020 and completed his tenure as director on May 04, 2020.
- c) Mr. Neeraj Vyas was appointed Interim Managing Director & CEO from April 28, 2020 up to August 10, 2020. He was subsequently appointed Non-executive Director with effect from September 01, 2020.
- d) Mr. Shital Kumar Jain completed his second term as an Independent Director on August 09, 2020.
- e) Mr. Hardayal Prasad was appointed Managing Director & CEO with effect from August 10, 2020 for a term of three years.
- f) Mr. Sudarshan Sen was appointed as Independent Director with effect from October 01, 2020 for a term of five years.
- g) Mr. Kapil Modi was appointed Non-executive Nominee Director with effect from October 01, 2020.
- h) Mr. Chandrasekaran Ramakrishnan was re-appointed as Independent Director for a second term of five years with effect from October 07, 2020.
- i) Mrs Shubhalakshmi Panse, Independent Director resigned from the Board with effect from January 05, 2021\*.
- j) Mr. Rajneesh Karnatak was appointed as Non-executive Nominee Director with effect from January 19, 2021.

\*Mrs. Shubhalakshmi Panse was appointed Independent Director in CanFin Homes Limited on June 15, 2020. Both the

companies are competitors, and in view of the Corporate Governance Code of the Company, Mrs. Panse expressed her desire to continue on the Board of CanFin Homes Limited and therefore resigned from the board of PNB Housing.

After March 31, 2021, Dr Gaurav Vallabh completed his five years term as an Independent Director on April 21, 2021. Mr. Nilesh S Vikamsey was re-appointed as an independent director for a second term of five years with effect from April 22, 2021. The Board appointed Ms. Gita Nayyar as an independent director for a term of 3 years on May 29, 2021.

Details of the Board of Directors in terms of their directorships/memberships in committees of public companies (including PNB Housing Finance Limited) as per Regulation 26 of LODR is given hereunder:

Sr. No.	Directors	Category	DIN	Number of Directorships*	Name of Companies and Designations (As on June 19, 2021)	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
1.	Mr. CH S S Mallikarjuna Rao	Chairman and Non-Executive nominee director of Punjab National Bank	07667641	6	<ol style="list-style-type: none"> <li>Punjab National Bank – Managing Director and CEO [L]***</li> <li>PNB Housing Finance Limited [L] - Chairman</li> <li>PNB Investment Services Limited – Director [UL]****</li> <li>The Oriental Insurance Company Limited - Director [UL]</li> <li>PNB Metlife India Insurance Company Limited - Nominee Director[UL]</li> <li>PNB Cards &amp; Services Limited - Director [UL]</li> </ol>	3	1	He is MD & CEO of Punjab National Bank and has over 36 years of experience in banking, credit, operations, financial management, information technology, human resource, Recovery, Treasury, Risk Management, and Marketing & Publicity. He is on the Board of several eminent companies and Government bodies.
2.	Mr. Sunil Kaul	Non-Executive Nominee Director of Quality Investment Holdings	05102910	1	<ol style="list-style-type: none"> <li>PNB Housing Finance Limited [L]</li> <li>SBI Cards and Payment Services Limited - Non-Executive Director [L]#</li> </ol>	3	0	He is highly qualified and an experienced Investment Advisor. He has extensive experience in corporate and consumer banking in several parts of the world. He has held leadership positions for Citibank. He has experience in capital investment, financial sector, treasury, risk management, credit, human resource, and credit card industry.
3.	Mr. Nilesh S Vikamsey	Independent Director	00031213	8	<ol style="list-style-type: none"> <li>Navneet Education Limited – Non-Executive Director [L]</li> <li>Thomas Cook (India) Limited – Independent Director [L]</li> <li>PNB Housing Finance Limited [L] - ID</li> <li>IIFL Finance Limited – Independent Director [L]</li> <li>IIFL Wealth Management Limited – Independent Director [L]</li> <li>Gati Limited – Independent Director [L]</li> <li>SOTC Travel Limited- Director [UL]</li> <li>Nippon Life India Trustee Limited- Director [UL]</li> <li>NSEIT Limited- Director [UL]*</li> </ol>	9	3	He is a qualified Chartered Accountant and Past President of Institute of Chartered Accountants of India. He has extensive experience of Audits/ Consultancy of Banks, large Companies, Mutual Funds, Financial Services Sector companies.

\* ceased to be a Director w.e.f. April 22, 2021

# Mr. Sunil Kaul, ceased to be a Director w.e.f. June 18, 2021

Sr. No.	Directors	Category	DIN	Number of Directorships*	Name of Companies and Designations (As on June 19, 2021)	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
4.	Mr. R Chandrasekaran	Independent Director	00580842	6	<ol style="list-style-type: none"> <li>1. PNB Housing Finance Limited [L]</li> <li>2. Mindtree Limited- Independent Director [L]</li> <li>3. L&amp;T Technology Services Ltd. - Independent Director [L]</li> <li>4. Aujas Cybersecurity Limited -Director [UL]</li> <li>5. NSEIT Limited -Director [UL]</li> <li>6. KSL Digital Ventures Limited-Director [UL]</li> </ol>	1	0	He is highly qualified IT expert and was one of the professional co-founders of Cognizant. He has held leadership position in the IT industry, setting up business in India and several countries, the U.S., Europe, South America, The Philippines and China, and driving best-in-class delivery excellence at scale. Besides IT, he has extensive experience in operations, human resource management.
5.	Mr. Ashwani Kumar Gupta	Independent Director	00108678	3	<ol style="list-style-type: none"> <li>1. Dhampur Sugar Mills Limited - Independent Director [L]</li> <li>2. PNB Housing Finance Limited [L]</li> <li>3. Mani Capitals Limited-Director [UL]</li> </ol>	3	2	He is a qualified Chartered Accountant with over three decades of experience in corporate finance, treasury, capital management, mortgages and asset reconstruction. He is also experienced in private equity investing and real estate development.
6.	Dr Tejendra Mohan Bhasin	Independent Director	03091429	6	<ol style="list-style-type: none"> <li>1. PNB Gilts Limited-Independent Director[L]</li> <li>2. SBI Cards and Payment Services Limited-Independent Director [L]</li> <li>3. PNB Housing Finance Limited [L]</li> <li>4. Ruchi Soya Industries Ltd. - Independent Director [L]</li> <li>5. IDBI Intech Limited-Director [UL]</li> <li>6. SBI Life Insurance Company Limited (L)#</li> </ol>	6	1	He is highly qualified and experienced retired banker who held the position of Chairman and Managing Director of Indian Bank. He has been conferred with honorary fellowship by Indian Institute of Banking and Finance. He was earlier vigilance commissioner in Central Vigilance Commission. He has over 41 years of experience in administration, banking and finance industry, risk management, credit management and operations.
7.	Mr. Neeraj Vyas	Non-Executive Director	07053788	1	PNB Housing Finance Limited [L]	0	0	He is a senior professional with experience in banking, credit, mortgages, risk management and operations. He was part of State Bank of India for over three decades and has handled several assignments for the bank in various locations in India and abroad. He was Deputy Managing Director and Chief Operating Officer of State Bank of India.

# Appointed as Director w.e.f. April 12, 2021



Sr. No.	Directors	Category	DIN	Number of Directorships*	Name of Companies and Designations (As on June 19, 2021)	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
8.	Mr. Sudarshan Sen	Independent Director	03570051	3	<ol style="list-style-type: none"> <li>PNB Housing Finance Limited [L]</li> <li>Federal Bank Ltd. - Independent Director [L]</li> <li>Cashpor Micro Credit-Director [UL]</li> </ol>	3	0	He has extensive experience in banking regulation, bank supervision, fintech regulation, human resources, information technology and currency management. He retired from the Reserve Bank of India as Executive Director in charge of regulation of banks and non-banking financial companies.
9.	Mr. Kapil Modi	Non-Executive Nominee Director of Quality Investment Holdings	07055408	2	<ol style="list-style-type: none"> <li>PNB Housing Finance Limited [L]</li> <li>NXTRA Data Limited – Director [UL]</li> </ol>	1	0	He is highly qualified and an experienced Investment Advisor. He has strong network of relationships across investment banks, consultants and operating management teams primarily in financial services and technology sector.
10	Mr. Rajneesh Karnatak	Non-Executive nominee director of Punjab National Bank	08912491	1	PNB Housing Finance Limited [L]	0	0	He is an experienced banking professional who is holding a senior banking position. He has handled several assignments in the field and at central offices. He has experience in Credit Monitoring, Digital Banking and Corporate Credit.
11	Mr. Hardayal Prasad	Managing Director & CEO	08024303	2	<ol style="list-style-type: none"> <li>PNB Housing Finance Limited [L]</li> <li>PHFL Home Loans and Services Limited-Director [UL]</li> </ol>	1	0	He is a senior professional with experience in banking, credit, risk management and information technology. He was part of State Bank of India for over three decades and has handled several assignments for the bank in various locations in India and abroad. He has held senior position in the SBI and leadership position in SBI Cards and Payment Services Limited.
12	Ms. Gita Nayyar	Independent Director	07128438	5	<ol style="list-style-type: none"> <li>Oriental Hotels Limited [L]</li> <li>Transport Corporation of India Limited [UL]</li> <li>Taj Sats Air Catering Limited [UL]</li> <li>Glenmark Life Sciences Limited [L]</li> <li>PNB Housing Finance Limited [L]</li> </ol>	3	0	<p>She is a finance professional with over 30 years of global leadership experience with MNC banks/ VC funds and Corporates. She has extensive cross-functional expertise in Corporate Banking, Risk and Relationship Management, Investment Banking, Wealth Management and Fund Raising.</p> <p>She serves on Board of Governors of IIM, Udaipur. She is also on the advisory committee of National NGOs and a VC Fund.</p>

\*\*Excluding private companies, foreign companies and companies under section 8 of the Companies Act, 2013.

\*\*Audit Committee and Stakeholders Relationship Committee.

\*\*\*L represents listed entities and \*\*\*\*UL represents unlisted companies.

## RESPONSIBILITIES

The Board is responsible for the long-term strategic planning and direction of the Company. It is responsible for the long-term value of the shareholders, to protect the interest of all other stakeholders and to provide guidance to the management with strategic direction. The Board functions through its various committees, which have been assigned various roles and responsibilities. These committees closely monitor the performance of the Company.

The Board regularly reviews Company's overall performance at regular interval. The Board has a formal schedule of matters reserved for its consideration and decision, apart from legally required matters. The Company has an appropriate directors' & officers' liability insurance policy, which provides indemnity in respect of liabilities incurred as a result of their office.

## ROLE OF INDEPENDENT DIRECTORS

Company's independent directors are persons of eminence from diverse fields in banking, finance, accountancy, economics, credit, risk management and information technology. They play an important role on the Board and on the various committees of the Board. They provide inputs to the Board and help the Board in arriving at decisions on matters of strategic importance.

The independent directors ensure that all the matters brought to board and its committees are adequately discussed and decisions are arrived at in the best interest of the Company. An independent director has been nominated as the Chairman on various committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and IT Strategy Committee. The Audit Committee consist entirely of independent directors.

All the committees of the Board function within the defined terms of reference in accordance with the Companies Act, 2013 and the LODR and as approved by the board. The independent directors are not liable to retire by rotation. A

formal letter of appointment was issued to the independent directors in terms of the provisions of the Companies Act, 2013. A copy of the letter detailing the terms and conditions of appointment of the independent directors has been placed on the Company's website at <https://www.pnbhousing.com/investor-relations/updates-events/>

## FAMILIARISATION PROGRAMME

The main objective of a familiarisation programme is to ensure that the non-executive directors are updated on the business and regulatory environment and the overall operations of the Company to make informed decisions in everybody's interest. All the independent directors have been taken through familiarization programme about the Company, its business environment, competitors, Company's portfolio etc.

The Company has a policy on familiarisation programme for the independent directors, which is placed on the website of the Company [www.pnbhousing.com](http://www.pnbhousing.com).

## BOARD MEETINGS

Due to COVID-19 pandemic, the Company held Board meetings by Audio Video means. As per MCA guidelines, all the precautions were taken, rules for safe and secure conduct of Board meetings were followed and proceedings were recorded. Board meetings are scheduled well in advance and prior notice of each Board meeting is given through electronic mode to every director. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company.

The Company Secretary, in consultation with the Managing Director & CEO prepares the detailed agenda for the meetings. The detailed Board agenda is circulated to the directors well in advance. The members of the Board can also recommend inclusion of any matter in the agenda for discussion. The senior management attends the Board meetings to provide additional inputs on the items being discussed by the Board. The minutes of each Board meeting are finalised and recorded in the minute book maintained by the Company Secretary.

During the year under review, the Board has met nine times. The meetings were held on April 28, 2020; June 13, 2020; June 27, 2020; July 23, 2020; August 06, 2020; August 19, 2020; October 28, 2020; January 19, 2021 and January 27, 2021. The attendance of the Directors at the Board meetings and the 32nd Annual General Meeting held on August 05, 2020 are listed below:

Sr. No.	Directors	Board Meetings	Attendance at the 32nd AGM	Sitting fee paid* (₹)
1.	Mr. CH SS Mallikarjuna Rao	9	Yes	3,00,000/-
2.	Mr. Sunil Kaul	9	Yes	-
3.	Mr. R Chandrasekaran	9	Yes	4,50,000/-
4.	Mr. Nilesh S Vikamsey	9	Yes	4,50,000/-
5.	Mr. Ashwani Kumar Gupta	9	Yes	4,50,000/-
6.	Mr. Neeraj Vyas	8	Yes	2,00,000/-
7.	Dr Tejendra Mohan Bhasin	8	Yes	4,00,000/-
8.	Mr. Sudarshan Sen	2	NA	1,00,000/-
9.	Mr. Kapil Modi	3	NA	-
10.	Mr. Rajneesh Karnatak	1	NA	-
11.	Mr. Hardayal Prasad	4	NA	-
12.	Dr Gourav Vallabh	9	Yes	4,50,000/-
13.	Mrs. Shubhalakshmi Panse	6	Yes	3,00,000/-
14.	Mr. Shital Kumar Jain	5	Yes	2,50,000/-
15.	Mr Sanjaya Gupta	1	NA	-

\* The sitting fee of Mr. CH S S Mallikarjuna Rao was paid to the Punjab National Bank.

Leave of absence was granted to the concerned director who could not attend the Board meetings.

## COMMITTEES OF THE BOARD

The Board has delegated powers to various Committees. Each of the Board's Committee has been delegated with specific responsibilities/ matters as per the provisions of the Companies Act, 2013, SEBI, LODR as amended and as per the business requirements. The minutes of every Committee meetings are finalised and recorded in the minute book maintained by the Company Secretary. The Minutes of Committee meetings are also placed before the Board. During the year, recommendations of various committees on policies and other matters were placed before the Board for its consideration and the Board after discussion has accepted recommendations of the Committees.

The various committees, their roles and their members are:

### Audit Committee

The Audit Committee currently has three members; Mr. Nilesh S Vikamsey was appointed as the Chairman w.e.f. January 13, 2021. Dr Tejendra Mohan Bhasin and Mr. Sudarshan Sen were inducted as members w.e.f. January 13, 2021. Mrs. Shubhalakshmi Panse ceased to be the member of Audit Committee w.e.f. January 05, 2021 and Dr Gaurav Vallabh ceased to be the member of Audit Committee w.e.f. April 21, 2021.

The Charter of the Audit Committee is as per section 177 of the Companies Act, 2013 and LODR as amended. The main role of the Audit Committee is:

- It assists the Board in fulfilling its oversight responsibilities for the financial reporting process to regulatory authorities, public, it oversees the system of internal control, the audit process, and the Company's process for monitoring compliance with laws and regulations and the code of conduct.
- It reviews quarterly, half yearly and yearly financial statements as prepared by the Company before submission to the Board.
- It reviews and monitors the Auditors' independence, performance and effectiveness of audit process.
- As per Related Party Transactions Policy, it approves related party transactions.
- It reviews the functioning of whistle blower mechanism.
- It reviews the functioning of internal audit.
- It recommends the appointment of statutory and internal auditor.

The Audit Committee calls members of senior management as it considers appropriate to be present at the meetings of the Committee. The Statutory Auditors also attend the meeting of the Audit Committee. The Audit Committee discuss with the Statutory Auditors their findings on the working of the Company without the presence of management.

During the year, the Audit Committee had met five times on June 13, 2020; July 22, 2020; October 27, 2020; January 25, 2021 and January 27, 2021. The details of attendance at the Audit Committee meetings are as under:

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Mr. Nilesh S Vikamsey	5	1,50,000/-
2.	Mr. Sudarshan Sen	0	-
3.	Dr Tejendra Mohan Bhasin	2	60,000/-
4.	Dr Gourav Vallabh	5	1,50,000/-
5.	Mrs. Shubhalakshmi Panse	2	1,00,000/-

Leave of absence was granted to the concerned directors who could not attend the meetings.

### Nomination and Remuneration Committee (NRC)

The NRC has four members; Mr. R Chandrasekaran (Chairman), Mr. CH S.S. Mallikarjuna Rao, Mr. Sunil Kaul, and Mr. Nilesh S Vikamsey. The Committee has been delegated powers, role and responsibilities as required under section 178 the Companies Act, 2013 and as per LODR as amended.

The NRC formulates criteria for determining qualifications, positive attributes and independence of a director. It recommends to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management and other employees. It identifies persons who are qualified to become directors and who may be appointed in the senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

The annual compensation package of the Managing Director & CEO is recommended by the NRC to the Board. The NRC approves compensation package of all the functional heads.

During the year, the NRC had met five times on April 28, 2020; July 22, 2020; August 19, 2020; September 23, 2020 and January 04, 2021. The details of attendance at the NRC meetings are as under:

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Mr. R Chandrasekaran	5	1,50,000/-
2.	Mr. CH S.S Mallikarjuna Rao	5	1,20,000/-
3.	Mr. Sunil Kaul	5	-
4.	Mr. Nilesh S Vikamsey	5	1,50,000/-

\* The sitting fee of Mr. CH S.S. Mallikarjuna Rao was paid to the Punjab National Bank.

### Corporate Social Responsibility Committee (CSR)

The CSR Committee has four members; Dr Tejendra Mohan Bhasin (Chairman), Mr. R Chandrasekaran, Mr. Sudarshan Sen and Mr. Hardayal Prasad. Mr. Hardayal Prasad was inducted as Member w.e.f. August 10, 2020, Mr. Sudarshan Sen and Mr. T M Bhasin were inducted members w.e.f. January 19, 2021. Mr. Ashwani Kumar Gupta ceased to be a member w.e.f. January 19, 2021 and Mr. Neeraj Vyas ceased to be a member w.e.f. August 10, 2020.

CSR Committee exercises the roles and responsibilities as per section 135 of the Companies Act, 2013 as amended. It

oversees Corporate Social Responsibilities of the Company, recommend from time to time amendments to CSR Policy of the Company. It formulates annual action plan and recommend to the Board for its approval. It approves implementing agencies for the CSR activities. It oversees the functioning of Executive Committee of CSR Management.

During the year, the CSR Committee has met four times on July 31, 2020; December 29, 2020; March 10, 2021 and March 20, 2021. The details of attendance at the CSR meetings are as under;

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Dr Tejendra Mohan Bhasin	2	60,000/-
2.	Mr. R Chandrasekaran	4	1,20,000/-
3.	Mr. Sudarshan Sen	2	60,000/-
4.	Mr. Hardayal Prasad	2	-
5.	Mr. Neeraj Vyas	1	-
6.	Mr. Ashwani Kumar Gupta	2	60,000/-

Leave of absence was granted to the concerned director who could not attend the committee meetings.

#### Stakeholders Relationship Committee (SRC)

It has four directors; Mr. Ashwani Kumar Gupta (Chairman), Mr. Sunil Kaul, Mr. CH SS Mallikarjuna Rao and Mr. Hardayal Prasad. Mr. Hardayal Prasad was inducted member w.e.f. August 10, 2020. Mr. Neeraj Vyas ceased to be the member of Committee w.e.f. August 10, 2020 and Mrs. Shubhalakshmi Panse ceased to be the member of Committee w.e.f. January 05, 2021

The committee oversees the investors' grievances, investor relations, recommend to the Board raising of equity share capital and allotment of equity shares. During the year, the SRC Committee has met on June 12, 2020.

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Mr. Ashwani Kumar Gupta	1	30000/-
2.	Mr. Sunil Kaul	1	-
3.	Mr. CH S.S. Mallikarjuna Rao	1	30000/-
4.	Mr. Hardayal Prasad	0	-
5.	Mrs. Shubhalakshmi Panse	0	-
6.	Mr. Neeraj Vyas	1	-

\*The sitting fee of Mr. CH S.S. Mallikarjuna Rao was paid to the Punjab National Bank.

Leave of absence was granted to the concerned directors who could not attend the committee meeting.

#### Risk Management Committee

The Risk Management Committee has five directors; Mr. Sunil Kaul, Mr. Neeraj Vyas, Mr. Rajneesh Karnatak and Mr. Hardayal Prasad. Dr Tejendra Mohan Bhasin was inducted on May 15, 2021. He is the Chairman of Risk Management Committee.

Mr. Hardayal Prasad was inducted as member w.e.f. August 10, 2020, Mr. Neeraj Vyas and Mr. Rajneesh Karnatak were inducted w.e.f. January 19, 2021. Mr. Shital Kumar Jain ceased to be the member w.e.f. August 09, 2020, Mr. CH S.S. Mallikarjuna Rao ceased to be the member w.e.f. January

19, 2021 and Dr. Gourav Vallabh ceased to be the member of Committee w.e.f. April 21, 2021.

The Board has approved Risk Management Policies of the Company. The Committee oversee and reviews various aspects of risk management and review the major risk exposures of the Company. It assists the Board in determining the nature and extent of the significant risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk. It oversees the guidelines, policies and processes for monitoring and mitigating such risks.

The Committee has met four times during the year on July 04, 2020; September 16, 2020, December 29, 2020 and February 15, 2021.

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Dr Tejendra Mohan Bhasin	Inducted with effect from May 15, 2021	-
2.	Mr. Sunil Kaul	4	-
3.	Mr. Neeraj Vyas	2	30,000/-
4.	Mr. Rajneesh Karnatak	1	-
5.	Mr. Hardayal Prasad	2	-
6.	Mr. CH S.S. Mallikarjuna Rao	1	30,000/-
7.	Dr. Gourav Vallabh	4	1,20,000/-
8.	Mr. S.K. Jain	1	30,000/-

\* The sitting fee of Mr. CH S.S. Mallikarjuna Rao was paid to the Punjab National Bank.

Leave of absence was granted to the concerned director who could not attend the committee meetings.

#### Credit Committee (CCB)

The Credit Committee has three directors; Mr. Neeraj Vyas (Chairman), Mr. Ashwani Kumar Gupta and Mr. Hardayal Prasad. Mr. Shital Kumar Jain ceased to be the member w.e.f. August 09, 2020 and Mr Sanjaya Gupta w.e.f. April 28, 2020.

It reviews and formulates credit policy parameters for loans to various segments, review the feedback mechanism to policy to improve and to maximize risk/ return matrix. The CCB reviews the credit performance and collection effectiveness of the loan portfolio. The Board has delegated powers to sanction loans to the Committee.

During the year, the CCB had met sixteen times on April 01, 2020; May 30, 2020; July 10, 2020; September 10, 2020; September 14, 2020; September 28, 2020; September 30, 2020; October 13, 2020; November 09, 2020; November 24, 2020; December 05, 2020; December 29, 2020; January 22, 2021; February 10, 2021; February 17, 2021 and March 23, 2021. The details of attendance at the CCB meetings are as under:

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Mr. Neeraj Vyas	16	4,20,000/-
2.	Mr. Ashwani Kumar Gupta	16	4,80,000/-
3.	Mr. Hardayal Prasad	13	-
4.	Mr. Shital Kumar Jain	3	90,000/-
5.	Mr. Sanjaya Gupta	1	-

Leave of absence was granted to the concerned director who could not attend the committee meetings.

### IT Strategy Committee

The Committee has three director members; Mr. R Chandrasekaran (Chairman), Mr. Kapil Modi and Mr. Hardayal Prasad.

The Committee approves IT strategy, IT policy documents, cyber security and IT security. It guides the management to put in place an effective strategic planning process. It ascertains that the management has implemented processes and practices to ensure that the IT delivers value to the business, that the IT investments represent a balance of risks and benefits and IT budget. It monitors the method the management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources. It monitors IT risks and controls.

During the year, the IT Strategy Committee had met four times on December 30, 2020; February 26, 2021; March 24, 2021 and March 31, 2021. The details of attendance at the IT Committee meetings are as under;

Sr. No.	Directors	Number of meetings attended	Sitting fee (₹)
1.	Mr. R Chandrasekaran	4	1,20,000/-
2.	Mr. Kapil Modi	3	-
3.	Mr. Hardayal Prasad	4	-

The status of shareholders' complaints during FY 2020-21, is mentioned below:

Complaints received during the year (in Nos.)	Complaints resolved during the year (in Nos.)	Complaints pending at the end of the year (in Nos.)
0	0	0

However, the Company has received few requests for revalidation of dividend warrants and physical copy of annual report. The same has been taken into consideration and closed

### Key Managerial Persons

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rules made thereunder, following are the key managerial personnel of the Company:

- Mr. Hardayal Prasad, Managing Director & CEO
- Mr. Kapish Jain, Chief Financial Officer
- Mr. Sanjay Jain, Company Secretary and Head Compliance.

Details of remuneration paid/payable to the Managing Director during the year under review is provided in Form MGT-9. Details of ESOP Options of Managing Director:

Name	Grant Date	Options Granted	Vesting Period	No. of options exercised
Hardayal Prasad	August 19, 2020	5,50,000	The ESOPs shall vest 10% in Year 1, 20% in Year 2, 30% in Year 3 and 40% in Year 4. On expiry of his existing tenure of 3 (three) years as Managing Director and CEO, in case his tenure is not extended by the Board for any reason other than "cause", the unvested options of year 4 (40%) would vest within a month of the date the Board/Company intimates in writing, its intention of not extending/renewing the term.	NA

### Meeting of Independent Directors

The independent directors met on March 18, 2021 without the presence of non-independent directors, by audio video means. The independent directors have evaluated the performance of Chairperson of the Board, non-independent directors and of the Board during the year and quality of board performance, timeliness of flow of information with the Board.

### Remuneration of Directors

#### Non-Executive Directors

Independent Directors and non-executive non-nominee directors are paid sitting fees and commission on net profits as approved by the shareholders of the Company. During the year under review, the sitting fees payable to Directors for attending meetings of the Board of Directors of the Company was ₹50,000 per board meeting. The sitting fees for attending the meetings of committees of Board was ₹30,000 per meeting. The Commission payable to all the independent Directors is restricted to 0.25% of the net profits of the Company.

Details of sitting fees and commission paid during the financial year is provided in the Form MGT-9 which forms part of the Directors' Report.

#### Managing Director & CEO

On the recommendation of Nomination & Remuneration Committee, the Board at its meeting held on August 06, 2020 has appointed Mr. Hardayal Prasad as the Managing Director and CEO of the Company for a period of three years, with effect from August 10, 2020.

Earlier, Mr. Sanjaya Gupta has ceased to be the Managing Director of the Company with effect from April 28, 2020. The Board at its meeting held on April 28, 2020 had appointed Mr. Neeraj Vyas as interim Managing Director and CEO of the Company. He resigned with effect from August 10, 2020.

The remuneration of the Managing Director & CEO is recommended by the Nomination & Remuneration Committee and approved by the Board. The key objective of the remuneration is to ensure that it is aligned to the overall performance of the Company. The remuneration package of the Managing Director & CEO comprises of salary, performance linked variable pay and usual perquisites as per Company's HR policy approved by the Board. In addition, he is entitled to ESOPs.



## BOARD EVALUATION

The Board evaluation process has been adopted by the Company in terms of the Companies Act, 2013 and the circular issued by the SEBI. It applies to all the Directors of the Company. Its main objective is to ensure effective and efficient Board operations towards corporate goals and objectives, to identify ways to improve Board member's functioning and to assess the balance of skills, knowledge and experience on the Board.

The Board evaluation process involve, evaluation of the whole Board, which is to be done by all the Members of the Board; evaluation of the Committees of the Board, which is to be done by all the Members of the respective Committee; and evaluation of the individual which is carried out by the Nomination and Remuneration Committee.

The Board Evaluation Process is a questionnaire-based assessment, which has set broad parameters for evaluation of the Board, Committee of the Board and Board Members. The NRC takes feedback from the Directors through structured questionnaires. The Board carried out the evaluation of every Director's performance and its own performance as a whole, Statutory Board Committees namely Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee and Risk Management Committee. The Board expressed its satisfaction on performance evaluation.

The independent directors review the performance of the Non-executive Directors, Chairman and the whole Board.

## INVESTOR GRIEVANCES

In accordance with the Listing Regulations, the Board has appointed Mr. Sanjay Jain, Company Secretary, as the Compliance Officer of the Company.

During the year, the Company has not received any complaints from the investors. The Company has received few requests for physical copy of Annual Reports and revalidation of dividend warrants which has been taken into consideration and closed.

## SUBSIDIARY COMPANIES

The Company has two wholly owned subsidiaries, "PHFL Home Loans and Services Limited" and "PEHEL Foundation". PHFL Home Loans was incorporated on August 22, 2017. The Company is a distribution arm for PNB Housing, offering doorstep services to the prospective customers.

Peheil Foundation is a wholly owned subsidiary of PNB Housing Finance Limited incorporated on October 14, 2019. It is incorporated as a CSR Foundation of the Company with the main objective to implement projects, programmes and such other activities as specified in Schedule VII of Companies Act, 2013, as may be necessary under CSR Policy of PNB Housing Finance Limited and/or its group companies and/or other donors/companies in terms of Section 135 of the Companies Act, 2013.

Company has framed a policy for determining material subsidiaries and the same is placed on the website of the Company at <https://www.pnbhousing.com/investor-relations/corporate-governance/>

## EMPLOYEE STOCK OPTION SCHEME (ESOS)

The disclosures as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, have been placed on the website of the Company at <https://www.pnbhousing.com/investor-relations/updates-events/>

## PROCEEDS FROM PRIVATE PLACEMENT OF DEBT ISSUES

During the year, the Company has raised ₹1,690 crores of secured NCDs through private placements in 3 series. As specified in the respective offer documents, the funds were utilised for onward lending.

## PROCEEDS FROM COMMERCIAL PAPER ISSUES

During the year, the Company raised funds through commercial papers from time to time to meet its short-term business needs. The Company raised ₹2,125 crores through commercial paper in FY 21.

## TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

The Non-executive Directors of the Company do not have any pecuniary relationship or transactions with the Company.

## SHAREHOLDING OF DIRECTORS

The details of shareholding of Directors are disclosed in MGT-9 form.

## PREVENTION OF INSIDER TRADING

The Board has adopted a Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) and Share Dealing Code for Prevention of Insider Trading in terms of SEBI (Prevention of Insider Trading) Regulations, 2015. The code has been amended in compliance with the provisions of SEBI (Prevention of Insider Trading) Regulations (Amendments), 2018 in FY 20-21.

The code ensures that the employees deal in the shares of the Company only at a time when any price sensitive information that could be known to the employee is also known to the public at large. This code is applicable to designated employees, their immediate relatives and Directors of the Company.

## CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board members and designated employees of the Company. The Code of Conduct is posted on the website of the Company at <https://www.pnbhousing.com/investor-relations/corporate-governance/>. For the year under review, all Directors and members of management have affirmed their adherence to the provisions of the Code.

## VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Board has approved the vigil mechanism and whistle blower policy of the Company, which provides a framework to promote a responsible and secure whistle blowing. It protects employees wishing to raise concern about serious irregularities within the Company. The Audit Committee oversees the vigil mechanism and employees have access to the Audit Committee. The policy was reviewed and approved by the Board at its meeting held on October 28, 2020. The policy is placed on the website of the Company at <https://www.pnbhousing.com/investor-relations/corporate-governance/>

## RISK MANAGEMENT

The Company has implemented a comprehensive Enterprise Risk Management Policy along with functional level risk management policies covering the following policies;

The "Integrated Risk Management" (IRM) policy provides broad direction to all activities, associated with risk management including credit, market and operational risk management and other risks. It defines the governance model and fixes the role and responsibility of each constituents of risk management framework.

The credit risk management policy facilitates the Company to take appropriate risks to achieve its business objectives within the acceptable level of risk tolerance. The Credit Risk policy sets out the principles, standards and approach for credit risk management at the Company level and details a comprehensive framework to identify, assess, measure, monitor, control and report credit risks in a timely and efficient manner.

The Assets Liability Management Policy provides for liquidity management, management of interest rate risk and other objectives such as a return on average assets, return on average equity, tier 1 leverage ratio, total risk-based capital ratio and NIM on average interest earning assets.

The objective of Market Risk Policy is to assist in maximizing the risk adjusted rate of return by providing inputs regarding market risk profile and portfolio performance, establish the guidelines to manage the market risks identified, to ensure risks are measured and monitored and to establish limit framework and ensure that positions taken are within the approved risk tolerance limits.

The Stress Testing policy defines different types of stress tests such as, Regular and Ad-hoc stress tests in scenarios for Liquidity, Market, Credit and Operational risks.

The objective of IT policy is to maximize IT value and promote the most productive usage of IT products and services. The objective of Information Security policy is to ensure that appropriate measures are put in place to protect corporate information and IT systems, services & equipment.

The Company provided all the possible services to its customers in this difficult situation. In the opinion of the Board, none of the risks faced by the Company threaten its existence.

## GENERAL PROCEDURE FOR POSTAL BALLOT

- The notices containing the proposed resolutions and explanatory statement are sent to the shareholders as per the permitted mode. The shareholders are provided with the facility to vote either by physical ballot or through e-voting;
- The Postal Ballot Forms received within 30 days of despatch are considered by the Scrutinizer;
- The Scrutinizer submits his report to the Chairman/ authorized person of the Company, who based on the report announces the results; and
- e-voting facility is provided to the shareholders. Under this facility, the shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot. In view of COVID pandemic, MCA permitted companies to transact items through postal ballot as per the framework set out in the applicable circulars.

## TOTAL FEES PAID TO STATUTORY AUDITORS BY COMPANY AND ITS SUBSIDIARY FOR ALL THE SERVICES DURING FY 2020-21

During the year, the statutory auditors were paid audit and other fees, including out of pocket expenses of ₹ 0.61 crores.

## DISCLOSURES

### Related party transactions

The policy on Related Party Transactions as approved by the Board is available on the Company's website at <https://www.pnbhousing.com/investor-relations/corporate-governance/>. There were no material transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business and at arm's length are included in the notes forming part of the financial statements. There were no financial or commercial transactions by the senior management with the Company where they have personal interests that may have a potential conflict with the interests of the Company at large. During the year, the Company has obtained credit facility viz. term loans, Overdraft, and entered into securitization of loans to Punjab National Bank. All the transactions were in the ordinary course of business and at arm's length.

The Company has taken approval from the shareholders for entering into various banking and other transactions with Punjab National Bank in the ordinary course of business. The relevant extracts from Related Party Transaction Policy is given in a separate annexure. For full details please refer our website at <https://www.pnbhousing.com/investor-relations/corporate-governance/>

### Accounting Standards / Treatment

The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2018 and the effective date of such transition is April 01, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines which were issued by the National Housing Bank ('NHB') (Collectively referred to as 'the Previous GAAP').

### Management Discussion and Analysis Report

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

### Annual General Meetings

The Annual General Meetings for the last 3 years were held on July 27, 2018 at 3.00 p.m., July 29, 2019 at 3.00 p.m, and August 05, 2020 at 3.00 p.m. The AGMs in 2018 and 2019 were held at India Habitat Centre, Lodhi Road, New Delhi. Due to pandemic, the AGM in 2020 was held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) as permitted by MCA circular.

Six special resolutions were passed at the previous three Annual General Meetings.

During the year, the Company had issued Postal Ballot Notice dated December 18, 2020 under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management

and Administration) Rules, 2014; General Circular Nos 14/2020, 17/2020 and 33/2020 issued by the Ministry of Corporate Affairs ("MCA") dated April 08, 2020, April 13, 2020 and September 28, 2020 respectively, ("MCA Circulars"), for seeking the consent of shareholders for Approval of Restricted Stock Unit Scheme 2020 by way of Special Resolution. As per the Scrutinizer's Report, the resolution was duly approved as embodied in the Postal Ballot Notice with the requisite majority as on the last date of e-voting and receipt of postal ballot forms i.e. on January 21, 2021. Details of voting pattern and scrutinizer's report is placed on the website of the Company at [https://www.pnbhousing.com/wp-content/uploads/2021/01/PNBHousing\\_Results-of-Postal-Ballot\\_22.01.2021.pdf](https://www.pnbhousing.com/wp-content/uploads/2021/01/PNBHousing_Results-of-Postal-Ballot_22.01.2021.pdf)

As of now, no special resolution is proposed to be passed through postal ballot in the forthcoming year.

### Dematerialisation of shares

All the shares of the Company are available for trading with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Limited (CDSL). The ISIN allotted to Company's equity shares is INE572E01012. As at March 31, 2021 except 17 shares, remaining equity shares of the Company are held in dematerialized form.

The Company has paid the listing fees for the year 2020-21 as per the SEBI Listing Regulations to the respective stock exchanges.

### Investor Relations

The Company has 1,07,643 shareholders as on March 31, 2021. The main source of information for the shareholders is the Annual Report that includes, the Directors' Report, the shareholders' information and the audited financial results. The Annual Report has information on Report of Directors on Corporate Governance and Management Discussion and Analysis Report.

The Company has an evolved investor relations program. The Company information is available on the website under Investor Relations section. The shareholders are also intimated through the press, email and Company's website, [www.pnbhousing.com](http://www.pnbhousing.com) about the quarterly performance and financial results of the Company. Shareholders will get an opportunity to attend the Annual General Meeting where the business outlook will be presented and Company's operations can be discussed. In addition, the Corporate Office as well as the Registrar's Office (RTA), serves as a contact point for shareholders.

Since listing, along with the financial results, other information as per the listing guidelines such as Annual Report and Shareholding Pattern, are being uploaded on BSE website under "BSE Listing Centre" and on NSE website under "NSE Electronic Application Processing System (NEAPS)". Post listing, the presentation on quarterly results and performance of the Company is placed on the website of the Company and furnished to stock exchanges for the benefit of the investors.

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers and are communicated to the stock exchanges as per the provisions of SEBI (LODR) Regulations, 2015 as amended and uploaded on Company's website. In addition, the Company also publishes quarterly Investor deck, which is placed on the website of the Company.

The Ministry of Corporate Affairs (MCA) and the Companies Act, 2013, have taken a "Green Initiative" in corporate governance by allowing paperless compliances by the Companies through electronic mode. The listing regulations and the Companies Act, 2013 permits companies to send soft copies of the annual report to all those shareholders who have registered their e-mail addresses with the Company/ Depository participant. Accordingly, the annual report for FY 2020-21, notice for AGM etc., are being sent in electronic mode to shareholders who have registered their e-mail addresses with the Company/ depository participants. As per circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 the Company will not be sending Annual Report in physical form.

The annual report also contains a section on 'Shareholders' Information' which inter alia provides information relating to the AGM date, time and venue, shareholding pattern, distribution of shareholding, top shareholders, the monthly high and low quotations of the equity share during the year and other corporate governance information as required under SEBI (LODR) Regulations, 2015 and amendments thereto.

The Board has appointed CFO as Chief Investor Relations Officer of the Company.

### MEANS OF COMMUNICATION

In accordance with the Listing Regulations, the quarterly/ half-yearly/annual results are submitted to the National Stock Exchange and Bombay Stock Exchange and published in leading business newspapers. The official press releases are posted on Company's website at <https://www.pnbhousing.com/investor-relations/financials/>. Company's website has helped to keep the investors updated on material developments about the Company such as; Board profile, press release, financial results, annual reports, shareholding pattern, stock information, announcements, investor presentations etc.

The Company has conducted Earning's Calls post announcement of quarterly/half-Yearly/ annual results, which were well attended by the analysts/ investors and the transcripts were uploaded on Company's website at <https://www.pnbhousing.com/investor-relations/financials/>

### CERTIFICATION OF FINANCIAL REPORTING AND INTERNAL CONTROLS / (CEO/CFO CERTIFICATE)

In accordance with SEBI (LODR) Regulations, 2015 as amended, Mr. Hardayal Prasad, the Managing Director & CEO and Mr. Kapish Jain, the CFO of the Company, have inter alia, certified and confirmed to the Board about the correctness of the financial statements, adequacy of internal control measures and matters to be reported to the Audit Committee.

### NON-MANDATORY REQUIREMENTS

The Company has adopted the non-mandatory requirements of the Listing Regulations.

### COMPLIANCE

The Company has complied with the mandatory requirements including requirements of corporate governance norms as specified in Regulation 17 to Regulation 27 and clauses (b) to clause (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of schedule V of the Listing Regulations, as applicable to the Company for financial year ended March

31, 2021. A certificate from M/s B R Maheshwari & Co, LLP, Statutory Auditors of the Company, to that effect is annexed to this Corporate Governance Report. The Company has complied with the mandatory requirements as stipulated under Regulation 34(3) and 53 of SEBI (LODR) Regulations, 2015. The Company has submitted the quarterly compliance status report to the stock exchanges within the prescribed time limit.

### DETAILS OF UTILIZATION OF FUNDS

During the year under review, the Company has not raised any funds by way of Preferential Allotment/ Qualified Institutions Placement.

### STRICTURES AND PENALTIES

During the year, no penalties or strictures have been imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets. The National Housing Bank has imposed a monetary penalty of ₹1,90,00,000 plus GST on the Company, details are disclosed in the notes to the financial statement.

### SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.

### DECLARATION ON CODE OF CONDUCT

I confirm that for the year under review directors and senior management have affirmed compliance with the code of conduct of Board of Directors and senior management.

New Delhi

Managing Director & CEO

Date: June 08, 2021

### EXTRACTS FROM POLICY ON RELATED PARTY TRANSACTIONS

#### 1. Manner of Dealing with Related Party Transaction

##### 1.1. Identification of Related Parties and Related Party Transactions:

1. Every Director and/or Key Managerial Personnel of the Company shall disclose to the Company Secretary of the Company in form MBP-1, at the time of his appointment, in beginning of every financial year and wherever there is any change in the disclosures so made, about all persons, entities, firms, or other organizations in which he/ she is interested, whether directly or indirectly.
2. The Chief Financial Officer will be responsible for providing prior notice to the Company Secretary of any potential Related Party Transaction. He will also be responsible for providing additional information about the transaction that may be required, for placing before the Audit Committee, the Board or shareholders, as the case may be.
3. The suggested details and list of records and supporting documents which are required to be provided to the Audit Committee or Board of the Company for the proposed Related Party Transaction are provided in Annexure to this Policy.

4. If required, the Company may refer any potential Related Party Transaction to any external legal consultant/ expert for obtaining his/ her opinion on any legal/ regulatory issues involved in the potential Related Party Transaction and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee.

#### 1.2. Approval Mechanism for Related Party Transaction

##### 1.2.1. Approval by the Audit Committee

All Related Party Transactions shall require **PRIOR** approval of the Audit Committee.

##### Omnibus approval of Related Party Transactions:

In the case of repetitive transactions which are in the normal course of business of the Company, the Audit Committee may grant omnibus approval. While granting omnibus approval, the Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and such approval shall be in the interest of the Company.

##### Criteria for making the omnibus approval:

The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall inter alia include the following, namely:

- a. maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
- b. the maximum value per transaction which can be allowed;
- c. extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
- d. review, at such intervals as the Audit Committee may deem fit, Related Party Transaction entered into by the Company pursuant to each of the omnibus approval made;
- e. transactions which cannot be subject to the omnibus approval by the Audit Committee.

The omnibus approval granted by the Audit Committee shall indicate the following:-

- a. name of the Related Party/ parties;
- b. nature and duration of the transaction;
- c. maximum amount of transaction that can be entered into;
- d. the indicative base price or current contracted price and the formula for variation in the price, if any; and
- e. any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

Where need of the Related Party Transaction cannot be foreseen and above details are not available, the Audit Committee may grant omnibus approval subject to the value per transaction shall not exceed by ₹1,00,00,000/- (Rupees One Crore Only).

Provided that in case of transaction, other than Specified Transactions, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:

The Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given.

The omnibus approval provided by the Audit Committee shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of such financial year.

### 1.2.2. Approval by the Board

The Board shall approve the Related Party Transaction if:

- a. it is a Specified Transaction with such Related Party/ parties as defined under Section 2(76) of the Act and aforesaid transaction is not in the ordinary course of business or not at Arm's Length Basis; or
- b. the Audit Committee determines that a Related Party Transaction should be brought before the Board; or
- c. the Board in any case elects to review any Related Party Transaction *suo moto*.

Provided that in case of a transaction falling under Point no. (a) above, prior approval of the Board shall be required.

### 1.2.3. Approval by the Members

A. The prior approval of the shareholders by way of an ordinary resolution shall be required in respect of Specified Transaction(s) with Related Party(ies) as defined under Section 2(76) of the Act and exceeds the following threshold limits;

S. No.	Nature of the Transaction	Threshold Limit
i.	Sale, purchase or supply of any goods or materials, directly or through appointment of agent.	Amounting to 10% or more of the turnover of the Company or ₹100 crores, whichever is lower.
ii.	Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent.	Amounting to 10% or more of the net worth of the Company or ₹100 crores, whichever is lower
iii.	Leasing of property of any kind.	Amounting to 10% or more of the turnover or 10% or more of the net worth of the Company, or ₹100 crores, whichever is lower.
iv.	Availing or rendering of any services, directly or through appointment of agent.	Amounting to 10% or more of the turnover of the Company or ₹50 crores, whichever is lower.

S. No.	Nature of the Transaction	Threshold Limit
v.	Appointment of any Related Party to any office or place of profit in the Company, its subsidiary company or associate company.	Monthly remuneration exceeding two and half lakhs rupees.
vi.	Underwriting for the subscription of any securities or derivatives thereof of the Company.	Remuneration for underwriting exceeding 1% of the net worth of the Company.

The limits specified in point no. (i) to (iv) above shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

The turnover or net worth as mentioned in point no. (i) to (iv) above shall be computed on the basis of audited financial statement of the Company on standalone basis for the preceding financial year.

Provided further that no member of the Company shall vote on above stated ordinary resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party:

- B. All Material Related Party Transactions shall require approval of the shareholders by way of an ordinary resolution. No Related Party(ies) shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

### 1.3. Consideration by the Audit Committee/Board in approving the proposed transactions

The Audit Committee/Board shall take into account all relevant facts and circumstances including the terms of the transaction, purpose of the transaction, benefits to the Company and benefit to the Related Party and any other relevant matters.

The Audit Committee/ Board shall, inter-alia, consider the following factors to the extent relevant to the transaction:

- a) Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;
- b) Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- c) Whether the Related Party Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed transaction; and
- d) Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company.

#### 1.4. Related party transactions not previously approved

In the event of any Director, Key Managerial Personnel or any other employee becoming aware of any Related Party Transaction(s) that has been omitted to be approved by the Audit Committee/ Board/ Members, as the case may be or is in deviation of this Policy, such person shall promptly inform to the Company Secretary about such transaction and such transaction shall be placed before the Audit Committee, Board or members, as may be required in accordance with this Policy for review and approval. The Audit Committee, Board or members, as the case may be, shall consider all relevant facts and circumstances and may decide necessary actions as it may consider appropriate including ratification, revision, or termination of such transaction.

## 2. DISCLOSURES

- i. As required under Section 188 of the Act read with the Rules made thereunder, all the Specified Transactions with related party(ies) as defined under the Act, which are not on arm's length basis or are material in nature, shall be disclosed in the Board's Report of the Company.
- ii. The Company Secretary shall also make necessary entries in the Register of Contracts or Arrangement required to be maintained under the Act.
- iii. Details of all Material Related Party Transactions with its Related Parties shall be disclosed in the quarterly compliance report on corporate governance as per the provisions of SEBI Listing Regulations.
- iv. In addition to the above, on and after April 01, 2019, Company shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of Related Party Transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

## 3. NON-APPLICABILITY

Notwithstanding anything contained anywhere else in this policy, following shall be exempted from the purview of this policy:

### a) Approval of Audit Committee

Approval of Audit Committee shall not be required for any transaction which have been entered into by the Company with its wholly owned subsidiary of whose accounts are consolidated with Company and placed before the Annual General Meeting for approval. Provided that approval of Audit Committee shall be required in case of Specified Transaction between the Company and its wholly owned subsidiary company.

### b) Approval of Board

Approval of Board of Directors shall not be required for the transaction entered into by the Company with its wholly owned subsidiary or with any other party, if such transaction is in the ordinary course of business and on an arm's length basis.

Provided that in case of transaction, other than Specified Transactions, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board then the Board shall review and approve such transaction.

### c) Approval of Members

Approval of members shall not be required in following cases:

- i. Any transactions entered into by the Company with its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval; or
- ii. Any transaction entered into by the Company in its ordinary course of business and on Arm's Length Basis. However, approval of members shall be required in case of Material Related Party Transaction irrespective of the fact that such transactions is in ordinary course of business and on an arm's length basis.

## ANNEXURE TO DIRECTORS' REPORT - 5

### GENERAL SHAREHOLDER INFORMATION

Pursuant to Point 9 of para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Listing Regulation

#### 33rd Annual General Meeting

Date: September 03, 2021

Time: 3:00 p.m.

Venue: Audio Video Means

#### Financial Year

The Company follows financial year starting from April 01 of every year and ending on March 31 of the following year.

#### Dividend Payment

The Board of Directors of Company have not declared any dividend for the financial year 2020-21.

#### Listing on Stock Exchange

Equity Shares of PNB Housing Finance Limited is listed on the below mentioned Stock Exchanges.

Stock Exchange	National Stock Exchange (NSE)	BSE Limited (BSE)
Address	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
Telephone number	+91 22 2659 8100/114	+91 22 2272 1233/34
Website	www.nseindia.com	www.bseindia.com
Scrip Code	PNBHOUSING	540173

The NCDs and Commercial Papers of PNB Housing are listed on National Stock Exchange.

The Company confirms payment of Annual Listing fees of NSE and BSE for financial year 2021-22.

#### Stock Market Price Data

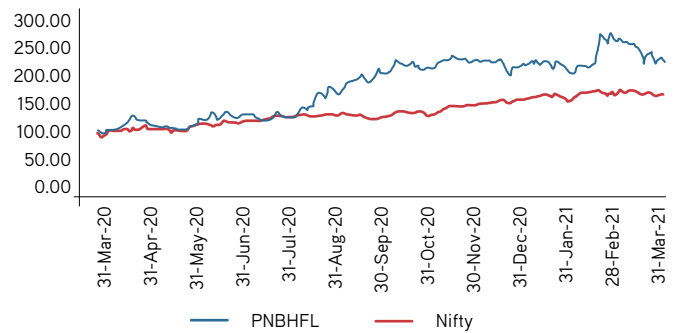
Month	NSE			BSE		
	High	Low	Total Equity Volume	High	Low	Total Equity Volume
Apr-20	217.00	160.75	1,49,52,557	217.85	161.00	14,28,053
May-20	190.15	165.10	75,13,923	195.80	165.25	12,47,359
Jun-20	234.40	177.25	1,76,38,727	234.50	175.90	21,24,771
Jul-20	227.00	194.00	1,20,35,778	229.90	193.20	11,36,697
Aug-20	309.50	207.85	3,02,41,103	309.35	206.00	23,04,447
Sep-20	350.95	275.00	1,80,06,865	350.80	272.05	15,11,731
Oct-20	380.50	332.00	82,53,562	380.00	332.55	5,36,467
Nov-20	395.30	342.50	44,95,033	395.20	343.95	10,41,253
Dec-20	389.85	317.55	49,54,025	389.60	315.85	4,19,569
Jan-21	385.20	325.05	57,66,238	384.90	325.25	4,99,641
Feb-21	475.00	332.85	2,16,54,887	475.00	333.00	11,04,905
Mar-21	449.30	357.10	63,29,372	474.00	357.70	5,70,858

The source for table above is www.nseindia.com for NSE quotes and www.bseindia.com for BSE quotes.

### PERFORMANCE OF THE COMPANY IN COMPARISON TO BROAD BASE INDICES

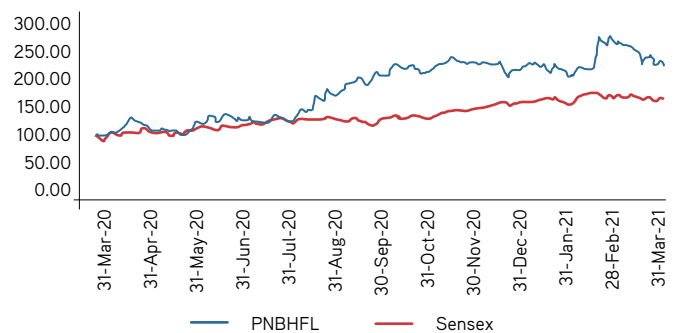
#### PNBHFL vs Nifty

(Chart base to 100)



#### PNBHFL vs Sensex

(Chart base to 100)



### REGISTRAR AND TRANSFER AGENTS

Link Intime India Private Limited is the Registrar and Transfer Agents for Equity and Debt securities of the Company. Their contact details are as below:

Link Intime India Pvt. Ltd.  
C 101, 247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083

### SHARE TRANSFER SYSTEM

All the equity shares of the Company are held in Dematerialized form except 17 shares which are held in physical form. The shares are electronically traded in the Depository. The Registrar and Transfer Agent receives a weekly report from the Depository about the details of beneficiary and update their records.

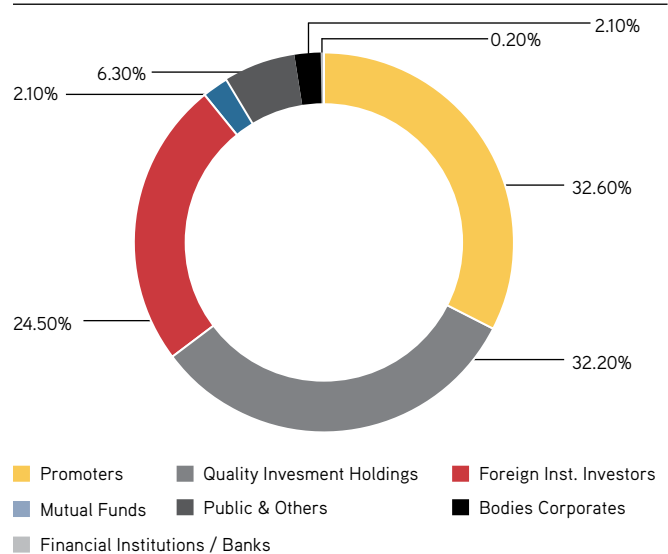
## DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Sr. Shareholding of No. Nominal Value (₹)	No. of Share Holders	% of Total	Share Amount (₹)	% of Total Share Amount
1 1 to 5000	104728	97.29	4,94,90,850.00	2.9412
2 5001 to 10000	1500	1.39	1,16,80,800.00	0.6942
3 10001 to 20000	678	0.63	1,00,92,610.00	0.5998
4 20001 to 30000	224	0.21	57,29,800.00	0.3405
5 30001 to 40000	115	0.11	41,08,510.00	0.2442
6 40001 to 50000	95	0.08	44,30,860.00	0.2633
7 50001 to 100000	133	0.12	96,32,030.00	0.5724
8 100001 to *****	170	0.16	1,58,75,15,770.00	94.3444
<b>Total</b>	<b>107643</b>	<b>100.00</b>	<b>1,68,26,81,230.00</b>	<b>100.00</b>

Face Value (₹): 10 NSDL Data as of: Mar 31, 2021

CDSL Data as of: Mar 31, 2021

## Shareholding Pattern as on March 31, 2021



## DEMATERIALIZATION OF SHARES AND LIQUIDITY

Equity Shares of the Company are traded under compulsory dematerialized mode and are available for trading with both the depositories i.e. NSDL and CDSL.

The Company obtains half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from a Company Secretary in practice and files the copy of the certificate with the Stock Exchanges.

## OUTSTANDING CONVERTIBLE INVESTMENTS

Date of Grant	Outstanding options as on April 01, 2020	Number of options granted during the year	Number of options vested during the year	No. of options exercised/ No. of shares arising as a result of exercise	Exercise Price (in ₹)	No. of options lapsed	Money realised by exercise of options (in ₹)	Outstanding options as on March 31, 2021
April 22, 2016 [ESOS 2016]	7,88,263	0	6,68,005	81,215	338	1,99,520	2,74,50,670	5,07,528
August 30, 2017 [ESOS 2016]	2,52,700	0	61,550	0	1,600.6	38,950	0	2,13,750
February 23, 2018 [ESOS 2016]	1,00,000	0	20,000	0	1,206.35	0	0	1,00,000
July 27, 2018 [ESOS 2016]	74,685	0	17,046	0	1,333.35	18,950	0	55,735
July 27, 2018 [ESOS 2018 A]	13,92,000	0	1,80,975	0	1,333.35	3,28,675	0	10,63,325
July 27, 2018 [ESOS 2018 B]	1,63,500	0	40,875	0	1,333.35	32,500	0	1,31,000
March 19, 2019 [ESOS 2018]	1,49,400	0	27,875	0	847.4	40,400	0	1,09,000
August 19, 2020 [ESOS 2016]	0	5,50,000	0	0	261.15	0	0	5,50,000
August 19, 2020 [ESOS 2018]	0	45,000	0	0	261.15	0	0	45,000
February 15, 2021 (RSU Grant)	0	2,75,676	0	0	10	12,090	0	2,63,586

NO ESOP has been granted to Non-Executive Directors and Independent Directors.

The Company has not issued any ADRs/GDRs/Warrants that are outstanding for conversion as on March 31, 2021.

Further details of ESOP grant is available on the website of the Company at <https://www.pnbhousing.com/investor-relations/updates-events/>



### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During FY 2020-21, the Company has managed the foreign exchange risk by hedging the entire principal on its foreign currency borrowings. The foreign currency and interest rate risk on the borrowings have been actively hedged through a combination of forward contracts, principal only swaps, interest rate swaps and / or cross currency swaps.

### SUSPENSION OF SECURITIES

The securities of the Company are never suspended from trading since its listing.

### CREDIT RATING

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

Instrument	Rating Agency	Latest Ratings Assigned	Migration during the year	Rating as on April 01, 2020
Fixed Deposit	CRISIL Limited	FAA+ (Outlook-Negative)	FAA+ (Outlook-Negative)	FAA+ (Outlook-Stable)
	CARE Ratings Limited	AA (Outlook- Stable)	AA+ (Outlook-Negative) / AA (Outlook - Stable)	AA+ (Outlook-Stable)
Non-Convertible Debentures	CRISIL Limited	AA (Outlook- Negative)	AA (Outlook-Negative)	AA (Outlook-Stable)
	ICRA Limited	AA (Outlook- Negative)	AA (Outlook-Negative)	AA+ (Outlook-Negative)
	India Ratings Limited	AA (Outlook- Negative)	AA (Outlook-Negative)	AA (Outlook-Stable)
	CARE Ratings Limited	AA (Outlook- Stable)	AA+ (Outlook-Negative) / AA (Outlook - Stable)	AA+ (Outlook-Stable)
Commercial Papers	CRISIL Limited	A1+	No change	A1+
	CARE Ratings Limited	A1+	No change	A1+
Bank Loans	CRISIL Limited	AA (Outlook- Negative)	AA (Outlook-Negative)	AA (Outlook-Stable)
	CARE Ratings Limited	AA (Outlook- Stable)	AA+ (Outlook-Negative) / AA (Outlook - Stable)	AA+ (Outlook-Stable)

### PLANT LOCATIONS

PNB Housing Finance Limited is engaged in providing housing loans. There is no plant location as such.

### ADDRESS FOR CORRESPONDENCE

#### Registered and Head Office:

9th Floor, Antriksh Bhavan,  
22 Kasturba Gandhi Marg,  
New Delhi 110001

Phone Number: 1800 120 8800, 011-23555206

Email Address: loans@pnbhousing.com, investor.services@pnbhousing.com



**SECRETARIAL COMPLIANCE REPORT OF PNB HOUSING FINANCE LIMITED**  
for the year Ended March 31, 2021

To,

The Board of Directors  
**PNB HOUSING FINANCE LIMITED**  
9th Floor, Antriksh Bhawan,  
22 KG Marg, New Delhi - 110001

We, M/s. Chandrasekaran Associates, have examined:

- (a) All the documents and records made available to us and explanation provided by PNB Housing Finance Limited ("the listed entity"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The Specific Regulations, whose provisions and the Circulars/ Guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the year under review**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable during the year under review**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

*Chandrasekaran Associates*  
Company Secretaries

- (i) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;
- (l) Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company and based on the above examination, We hereby report that, during the Review Period:
- (a) The listed entity has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	As per proviso to Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the listed entities shall have at least one independent woman director.	There is intermittent vacancy of Independent Woman Director on the Board of Directors of the Company due to resignation of Ms. Shubhalakshmi Panse w.e.f. January 05, 2021 and there was no woman director on the board of the Company as on March 31, 2021 as required under Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Board through circulation resolution passed on May 29, 2021 appointed Ms. Gita Nayyar as an Additional Director (in the category of Independent Director) for a period of three years with effect from May 29, 2021 till May 28, 2024.
2.	As per Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entity shall submit a certificate to the stock exchange within two days of the interest or principal or both becoming due that it is made timely payment of interests or principal obligations or both in respect of the non-convertible debt securities.	The Company has made delay in submission of certificate stating that timely payment of interest or principal obligation or both in respect of the non – convertible debt securities i.e. Series – XLIV, Series LI, Series VII-Tier II and Series VIII-Tier II to National Stock Exchange of India Limited.	Delay filing as required under Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3.	As per Regulation 60 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entity shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s) of the record date or of as many days as the stock exchange(s) may agree to or require specifying the purpose of the record date.	The Company has made delay in intimation of record date in respect of Series XX to National Stock Exchange of India Limited.	Delay filing as required under Regulation 60 (2) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.

## Chandrasekaran Associates

Company Secretaries

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
NIL				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

- (e) The Company has suitably included the conditions as mentioned in Para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in the terms of appointment of statutory auditor of the Company.

For **Chandrasekaran Associates**  
Company Secretaries

**Dr. S. Chandrasekaran**  
Senior Partner

Membership No. FCS 1644  
Certificate of Practice No. 715  
UDIN: F001644C000432822

Date: June 08, 2021  
Place: New Delhi

**Notes:** Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

*Chandrasekaran Associates*  
Company Secretaries

## ANNEXURE-A

To,  
The Members,  
**PNB Housing Finance Limited**  
9th Floor, Antriksh Bhavan,  
22 Kasturba Gandhi Marg,  
New Delhi - 110001

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 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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**  
Company Secretaries

**Dr. S. Chandrasekaran**

Senior Partner

Membership No. FCS 1644

Certificate of Practice No. 715

UDIN: F001644C000432800

Date: June 08, 2021

Place: New Delhi

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
PNB Housing Finance Limited  
9th Floor, Antriksh Bhawan,  
22 K G Marg, New Delhi-110001

I have examined the following documents:

- i) Intimation of disqualification as required under Section 164 of the Companies Act, 2013 ('the Act') read with Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014; and
- ii) Disclosure of concern or interests in other entities as required under Section 184(1) of the Act read with Rule 9 of the Companies (Meetings of Board and its Powers) Rules, 2014;

as submitted by the Directors of **PNB Housing Finance Limited** having CIN L65922DL1988PLC033856 and having registered office situated at 9th Floor, Antriksh Bhawan, 22 K G Marg, New Delhi-110001 (hereinafter referred to as '**the Company**'), and other relevant registers, records, forms and returns as maintained by the Company and as produced before me for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

S. No	Name of Directors	DIN	Date of appointment in Company	Date of cessation, if any
1.	Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty	07667641	20.12.2019	-
2.	Mr. Sunil Kaul	05102910	05.03.2015	-
3.	Mr. Chandrasekaran Ramakrishnan*	00580842	07.10.2015	-
4.	Mr. Nilesh Shivji Vikamsey**	00031213	22.04.2016	-
5.	Mr. Ashwani Kumar Gupta	00108678	12.05.2017	-
6.	Mr. Tejendra Mohan Bhasin	03091429	02.04.2020	-
7.	Mr. Neeraj Madan Vyas***	07053788	01.09.2020	-
8.	Mr. Sudarshan Sen	03570051	01.10.2020	-
9.	Mr. Kapil Modi	07055408	01.10.2020	-
10.	Mr. Rajneesh Karnatak	08912491	19.01.2021	-
11.	Mr. Hardayal Prasad	08024303	10.08.2020	-
12.	Mr. Sanjaya Gupta	02939128	25.06.2010	04.05.2020
13.	Mr. Shital Kumar Jain	00047474	09.12.2009	09.08.2020
14.	Mrs. Shubhalakshmi Aamod Panse	02599310	07.07.2017	05.01.2021
15.	Dr. Gourav Vallabh	02972748	22.04.2016	21.04.2021

\* Mr. Chandrasekaran Ramakrishnan was re-appointed as an Independent Director for a second term of five (5) years w.e.f. October 07, 2020.

\*\* Mr. Nilesh Shivji Vikamsey was re-appointed as an Independent Director for a second term of five (5) years w.e.f. April 22, 2021.

\*\*\* Mr. Neeraj Madan Vyas ceased to be the Independent Director and was appointed as Interim Managing Director & CEO w.e.f. April 28, 2020.

Thereafter, he resigned from the office of Interim Managing Director & CEO w.e.f. August 10, 2020 and was appointed as a Non-Executive Non-Independent Director w.e.f. September 01, 2020.

Further, Ms. Gita Nayyar was appointed as an Independent Director w.e.f. May 29, 2021 for a term of three (3) years.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

For **VLA & Associates**  
Company Secretaries

**Vishal Lochan Aggarwal**  
(Proprietor)

Membership No.: F7241

C. P. No.: 7622

UDIN: F007241C000639961

Date: June 17, 2021

Place: New Delhi

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**CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Members

PNB Housing Finance Limited

CIN: L65922DL1988PLC033856

I have examined the compliance of regulations of Corporate Governance by **PNB Housing Finance Limited ("the Company")** for the year ended March 31, 2021, as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of regulations of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the regulations of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **VLA & Associates**  
Company Secretaries

**Vishal Lochan Aggarwal**  
(Proprietor)

FCS No. F7241

C.P. No. 7622

UDIN: F007241C000640016

Date: June 17, 2021

Place: New Delhi

## ANNEXURE-II

### FORM 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 is given below:

1. Details of contracts or arrangements not at Arm's length basis : **NIL**
2. Details of material contracts or arrangements or transactions at Arm's length basis are as under\*:

S. No.	Name of the Party with which the contract is entered into	Nature of Contract/Transaction	Duration of Contract	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval at the meeting of the Board	Amount paid as advances, if any,
1.	Punjab National Bank (Promoter)	<ul style="list-style-type: none"> <li>• Assignment of loans</li> <li>• Principal paid on assignment of loans</li> <li>• Fixed deposit made/renewed</li> <li>• Fixed deposit mature</li> <li>• Bank deposits</li> <li>• Term loans</li> <li>• External commercial borrowings</li> </ul> (The value of transactions are disclosed in notes to accounts)	April 2020 – March 2021	All the transactions are in ordinary course of business and at arms' length. The transactions with Punjab National Bank are in the nature of banking transactions with a large public sector bank.	The Company has taken omnibus approval of the Audit Committee	nil

\*All related party transactions are benchmarked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of 10 percent of consolidated turnover for the purpose of Section 188(1) of the Act.

For and on behalf of the Board

Date: June 08, 2021

Place: New Delhi

Chairman