



ANNEXURE TO DIRECTORS' REPORT - 3

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

Corporate governance at PNB Housing Finance is implemented through robust board governance processes, internal control systems and processes, and strong audit mechanism. These are articulated through corporate governance guidelines, charters of various sub-committees of Board and Company's policy on disclosure.

The Company ensures to exercise principles of corporate ethics, accountability, integrity and maintaining high standards of corporate governance. The Company has framed its policies as per applicable laws and regulatory guidelines. Company has been constantly reviewing and revising them as per business needs and changes in laws/ regulations from time to time. PNB Housing Finance believes that good Corporate Governance emerges from the application of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters.

The Company practices ethical standards in all its dealings. The Company continues to maintain healthy relationship with its depositors, loan customers, business partners, its various other stakeholders and financiers. Company has transparently disclosed information through its public documents, annual reports, financial results etc.

Over the years, the Company 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, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 ("RBI Directions") (as amended from time to time), various circulars issued under Scaler based Regulation, which are applicable to the Company and other circulars and notifications issued by RBI, SEBI, MCA and other statutory bodies.

As permitted by MCA, the Board and its Committees have functioned largely using virtual mode for its meetings. The Company has ensured adequate precautions while conducting audio video meetings. The technology interventions ensured that all the business activities were completed in time, the Board & Committee meetings were held in time, dissemination of adequate and correct public information was ensured.

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 challenging times.

The Company's Board has people with extensive experience in the financial sector, economics, mortgages, banking, international operations, fintech regulation, currency management, risk 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.

COMPOSITION

As on March 31, 2023, the Board consisted of twelve Members comprising six Independent Directors, five Non-Executive Directors and one Managing Director & CEO. During the year, following appointments/ cessations took place amongst the Board Members.

- a) Mr. Atul Kumar Goel was appointed as Non-Executive Nominee Director with effect from April 28, 2022. He is nominee of Punjab National Bank and is liable to retire by rotation.
- b) Mr Ashwani Kumar Gupta completed his first five-year term as an Independent Director on May 11, 2022.
- c) Mr. Hardayal Prasad resigned as MD & CEO, with effect from October 20, 2022.
- d) Mr. Girish Kousgi was appointed as MD & CEO, with effect from October 21, 2022 for a term of 4 years.
- e) Mr. Binod Kumar resigned as Non-Executive Nominee Director with effect from October 21, 2022.
- f) Mr. Pavan Kaushal was appointed as Independent Director with effect from October 27, 2022 for a term of 3 years.
- g) Mr. Dilip Kumar Jain was appointed Non-Executive Nominee Director with effect from November 04, 2022. He is nominee of Punjab National Bank and is liable to retire by rotation.

None of the Independent Directors of the Company have resigned before the expiry of his/her tenure during the Financial Year 2022-23.

Appointment of Directors AGM dated July 26, 2022: The Shareholders have appointed Mr. Atul Kumar Goel as a Non-Executive Nominee Director. The Shareholders by postal ballot on December 22, 2022 have appointed Mr. Girish Kousgi as Managing Director and Chief Executive Officer, Mr. Pavan Kaushal as an Independent Director and Mr. Dilip Kumar Jain as a Non-Executive Nominee Director.

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 the Listing Regulations is given hereunder:

Sr. No.	Directors	Category	DIN	Name of Companies and Designation*	Number of Committees**		Skills/ Expertise
					Member	Chair-Person	
1.	Mr. Atul Kumar Goel	Non-Executive Nominee Director of Punjab National Bank	07266897	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited ('L' stands for Listed) 2. Punjab National Bank (L) – Managing Director and CEO 3. The Oriental Insurance Company Limited ('UL' stands for unlisted)– Non-Executive Director 4. PNB Metlife India Insurance Co. Ltd (UL)– Non-Executive Director 5. National Credit Guarantee Trustee Company Limited (UL) – Non-Executive Director 	3	0	<p>He is a qualified Chartered Accountant, having more than three decades of Banking experience. He was Chief Financial Officer (CFO) in Allahabad Bank.</p> <p>He is currently Managing Director & CEO of Punjab National Bank from February 1, 2022. Earlier, he was Managing Director & CEO of UCO Bank, Executive Director in Union Bank of India and worked in various positions in Allahabad Bank.</p>
2.	Mr. Sunil Kaul	Non-Executive Nominee Director of Quality Investment Holdings Pcc	05102910	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. Yes Bank Limited (L)- Nominee Director 	2	0	<p>He is B. Tech from IIT Bombay and MBA from IIM Bangalore. He is 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.</p>
3.	Mr. Nilesh S Vikamsey	Independent Director	00031213	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. Thejo Engineering Limited (L) – Independent Director 3. Thomas Cook (India) Limited (L) – Independent Director 4. IIFL Finance Limited (L) – Independent Director 5. Gati Limited (L) – Independent Director 6. Allcargo Logistics Limited - (UL) – Independent Director 7. 360 ONE WAM LIMITED (UL) – Independent Director 8. SOTC Travel Limited (UL) – Independent Director 9. Gati-Kintetsu Express Private Limited (UL) – Independent Director 	10	5	<p>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. He has extensive experience in credit and human resource management.</p>



Sr. No.	Directors	Category	DIN	Name of Companies and Designation*	Number of Committees**		Skills/ Expertise
					Member	Chair-Person	
4.	Mr. R Chandrasekaran	Independent Director	00580842	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. L&T Technology Services Ltd. (L) – Independent Director 3. LTI Mindtree Limited (L) – Independent Director 4. Aujas Cybersecurity Limited (UL) – Director 5. NSEIT Limited (UL) – Director 6. KSL Digital Ventures Limited (UL) – Director 	3	1	He is Bachelor of Engineering from Madras University and MBA from IIM Bangalore. He 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, driving best-in-class delivery excellence at scale. Besides IT, he has extensive experience in operations and human resource management.
5.	Mr. Neeraj Vyas	Non-Executive Director	07053788	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 	1	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. He is MSc. and CAIIB.
6.	Dr Tejendra Mohan Bhasin	Independent Director	03091429	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. PNB Gilts Limited (L)- Independent Director 3. SBI Cards and Payment Services Limited (L)- Independent Director 4. Patanjali Foods Limited (L) - Independent Director 5. SBI Life Insurance Company Limited (L)- Independent Director 	8	3	He is PhD from University of Madras and MBA from FMS Delhi. He is an 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 42 years of experience in administration, banking and finance industry, risk management, credit management and operations.
7.	Mr. Sudarshan Sen	Independent Director	03570051	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. Federal Bank Ltd. (L) - Independent Director 	2	0	He is MSc from Delhi University and MBA from University of Birmingham. He retired from the Reserve Bank of India as Executive Director in charge of regulation of banks and non-banking financial companies. He has extensive experience in banking regulation, bank supervision, fintech regulation, human resource, information technology and currency management.
8.	Mr. Kapil Modi	Non-Executive Nominee Director of Quality Investment Holdings Pcc	07055408	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. Nextra Data Limited (UL)-Non Executive Nominee Director 3. Hexaware Technologies Limited (UL)- Non-Executive Nominee Director 4. VLCC Health Care Limited (UL)- Non-Executive Nominee Director 	2	0	He is B. Tech from IIT Kharagpur, MBA from IIM Ahmedabad (Gold Medallist) and Master of Business Law from National Law School, Bangalore. He is 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.

Sr. No.	Directors	Category	DIN	Name of Companies and Designation*	Number of Committees**		Skills/ Expertise
					Member	Chair-Person	
9.	Ms. Gita Nayyar	Independent Director	07128438	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited - (L) 2. Oriental Hotels Limited (L)- Independent Director 3. Transport Corporation of India Limited (L)- Independent Director 4. Glenmark Life Sciences Limited (L)- Independent Director 5. Taj Sats Air Catering Limited (UL) - Independent Director 	4	2	She is a BA in Economics from Delhi University and holds an MBA from Amos Tuck School of Business Administration, Dartmouth College, USA. She is a finance professional with over 30 years of global leadership experience with MNC banks/ VC funds and corporates. She has expertise in corporate banking, risk and relationship management, investment banking, wealth management and fund raising. She is also recognised for her expertise in angel investing/mentoring and advising early-stage ventures and has a successful track record of Investing and founding early-stage enterprises.
10.	Mr. Pavan Kaushal	Independent Director	07117387	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited - (L) 2. Lendingkart Finance Limited (UL) - Additional Director 3. Asset Reconstruction Company (India) Limited (UL) - Director 4. Baroda Global Shared Services Limited (UL) - Additional Director 	2	0	He holds a bachelor's degree in commerce from University of Calcutta and a master's degree in financial management from Jammalal Bajaj Institute of Management Studies, University of Bombay. He is a member of the Institute of Chartered Accountants of India since 1985. He has over 33 years of experience in the financial services sector and risk management.
11.	Mr. Dilip Kumar Jain	Non-Executive Nominee Director of Punjab National Bank	06822012	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited - (L) 2. India SME Asset Reconstruction Company Limited (UL)- Director 	0	0	He holds a bachelor's degree in commerce from Rajasthan University. He is also a member of the Institute of Chartered Accountants of India since 1989. He has over 26 years of experience in the banking sector, having worked in various positions. He is CFO of Punjab National Bank.
12.	Mr. Girish Kousgi	Managing Director & CEO	08524205	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited - (L) 2. PHFL Home Loans And Services Limited (UL)- Director 	1	0	He has extensive experience of managing assets and liabilities, mortgage, retail lending, SME and Agri business. He has dealt with a variety of loan products, handling sales, product, credit underwriting, risk and operations. He has experience of retail banking for over 22 years apart from an experience of about 11 years in risk management. He is a Post-graduate in Business Administration (MBA) and graduate in Commerce.

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



**Audit Committee and Stakeholders Relationship Committee.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE;

None of the Board of Directors are related inter-se except for the nominee Directors.

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTORS

None of the Board of Directors hold shares of the Company in as on March 31, 2023, except Ms Gita Nayyar who holds 8,936 shares as on date.

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 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.

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.

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. All the Independent Directors fulfil the criteria prescribed in the Listing Regulations and other applicable laws and are independent of the management of the Company.

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, www.pnbhousing.com.

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. An overview of the familiarisation programme during the year has been placed on the Company's website and can be accessed at <https://www.pnbhousing.com/investor-relations/corporate-governance/>

BOARD MEETINGS

As permitted by MCA, the Company held majority of 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 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 met eighteen times on April 04, April 28, April 29, May 30, June 14, July 28, August 04, August 26, October 07, October 20, October 27, November 04, November 29, December 12, December 14, January 24, February 03 and March 28, 2023. The attendance of the Directors at the Board Meetings and the 34th Annual General Meeting held on July 26, 2022 are listed below.

Sr. No.	Directors	Board Meetings*	Attendance at the 34 th AGM	Sitting fee paid (₹)
1.	Mr. Atul Kumar Goel	10	Yes	-
2.	Mr. Sunil Kaul	18	Yes	-
3.	Mr. R Chandrasekaran	15	Yes	13,50,000
4.	Mr. Nilesh S Vikamsey	17	Yes	15,50,000
5.	Mr. Neeraj Vyas	18	Yes	16,50,000
6.	Dr Tejendra Mohan Bhasin	18	Yes	16,50,000
7.	Mr. Sudarshan Sen	10	Yes	9,50,000
8.	Mr. Kapil Modi	18	Yes	-
9.	Ms Gita Nayyar	17	Yes	15,50,000
10.	Mr. Girish Kousgi	8	NA	-
11.	Mr. Pavan Kaushal	7	NA	7,00,000
12.	Mr. Dilip Kumar Jain	6	NA	-
	Past directors			
1.	Mr. Hardayal Prasad	8	Yes	-
2.	Mr. Ashwani Kumar Gupta	3	NA	1,50,000
3.	Mr. Binod Kumar	7	Yes	-

*Leave of absence was granted to the concerned directors 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, the Listing Regulations and RBI Directions as amended and as per the business requirements. The minutes of all Committee Meetings are finalised and recorded in the minute book maintained by the Company Secretary. The Minutes of Committee Meetings are placed before the Board.

The various Board Committees, their roles and their members are given below.

a. Audit Committee

The charter of the Audit Committee is as per section 177 of the Companies Act, 2013 and the Listing Regulations, as amended. The main role of the Audit Committee is;

- i) 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 company's process for monitoring compliance with laws and regulations and the code of conduct.

- ii) It reviews quarterly, half yearly and yearly financial statements as prepared by the Company before submission to the Board.
- iii) It reviews and monitors the Auditors' independence, performance and effectiveness of audit process.
- iv) As per Related Party Policy, it gives approval to related party transactions and also monitor related party transactions.
- v) It reviews functioning of whistle blower mechanism.
- vi) It reviews functioning of internal audit.
- vii) It recommends appointment, remuneration and terms of 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, where financial statement is discussed. The Audit Committee discuss with the Statutory Auditors their findings on the working of the Company without the presence of the Management.



During the year, the Audit Committee had met fourteen times on April 26, April 28, July 28, July 30, August 05, August 09, August 12, October 12, October 27, November 03, November 28, 2022, January 24, January 28 and March 27, 2023. 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, Chairman	14	6,60,000
2.	Mr. Sudarshan Sen	10	4,60,000
3.	Dr Tejendra Mohan Bhasin	14	6,60,000
4.	Mr. Neeraj Vyas	12	6,00,000

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

b. Nomination and Remuneration Committee (NRC)

The Committee has been delegated powers, role and responsibilities as required under section 178 of the Companies Act, 2013 and as per the Listing Regulation 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 Company has in place Policy on Fit and Proper Criteria of Directors and Nomination and Remuneration Policy for Directors, Key Managerial Personnel, Senior Management, and other employees in terms of the provisions of the Companies Act, 2013, and the Listing Regulations and can be accessed at <https://www.pnbhousing.com/investor-relations/corporate-governance/>. Details of remuneration paid to all the Directors forms part of the annual return MGT-7, available on the website.

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 thirteen times on April 04, April 12, April 25, May 09, June 03, June 29, August 01, August 08, September 01, September 08, October 20, December 19 and December 24, 2022. The details of attendance at the NRC Meetings are as under:

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Mr. R Chandrasekaran, Chairman	11	4,70,000
2.	Mr. Sunil Kaul	13	-

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
3.	Mr. Nilesh S Vikamsey	12	5,20,000
4.	Ms Gita Nayyar	11	4,70,000
5.	Mr Sudarshan Sen	11	5,10,000
6.	Mr Atul Kumar Goel (from 05.05.2022)	6	-
	Mr. Binod Kumar (Ceased on 21.10.2022)	3	-

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

c. Corporate Social Responsibility Committee (CSR)

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 met four times on June 24, September 23, 2022, February 7 and March 29, 2023. 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, Chairman	4	2,00,000
2.	Mr. R Chandrasekaran	4	2,00,000
3.	Mr. Sudarshan Sen	3	1,50,000
4.	Mr. Girish Kousgi (From 21/10/2022)	2	-
	Mr. Hardayal Prasad (Ceased from 20/10/2022)	2	-

d. Stakeholders Relationship Committee (SRC)

The Committee oversees investor relations, recommend to the Board raising of equity share capital and allotment of equity shares and investors' grievances. The Committee has been delegated powers, role and responsibilities as required under section 178 of the Companies Act, 2013 and as per the Listing Regulations, as amended.

During the year, the SRC Committee has met five times on June 16, November 29, 2022, February 09, March 22 and March 27, 2023.

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Ms Gita Nayyar, Chairperson	5	2,50,000
2.	Mr Atul Kumar Goel (From 05.05.2022)	5	-
3.	Mr. Sunil Kaul	5	-

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
4.	Mr. Girish Kousgi (From 21/10/2022)	4	-
	Mr. Hardayal Prasad (Ceased from 20/10/2022)	1	-

e. Risk Management Committee

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 been delegated powers, roles, and responsibilities as per the Listing Regulation, as amended.

The Committee has met six times during the year on May 17, August 16, October 29, November 15, 2022, February 15, and March 23, 2023.

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Dr T M Bhasin, Chairman	6	2,80,000
2.	Mr. Sunil Kaul	5	-
3.	Mr. Neeraj Vyas	6	2,80,000
4.	Mr. Girish Kousgi (From 21/10/2022)	4	-
	Mr. Hardayal Prasad (Ceased from 20/10/2022)	2	-

Leave of absence was granted to the concerned Director who could not attend the Committee Meetings

Risk Management policies

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 constituent 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.

None of the risks faced by the Company threaten its existence. The Company has in place the board level Risk Management Committee. The terms of reference and the composition forms part of the Report. The Company has also in place the designated Chief Risk Officer in compliance of the RBI Master Directions. The Risk Management Committee reviews various risks faced by the Company and also monitor the measures undertaken to mitigate the same.

f. Credit Committee (CCB)

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 also delegated powers to sanction loans to the Committee.

During the year, the CCB had met thirteen times on May 18, June 15, July 25, August 10, September 05, December 15, December 23, December 31, 2022, January 04, January 18, February 13, February 25 and March 17, 2023. The details of attendance at the CCB Meetings are as under.

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Mr. Neeraj Vyas, Chairman	12	5,80,000
2.	Mr. Kapil Modi	11	-
3.	Mr. Pavan Kaushal (From 27/10/2022)	8	4,00,000
4.	Mr. Girish Kousgi (From 21/10/2022)	8	-
	Mr. Hardayal Prasad (Ceased from 20/10/2022)	4	-

Leave of absence was granted to the concerned directors who could not attend the Committee Meetings



g. IT Strategy Committee

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, benefits and IT budget. It monitors the method that 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 June 21, October 06, November 15, 2022 and March 21, 2023. 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, Chairman	4	2,00,000
2.	Mr. Kapil Modi	4	-
3.	Mr. Pavan Kaushal (From 27/10/2022)	1	50,000
4.	Mr. Girish Kousgi (From 21/10/2022)	2	-
	Mr. Hardayal Prasad (Ceased from 20/10/2022)	2	-

KEY MANAGERIAL PERSONNEL

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. Girish Kousgi, Managing Director & CEO (w.e.f. 21/10/2022)
- Mr. Vinay Gupta, Chief Financial Officer (w.e.f. 26/10/2022)
- Mr. Sanjay Jain, Company Secretary and Chief Compliance Officer

Mr. Hardayal Prasad resigned as Managing Director & CEO, with effect from October 20, 2022. Mr Kapish Jain, resigned as Chief Financial Officer w.e.f. April 07, 2022 and Mr. Kaushal Mithani, Chief Financial Officer (Interim) resigned w.e.f. August 23, 2022.

The status of shareholders' complaints during Financial Year 2022-23, 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	N.A.	N.A.

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.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on April 04, 2022 and March 29, 2023. The Independent Directors met without the presence of Non-Independent Directors. 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

Independent Directors and Non-Executive Non-Nominee Directors are paid sitting fees and commission on net profits. During the year under review, the sitting fees payable to Independent Directors for attending meetings of the Board of Directors of the Company was revised from ₹50,000 to ₹1,00,000 per Board Meeting w.e.f. 30/05/2022. The sitting fees for attending the meetings of Committees of Board was revised from ₹30,000 to ₹50,000 per meeting w.e.f. 30/05/2022. The Commission payable to all the independent directors is restricted to 0.25% of the net profits of the Company as approved by the Shareholders of the Company.

Details of sitting fees and commission paid during Financial Year 2022-23 is provided in the Form MGT-7 which is placed on the website of the Company.

S. No.	Name	Sitting Fees paid		Commission paid	Total
		Board Meetings	Committee/ other Meetings		
1	Mr. R Chandrasekaran	13,50,000	9,50,000	15,00,000	38,00,000
2	Mr. Nilesh S Vikamsey	15,50,000	12,60,000	15,00,000	43,10,000
3	Mr. Neeraj Vyas	16,50,000	14,60,000	15,00,000	46,10,000
4	Dr Tejendra Mohan Bhasin	16,50,000	12,20,000	15,00,000	43,70,000
5	Mr. Sudarshan Sen	9,50,000	12,00,000	15,00,000	36,50,000
6	Ms. Gita Nayyar	15,50,000	8,00,000	12,50,000	36,00,000
7	Mr. Pavan Kaushal	7,00,000	5,00,000	-	12,00,000
8	Mr. Ashwani Kumar Gupta (Ceased on 11.05.2022)	1,50,000	30,000	15,00,000	16,80,000
	Total	95,50,000	74,20,000	1,02,50,000	2,72,20,000

Managing Director & CEO

Mr. Girish Kousgi is the Managing Director and CEO of the Company for a period of four years with effect from October 21, 2022, till October 20, 2026. Mr. Hardayal Prasad was the Managing Director and CEO of the Company up to October 20, 2022.

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. The Managing Director & CEO of

the Company has not received any commission from the subsidiaries of the Company.

Details of remuneration paid/payable to the Managing Director during the year under review is provided in Form MGT-7. Details of ESOP Options of Managing Director:

Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of remuneration	Total amount (₹)	
		Mr. Hardayal Prasad	Mr. Girsih Kousgi
1	Gross Salary		
	a) Salary (as per provisions contained in section 17(1) of the Income tax Act, 1961	1,30,88,447	1,09,83,494
	b) Value of perquisites under section 17(2) of the Income tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	-	-
2	Stock Option	Separate Table	Separate Table
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	Performance Bonus	*	
	Total	1,30,88,447	1,09,83,494

* Hardayal Prasad, was paid ₹2.50 crore as ex-gratia amount in lieu of performance bonus for the previous financial year FY 2021-22, pro-rata performance bonus for the services rendered till the exit date during the financial year 2022-23, salary in lieu of 90 days' notice period as ex-gratia and goodwill payment as additional ex-gratia.

- a. First tranche: ₹1.25 crore was paid in FY 2023.
b. Second tranche: ₹1.25 crore was paid in FY 2024.

Name	Grant Date	Options Granted	Vesting Period	No. of options exercised
Mr. Hardayal Prasad	August 19, 2020	5,50,000	The ESOPs vesting was 10% in Year 1, 20% in Year 2, 30% in Year 3 and 40% in Year 4.	1,65,000 (The balance 70% options have lapsed post his resignation from the Board w.e.f Oct. 20, 2022)
Mr. Girish Kousgi	October 21, 2022	5,75,000	The ESOPs shall vest 20% in Year 1, 20% in Year 2, 30% in Year 3 and 30% in Year 4.	-

BOARD EVALUATION

This Board's 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 evaluation of performance of the Board of Directors, Board Committees and individual Directors was carried out during the year on the basis of a structured questionnaire comprising of evaluation criteria forming part of the policy, through peer evaluation, excluding the Director being evaluated.

Evaluation criteria for Board includes communication with management, succession planning, independence, remuneration, strategy and performance, conflict of interest, culture, frequency of meetings, agenda, training, qualification, evaluation of risk, performance evaluation, access to management etc. Evaluation criteria for Committees includes contribution, effectiveness, independence, composition, structure and meetings.

Evaluation criteria for individual directors includes fulfilment of functions, knowledge and skill, participation and personal attributes.

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

Pehel 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.

The subsidiaries are not material subsidiary within the meaning of the Listing Regulations. The Company has formulated a policy for determining material subsidiary, which is available on Company's website at <https://www.pnbhousing.com/investor-relations/corporate-governance/>.

EMPLOYEE STOCK OPTION SCHEME (ESOS)/ RESTRICTED STOCK UNIT SCHEME

The disclosures as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended, have been placed on the website of the Company.



PROCEEDS FROM PRIVATE PLACEMENT OF DEBT ISSUES

During the year, the Company has raised ₹150 crore of secured NCDs through private placements in one series. As specified in the offer document, the funds were utilised for onward lending.

TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

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

None of the Directors are related to each other.

SHAREHOLDING OF DIRECTORS

The details of shareholding of Directors are disclosed in MGT-7 form available on the website of the Company at <https://www.pnbhousing.com/investor-relations/annual-reports/>.

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, as amended from time to time.

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. 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 is placed on the website of the Company.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

During the year under review, the Company has adhered to the internal Guidelines on Corporate Governance adopted in accordance with the clause 55 of the Chapter IX of the - Corporate Governance of RBI Directions, which, inter-alia, defines the legal, contractual and social responsibilities of the

Company towards its various stakeholders and lays down the Corporate Governance practices of the Company. The said Policy is available on the website of the Company and can be accessed at <https://www.pnbhousing.com/investor-relations/corporate-governance/>

GENERAL PROCEDURE FOR POSTAL BALLOT

1. The notices containing the proposed resolutions and explanatory statement are sent to the Shareholders at the addresses registered with the Company along with a Postal Ballot Form and a postage pre-paid envelope containing the address of the Scrutinizer appointed by the Board for carrying out the Postal Ballot process.
2. The Postal Ballot Forms received within 30 days of despatch are considered by the Scrutinizer.
3. The Scrutinizer submits his report to the Chairman/ authorized person of the Company, who based on the report announces the results.
4. 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.

TOTAL FEES PAID TO STATUTORY AUDITORS BY COMPANY AND ITS SUBSIDIARY FOR ALL THE SERVICES DURING FINANCIAL YEAR 2022-23

During the year, the Statutory Auditors received a total remuneration of ₹1.08 crore from the Company and ₹0.09 crore from its subsidiaries. The remuneration pertains to fees for audit, internal financial control reporting, limited reviews, tax audits and taxation services, certifications and other matters and reimbursement of expenses. In addition, the Statutory Auditors were paid fees in relation to the Rights Issue related services amounting to ₹0.65 crore (excluding applicable taxes).

INTERNAL FINANCIAL CONTROL

The Company has an Internal Audit Department to conduct audit of functional areas and operations of the Company, the adequacy of compliance with policies, procedures, statutory and regulatory requirements. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Significant audit observations and corrective actions thereon are presented to the Audit Committee every quarter. The Audit Committee reviews and evaluates adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

The Audit Committee and Board of Directors have approved a documented framework for the internal financial control to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the

accounting records and timely preparation of reliable financial information and disclosures.

DISCLOSURES

Related Party Transactions

The Policy on Related Party Transactions as approved by the Board is available on 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 of interest with 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, with 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 and PNB Gilts Limited in the ordinary

Eight special resolutions were passed at the previous four General Meetings.

course of business. The relevant extracts from Related Party Transaction Policy is given in a separate annexure. For full details please refer our website www.pnbhousing.com

Accounting Standards / Treatment

The Company has complied with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('the Act') and rules made thereunder. The financial statements for the year have been prepared in accordance with Schedule III to the Companies Act, 2013.

Management Discussion and Analysis Report

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

General Meetings

The Annual General Meetings for the last 3 years were held on August 05, 2020 at 3.00 pm, September 03, 2021 at 3.00 pm and July 26, 2022 at 3.00 pm. One EGM was held on June 22, 2021 at 3.00 pm. Due to pandemic, the AGM/EGM were held through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) as permitted by MCA circular.

S.No	Particulars of General Meetings	Venue, location and time	Number of Special resolutions	Nature of resolutions
1	AGM - August 05, 2020	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1	To borrow funds and issue of bonds/ non-Convertible debentures and other debt securities.
2	AGM - September 03, 2021	do	1	To borrow funds and issue of bonds/ non-Convertible debentures and other debt securities.
3	EGM - June 22, 2021	do	2	Re-appointment of Mr. Chandrasekaran Ramakrishnan (DIN 00580842) as an Independent Director for a second term of 5 (five) years Re-appointment of Mr. Nilesh S Vikamsey (DIN 00031213) as an Independent Director for a second term of 5 (five) years.
4	AGM - July 26, 2022	do	4	To borrow funds and issue of Non-Convertible Debentures (NCDs) on private placement basis. Approval of Restricted Stock Unit Scheme 2022 of the Company Approval of Employees Stock Option Scheme (ESOP Scheme III 2022) of the Company Approval of amendment in the Employees Stock Option Scheme 2016.

During the year, the Company had issued following Postal Ballot notices 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, 33/2020, 39/2020, 10/2021 and 20/2021 issued by the Ministry of Corporate Affairs ("MCA") dated April 08, 2020, April 13, 2020, September 28, 2020, December 31, 2020, June 23, 2021 and December 08, 2021 respectively, ("MCA Circulars"), for seeking the consent of Shareholders for approval.

- On March 09, 2022 for appointment of Mr Binod Kumar as Non-Executive Nominee Director. As per the Scrutinizer's Report, the resolution was approved as embodied in the Postal Ballot Notice with the requisite majority as on the last date of e-voting on April 08, 2022.
- On April 13, 2022 for approval of material related party transactions with Punjab National Bank and PNB Gilts Limited. The resolution was approved as embodied in the



Postal Ballot Notice with the requisite majority as on the last date of e-voting on May 18, 2022.

- c. On November 21, 2022 for appointment of Mr. Girish Kousgi (DIN 08524205) as Managing Director and Chief Executive Officer of the Company, appointment of Mr. Pavan Kaushal (DIN 07117387) as an Independent Director and appointment of Mr. Dilip Kumar Jain (DIN 06822012) as Non-Executive Nominee Director on the Board of the Company. As per the Scrutinizer's Report, the resolutions were approved as embodied in the Postal Ballot Notice with the requisite majority as on the last date of e-voting on December 22, 2022.

The Company had appointed Dr S. Chandrasekaran (Membership No. FCS 1644, CP NO. 715) failing him Mr. Rupesh Agarwal (Membership No. ACS 16302, CP NO. 5673), failing him Mr. Shashikant Tiwari (Membership No, FCS 11919, CP. No. 13050), Partners of M/s Chandrasekaran Associates, Company Secretaries, New Delhi as the Scrutinizer for conducting the e-Voting process in a fair and transparent manner. Accordingly, the above Postal Ballot(s) were conducted by the scrutinizer and a report was submitted.

Details of voting pattern and scrutinizer's report is placed on the website of the company www.pnbhousing.com.

As of now, no special resolution is proposed to be conducted through postal ballot.

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 on March 31, 2023 except 6 shares, remaining equity shares of the Company are held in dematerialized form.

The Company has paid the listing fees for the year 2022-23 as per the Listing Regulations to the respective stock exchanges.

Investor Relations

The Company has 1,08,269 shareholders as on March 31, 2023. 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 Report of Directors on Corporate Governance and Management Discussion and Analysis Report.

The Company has an evolved investor relations program. The Company's 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 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 regulations 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 newspapers and are communicated to the stock exchanges as per the provisions of the Listing Regulations, 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, has 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 the Financial Year 2022-23, 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/DDHS/DDHS-RACPOD1/P/ CIR/2023/001 dated January 5, 2023 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 the Listing Regulations 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 (www.pnbhousing.com). Company's website has helped to keep 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.

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

In accordance with the Listing Regulations, as amended, Mr. Girish Kousgi, the Managing Director & CEO and Mr. Vinay Gupta, the Chief Financial Officer 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 is moving towards a regime of unqualified financial statements. The Company shall endeavour to adopt non-mandatory requirements, as and when necessary.

COMPLIANCE

The Company has complied with the mandatory requirements as stipulated under Regulation 17 to 27, 46, 34(3) and 53 of the Listing Regulations. The Company has submitted the quarterly compliance status report to the stock exchanges within the prescribed time limit. The Company has also received a certificate from the Practising Company Secretary confirming that none of the Directors have been debarred or disqualified. During the year under review, the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under the Listing Regulations.

STRICTURES AND PENALTIES DURING LAST 3 YEARS

- a. During FY 2022-23, BSE Limited and NSE Limited have levied a penalty of ₹4.25 lakh each plus GST each on 21/11/2022 and 21/02/2023 for non-compliance with the proviso to Regulation 17 (1) (b) of Listing Regulations i.e., the Board of Directors of the listed entities where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors.
- b. During FY 2021-22, BSE Limited and National Stock Exchange of India Limited have levied a penalty of ₹2.70 lakh each plus GST each for delay in appointment of woman director. The National Housing Bank has imposed a monetary penalty of ₹0.80 lakh plus GST on the Company for non-adherence of policy circular no. 58 and 75.
- c. During FY 2020-21, the National Housing Bank has imposed a penalty of ₹190.00 lakh plus GST on the Company.

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 22, 2023

EXTRACTS FROM POLICY ON RELATED PARTY TRANSACTIONS

I. INTRODUCTION

PNB Housing Finance Limited (**'the Company'**) is a public limited company incorporated on November 1, 1988 under the Companies Act, 1956 (Corporate Identity Number L65922DL1988PLC033856). The Company is registered as a Housing Finance Company with the National Housing Bank (NHB) under the NHB Act, 1987.

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 requires a Company to adopt a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.

In view of the above, the Board of Directors (**"Board"**) of the Company has adopted the Policy on Related Party Transactions (**"Policy"**).

II. OBJECTIVE OF THE POLICY

The objective of this Policy is to set out:

- i. Materiality of Related Party Transactions;
- ii. Manner of dealing with the transactions between the Company and its Related Parties and other Related Party Transactions, as may be required, in accordance with the Companies Act, 2013, Regulation 23 of the SEBI Listing Regulations and any other statute, law, standards, regulations relating to Related Party Transactions; and
- iii. Laying down the guiding principles and mechanism to ensure proper approval, disclosure and reporting of transactions as applicable in the best interest of the Company

III. DEFINITIONS

- i. **'Act'** means the Companies Act, 2013, as amended from time to time.
- ii. **'Arm's Length Transaction'** means a transaction between the Company and its Related Party(ies) that is conducted as if they are unrelated, so that there is no conflict of interest.



- iii. **'Audit Committee'** means Audit Committee of Board of Directors of the Company constituted under provisions of the Act and SEBI Listing Regulations.
- iv. **'Board of Directors'** or **'Board'** means Board of Directors of the Company as constituted from time to time.
- v. **'Company'** means PNB Housing Finance Limited.
- vi. **'Compliance Officer'** may be a Company Secretary of the Company or any other person as may be authorized by the Board for this purpose.
- vii. **"Material modification"** shall mean any modification made in the terms and conditions of any ongoing or proposed Related Party Transaction, as originally approved which, individually or taken together with previous modifications during a financial year, results in variation in the value of the Related Party Transaction, as tabulated in the Annexure (except for the specified transactions covered as per the Act) or has significant impact on the nature, tenure, exposure, as may be determined by the Audit Committee from time to time;

Provided that a modification shall be material, if by such modification, the terms of the contract cease to be arms' length.

Provided further that the following shall not be considered as material modification -

- modifications which may be mandated pursuant to change in law;
- modifications pursuant to and in accordance with the terms of the approved transaction/contract apart from the above defined material modification;
- modifications resulting from change in constitution of either of the parties pursuant to schemes of arrangement (e.g. merger, amalgamation, demerger, etc.) approved by appropriate authority;
- modifications which are purely technical and do not result in substantive change or alteration of rights, interests, and obligations of any of the parties;
- modifications uniformly affected for similar transactions with unrelated parties;

viii. **'Material Related Party Transaction'**

A. Under the SEBI Listing Regulations:

- a. means transaction with a Related Party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹1,000 crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is less.
- b. a transaction involving payments made to a Related Party with respect to brand usage or

royalty shall also be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

B. Under the Act:

means transactions as defined under Section 188(1) of the Act with Related Parties as defined under Section 2(76) of the Act where the aggregate value of the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the limits as prescribed under the Act from time to time. Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 prescribes the specified transactions and threshold limits as tabulated below:

Prescribed transaction categories	Threshold Limits
Sale, purchase or supply of any goods or material (directly or through an agent)	Amounting to 10 per cent or more of turnover of the Company
Selling or otherwise disposing of, or buying, property of any kind (directly or through an agent)	Amounting to 10 per cent or more of net worth of the Company
Leasing of property of any kind	Amounting 10 per cent or more of turnover of the Company
Availing or rendering of any services (directly or through an agent)	Amounting to 10 per cent or more of turnover of the Company
Appointment to any office or place of profit in the company, subsidiary company or associate company	Remuneration exceeding ₹2.5 lakh per month of the Company
Underwriting the subscription of any securities or derivatives of the company	Remuneration exceeding one per cent of net worth of the Company

ix. **'Related Party(ies)'** shall have the same meaning as defined under the Act, SEBI Listing Regulations and Indian Accounting Standards (Ind AS) including all amendments and modifications thereof from time to time.

Further, as per SEBI Listing regulation:

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (b) any person or any entity, holding equity shares:
 - (i) of twenty per cent or more; or

- (ii) of ten per cent or more, with effect from April 1, 2023;

in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party.

- x. **'Related Party Transaction'** means a transaction involving transfer of resources, services or obligations between:
 - (i) the Company or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand with effect from April 1, 2022; or
 - (ii) the Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023; whether a price is charged or not.

A transaction with a Related Party shall be construed to include a single transaction or a group of transactions in a contract.

- xi. **'SEBI Listing Regulations'** mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereof.
- xii. **"Specified Transaction"** means the transaction which has been specified in Section 188 of the Act.
- xiii. **'Stock Exchange'** means the stock exchange where equity shares of the Company are listed.
- xiv. **'Turnover'** Turnover or Net Worth shall be on the basis of the Audited Financial Statement of the preceding Financial year.

Unless the contrary is apparent from context, words and expressions used and not defined in this Policy shall have the same meaning as contained in the Act read with rules made thereunder, the SEBI Listing Regulations or any other cognate statute.

IV. MANNER OF DEALING WITH RELATED PARTY TRANSACTION

IV.1. Identification of Related Parties and Related Party Transactions:

- i. Every Director and/or Key Managerial Personnel of the Company shall disclose to the Compliance Officer in form MBP-1, at the time of his appointment, in beginning of every financial year and wherever there is any changes in the disclosures so made, about all persons, entities, firms, or other organizations in which he/ she is interested along with unique identification number/ PAN, whether directly or indirectly including details of relatives etc.

- ii. The Chief Financial Officer shall maintain a complete list of Related Parties, and update the same as and when any change is necessitated. The list shall be disseminated to all business functionaries for their ready reference while undertaking any transaction.
- iii. Besides, the Chief Financial Officer shall also maintain a list of Related Parties of its subsidiaries, which may be sourced from respective subsidiaries on a periodic (quarterly) basis or as and when needed. Adequate systems must be in place to ensure that the RPTs in which the Company is not a party, but the subsidiary is a party, shall be brought to the information of the Company in a timely manner, for necessary approvals, wherever required.
- iv. The Chief Financial Officer will be responsible for providing prior notice to the Compliance Officer 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.
- v. The suggested details and list of records and supporting documents which are required to be provided to the Audit Committee, Board and shareholders of the Company for the proposed Related Party Transaction are provided in **Annexure II** to this Policy.
- vi. 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. The Audit Committee shall have the right to obtain external professional advice in relation to related party transactions.

IV.2. Approval Mechanism for Related Party Transaction

IV.2.1. Approval by the Audit Committee

All Related Party Transactions and Material Modification(s) thereto shall require **prior** approval of the Audit Committee irrespective of whether such transactions are in the ordinary course of business and/ or at arm's length or not.

Prior approval of the Audit Committee of the listed entity shall also be required in case of a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of annual consolidated turnover (w.e.f. April 1, 2023, 10% of the annual standalone turnover, as per the last audited financial statements of the



subsidiary), as per the last audited financial statements of the Company;

However, such prior approval shall not be required for (i) a related party transaction wherein Regulation 23 is applicable to such subsidiary, since in that case prior approval of the audit committee of the subsidiary will be obtained; and (ii) such other transactions which may be exempted under the Listing Regulations, from time to time.

Approval of the Audit Committee shall not be required for any transaction which has been entered into by the Company with its wholly owned subsidiary or transactions entered into between two wholly- Owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the General Meeting for approval. However, approval shall be required in case of Specified Transaction between the Company and its wholly owned subsidiary company.

Transactions for which prior approval has been accorded by the Audit Committee, should be placed for review by the Audit Committee at such intervals, as may be decided by the Audit Committee, but least on an annual basis.

Only those members of the Audit Committee who are independent directors, shall approve Related Party Transactions. Any member of the Audit Committee who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

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 keeping in mind repetitiveness and justification for the need for the 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:

- i. 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.
- ii. The omnibus approval granted by the Audit Committee shall indicate the following :-
 - a. name of the Related Party(ies);
 - 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:
- iii. 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).
- iv. 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.
- v. The omnibus approval provided by the Audit Committee shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.
- vi. Such omnibus approval shall not be made by the Audit Committee for the transactions in respect of selling or disposing of the undertaking of the Company.

IV.2.2. Approval by the Board

- i. Related Party Transaction shall require Board approval in the following cases:
 - a. If the Related Party 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; or
 - d. the Related Party Transaction needs to be approved by the Board under any law for the time being in force.

- ii. Approval of the 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.
- iii. The considerations set forth above in case of Audit Committee shall also apply to the Board's review and approval of the proposed Related Party Transaction with such modification as may be necessary or appropriate under the circumstances.
- iv. Any member of the Board who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

IV.2.3. Approval by the Members

Unless exempted under the Act/SEBI Listing Regulations, as the case may be, all Material Related Party Transactions and subsequent Material Modifications shall require prior approval of the shareholders by way of an ordinary resolution. No Related Party(ies) shall vote to approve such resolutions whether the person/entity is a related party to the particular transaction or not.

Approval of the members shall not be required for any transaction which has been entered into by the Company with its wholly owned subsidiary or transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the General Meeting for approval.

Type of RPT	Approving body		
	Audit Committee	Board	Shareholders
Material RPTs	●		●
Material modifications in RPTs, where RPT is material	●		●
Material modifications in RPTs, where RPT is not material	●		
Not in ordinary course / arm's length & not material	●	●	
Not in ordinary course / arm's length & material	●	●	●

IV.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:

- i. 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;
- ii. 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;
- iii. 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
- iv. 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.

V. 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 the transaction 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 Chief Financial Officer/ Compliance Officer 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 in accordance with the provisions of the Act/Listing Regulations.

VI. DISCLOSURES AND REPORTING

The Company shall make all disclosures and reporting in accordance with the provisions of applicable laws, including the following -

- 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 Annual Report shall contain Related Party disclosure in accordance with all applicable laws, including accounting standards and RBI Master Directions.
- iii. The Compliance Officer shall also make necessary entries in the Register of Contracts or Arrangement required to be maintained under the Act.



- iv. Details of all Material Related Party Transactions with its Related Parties and 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount shall be disclosed in the quarterly compliance report on corporate governance as per the provisions of SEBI Listing Regulations.
 - v. The Company shall submit within 15 days from the date of publication of its standalone and consolidated financial results for the half year (and on the date of publication of its standalone and consolidated financial results, w.e.f. April 1, 2023), disclosures of Related Party Transactions on a consolidated basis, in the format specified in the SEBI Listing Regulations as amended from time to time and publish the same on its website.
 - vi. The Company shall disclose the Policy on dealing with Related Party Transactions on its website and also in the Annual Report, in accordance with RBI Master Directions.
- buy-back of securities;
 - Acceptance of fixed deposits by the Company at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of Related Party Transactions every six months to the stock exchange(s), in the format as specified by the Board
 - such other exclusions and exemptions as may be provided under the Act/ SEBI Listing Regulations, or other applicable laws from time to time.

VIII. POLICY REVIEW AND DISSEMINATION

This Policy shall be reviewed annually by the Board or at earlier intervals as deemed necessary. Consequent upon any change in the SEBI Listing Regulations/Act or any other applicable law/ regulatory guidelines, if any, such change to the extent applicable to the Company, shall be deemed to be a part of this Policy.

The Company shall upload this Policy on its website and a web link of the same will be provided in the Annual Report.

VII. NON APPLICABILITY

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

The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

The following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

- payment of dividend;
- subdivision or consolidation of securities;
- issuance of securities by way of rights issue or a bonus issue; and

IX. INTERPRETATION

Any ambiguities, interpretative issues, difficulties will be resolved by the Board of Directors of the Company in line with the broad intent of this Policy read with the applicable provisions of the Act, rules made thereunder, and the SEBI Listing Regulations.

In the event of any conflict between the provisions of this Policy and the Act or the SEBI Listing Regulations or any other statutory enactments or rules, the provisions of the SEBI Listing Regulations / the Act or statutory enactments, rules made thereunder shall prevail over to this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

ANNEXURE I

Material Modification on type of Related Party Transactions

Type of Transactions	Variation in the value of transaction (%)	Variation in the nature	Variation in tenure (%)	Variation in exposure
Loans raised – External commercial borrowings – Non-Convertible debentures – Commercial Paper – Term Loans/ working capital loans/ Overdraft/ cash credit – Fee/charges in relation to above	10	Secured converted to unsecured or vice versa	10	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Interest expense on the loan raised	NA	Secured converted to unsecured or vice versa	10	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Fixed deposit made	10	Premature withdrawal / Variation in the basis of computation of deposit rates	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Fixed deposit accepted	10	Variation in the basis of computation of deposit rates	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Interest income / expense on fixed deposit made / accepted	NA	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Assignment of loan including the servicing fees earned in relation to the assignment	10	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Routine banking transactions in the current account maintained with bank in line with bank mandate (including collection or disbursement of loans and incidental bank charges)	NA	NA	NA	NA
Sale / purchase of government securities	10	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Rent, maintenance and other fees/charges	10	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Remuneration, sitting fees, commission etc. to Key Managerial / Management Personnel	NA	NA	NA	The underlying policy approved by the Board / Committee governing the policy.
Donation for CSR	NA	NA	NA	The underlying policy approved by the Board / Committee governing the policy.



ANNEXURE II

INFORMATION TO BE PROVIDED IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION)

- i. Name, PAN of the Related Party and nature of relationship;
- ii. Nature and duration of the contract/transaction and particulars thereof;
- iii. Material terms of the contract or arrangement or transaction including the value, if any;
- iv. In case of existing or approved contracts, transactions, details of proposed variations to the duration, current price/ value and / or material terms of the contract or arrangement including a justification to the proposed variations;
- v. Any advance paid / received or to be paid / received for the contract or arrangement, if any;
- vi. Manner of determining the pricing and other commercial terms, whether or not included as part of contract;
- vii. Copy of the draft MOU, agreement, contract, purchase order or correspondence etc. if any.
- viii. Applicable statutory provisions, if any;
- ix. Valuation reports in case of sale or purchase or leasing/ renting of capital assets or securities; if any.
- x. Justification as to the arm's length nature of the proposed transaction;
- xi. Declaration whether the transaction is in the ordinary course of business;
- xii. Any other information prescribed under applicable regulation or relevant for the Committee / Board to take a decision on the proposed transaction.

ANNEXURE 4

GENERAL SHAREHOLDERS' INFORMATION

[Pursuant to Point 9 of Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

35th Annual General Meeting

Date: August 10, 2023

Day: Thursday

Time: 4:00 P.M. (IST)

Venue: Audio Video Means

FINANCIAL YEAR

The Company follows financial year starting from April 1st of every year and ending on March 31st of the following year.

DIVIDEND PAYMENT

The Board of Directors of Company have not declared any dividend for the Financial Year 2022-23.

LISTING ON STOCK EXCHANGE

Equity Shares of PNB Housing Finance Limited are listed on the below mentioned Stock Exchanges. The International Securities Identification Number (ISIN) in respect of the equity shares of the Company is **INE572E01012**.

Stock Exchange	National Stock Exchange of India Limited (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

DEBT SECURITIES & COMMERCIAL PAPER

The Non-Convertible Debentures (NCDs) and Commercial Papers of PNB Housing Finance are listed for trading on the National Stock Exchange (NSE).

LISTING FEES

The Company confirms payment of Annual Listing fees to NSE and BSE for the financial year 2023-24.

STOCK MARKET PRICE DATA

The High and Low price (based on daily closing prices) and the volume of equity shares traded during each month in FY 2023 on NSE and BSE, are as under:

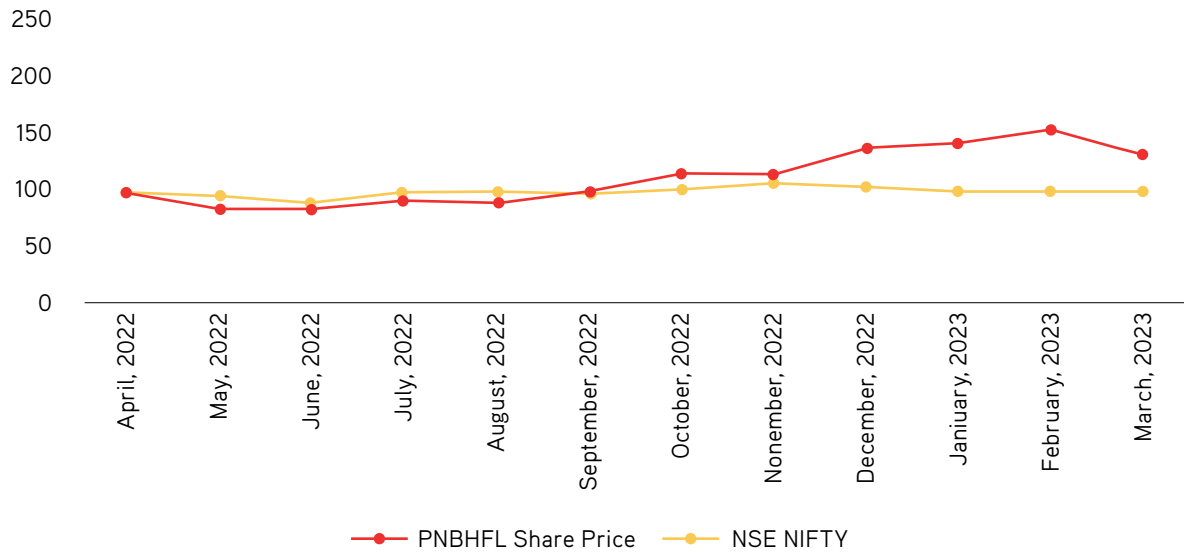
Month	NSE			BSE		
	High(₹)	Low(₹)	Total Equity Volume	High(₹)	Low(₹)	Total Equity Volume
Apr-2022	426.60	375.00	68,10,324	426.15	375.20	6,45,473
May-2022	377.85	311.45	27,99,325	377.90	312.00	4,29,017
Jun-2022	409.00	318.05	1,26,85,507	409.95	317.50	7,49,734
Jul-2022	365.00	324.10	38,62,461	365.00	323.40	3,05,419
Aug-2022	378.75	341.50	66,80,608	378.90	341.95	3,63,973
Sep-2022	454.00	349.95	2,06,97,935	453.80	348.55	23,63,731
Oct-2022	460.90	380.15	1,39,43,090	460.70	380.85	9,74,442
Nov-2022	454.35	415.00	61,48,288	454.10	411.45	5,33,210
Dec-2022	543.00	420.30	4,31,29,345	542.70	420.10	21,89,490
Jan-2023	600.50	521.05	3,97,69,056	600.85	520.45	22,17,739
Feb-2023	611.85	506.25	1,38,02,183	612.00	505.90	8,64,341
Mar-2023	654.80	462.50	2,67,80,899	654.25	464.00	12,28,663

Source: www.nseindia.com and www.bseindia.com



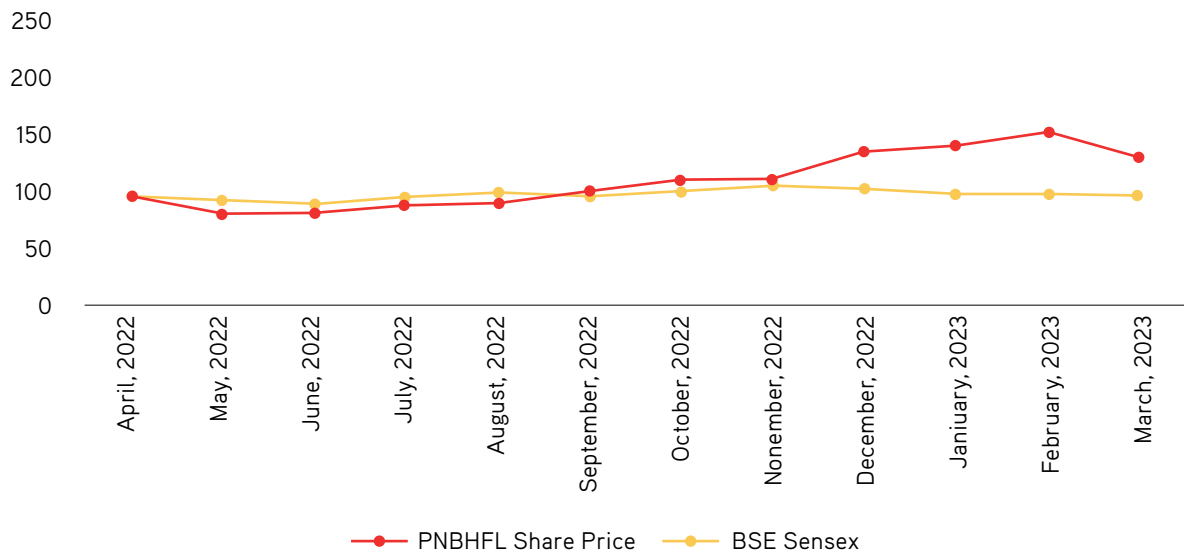
Performance of the Share Price of Company in comparison to broad base indices

PNBHFL share price & NSE Nifty 50 movement



Note: PNB Housing Finance share price and NSE Nifty 50 index values on April 1, 2022, have been baselined to 100.

PNBHFL share price & BSE Sensex 50 movement



Note: PNB Housing Finance share price and BSE Sensex index values on April 1, 2022, have been baselined to 100.

REGISTRAR AND TRANSFER AGENT

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

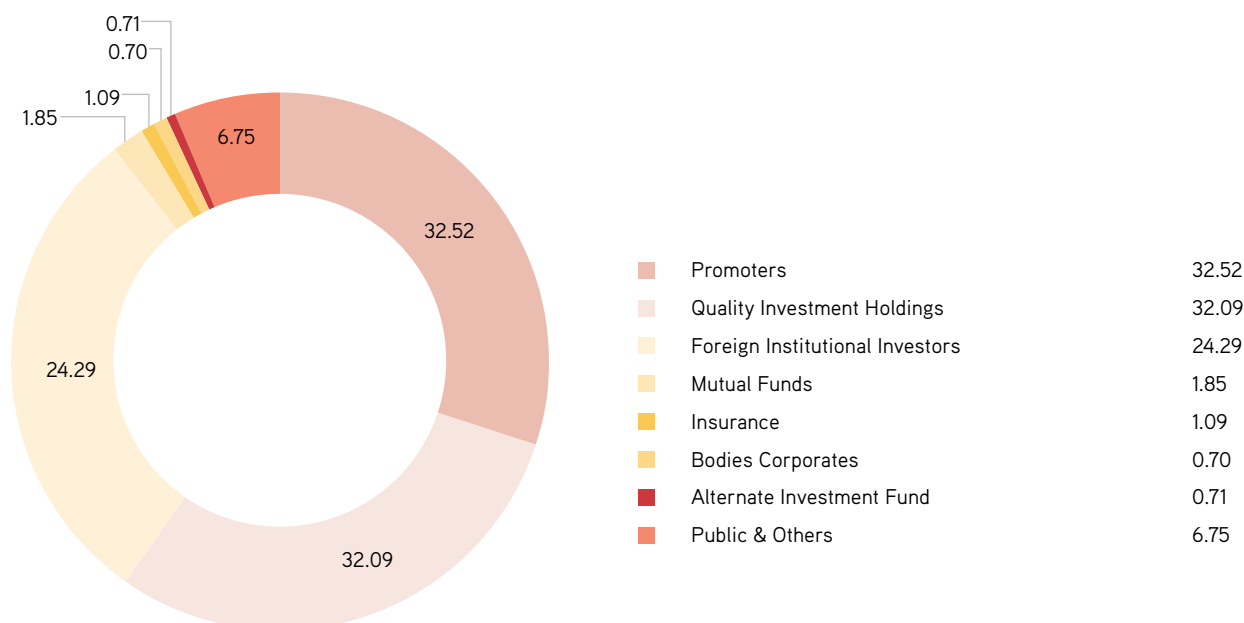
SHARE TRANSFER SYSTEM

All the equity shares of the Company are held in Dematerialized form except 6 shares which are held in physical form. The Registrar and Transfer Agent receives a weekly report from the Depository about the details of beneficiary and update their records. Certificates are being obtained and submitted to Stock Exchanges on yearly basis, from a Company Secretary in practice towards due compliance of share transfer formalities by the company within the due dates, in terms of Regulation 40 (9) of SEBI LODR Regulations, 2015.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023

S. NO.	Number of Shares	NO. OF SHARE HOLDERS	% OF TOTAL	TOTAL NO. SHARES	% OF TOTAL SHARES
1	1 to 500	1,06,829	97.01	49,16,380	2.91
2	501 to 1000	1,704	1.55	13,13,032	0.78
3	1001 to 2000	736	0.67	10,90,114	0.65
4	2001 to 3000	288	0.26	7,15,214	0.42
5	3001 to 4000	115	0.10	4,08,270	0.24
6	4001 to 5000	101	0.09	4,72,232	0.28
7	5001 to 10000	144	0.13	10,56,820	0.63
8	10001 to above	207	0.19	15,88,83,756	94.09
	Total	1,10,124	100.00	16,88,55,818	100.00

SHAREHOLDING PATTERN AS ON MARCH 31, 2023





Top 10 shareholders of the Company as on March 31, 2023

Sl. No.	Particulars	Number of equity shares held	Percentage of holding
1	Punjab National Bank	5,49,14,840	32.52
2	Quality Investment Holdings PCC	5,41,92,300	32.09
3	Investment Opportunities V Pte. Limited	1,66,87,956	9.88
4	General Atlantic Singapore Fund FII Pte Ltd	1,65,93,240	9.83
5	Tata Mutual Fund- Tata Equity P/E Fund	16,00,000	0.95
6	Pioneer Investment Fund	10,80,000	0.64
7	United India Insurance Company Limited	8,97,502	0.53
8	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	8,05,946	0.48
9	Vanguard Total International Stock Index Fund	7,94,055	0.47
10	Morgan Stanley Asia (Singapore) Pte. - ODI	7,42,859	0.44

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 annual 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

The Company does not have any outstanding convertible instruments as on March 31, 2023.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During Financial Year 2022-23, 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 were never suspended from trading since its listing.

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:

PNB Housing Finance Limited

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

CREDIT RATING

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

Instrument	Rating Agency	Latest Ratings Assigned (As on March 31, 2023)	Migration during the year	Rating as on April 01, 2022
Fixed Deposit	CRISIL Limited	AA (Outlook-Stable)*	Outlook revised from Negative to Stable	FAA+ (Outlook-Negative)
	CARE Ratings Limited	AA (Outlook- Stable)	No change	AA (Outlook- Stable)
Non-Convertible Debentures	CRISIL Limited	AA (Outlook-Stable)*	Outlook revised from Negative to Stable	AA (Outlook- Negative)
	ICRA Limited	AA (Outlook- Stable)^	Outlook revised from Negative to Stable	AA (Outlook- Negative)
	India Ratings Limited	AA (Outlook- Stable)#	Outlook revised from Negative to Stable	AA (Outlook- Negative)
	CARE Ratings Limited	AA (Outlook- Stable)	No change	AA (Outlook- Stable)
Commercial Papers	CRISIL Limited	A1+	No change	A1+
	CARE Ratings Limited	A1+	No change	A1+
Bank Loans	CRISIL Limited	AA (Outlook-Stable)*	Outlook revised from Negative to Stable	AA (Outlook- Negative)
	CARE Ratings Limited	AA (Outlook- Stable)	No change	AA (Outlook- Stable)

^ICRA revised the outlook of rating to stable from negative vide press release dated April 12, 2022.

*CRISIL revised the outlook of rating to stable from negative vide press release dated October 21, 2022.

#India Ratings Limited revised the outlook of rating to stable from negative vide press release dated February 27, 2023.


VLA & ASSOCIATES
COMPANY SECRETARIES

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]

The Members

PNB Housing Finance Limited

9th Floor, Antriksh Bhawan,
22 K G Marg, New Delhi-110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PNB Housing Finance Limited** having CIN L65922DL1988PLC033856 and having registered office at Office no. 9th Floor, Antriksh Bhawan, 22 KG Marg, New Delhi- 110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs, or any such other Statutory Authority, for the Financial Year ended on March 31, 2023.

Sl. No.	Name of Directors	Category	DIN	Date of appointment	Date of cessation, if any
1.	Mr. Sunil Kaul	Non-Executive - Nominee Director	05102910	05.03.2015	-
2.	Mr. Chandrasekaran Ramakrishnan	Non-Executive - Independent Director	00580842	07.10.2015	-
3.	Mr. Nilesh Shivji Vikamsey	Non-Executive - Independent Director	00031213	22.04.2016	-
4.	Mr. Ashwani Kumar Gupta	Non-Executive - Independent Director	00108678	12.05.2017	11.05.2022
5.	Mr. Tejendra Mohan Bhasin	Non-Executive - Independent Director	03091429	02.04.2020	-
6.	Mr. Neeraj Madan Vyas	Non-Executive - Non Independent Director	07053788	01.09.2020	-
7.	Mr. Sudarshan Sen	Non-Executive- Independent Director	03570051	01.10.2020	-
8.	Mr. Kapil Modi	Non-Executive - Nominee Director	07055408	01.10.2020	-
9.	Ms. Gita Nayyar	Non-Executive - Independent Director	07128438	29.05.2021	-
10.	Mr. Hardayal Prasad	Managing Director and CEO	08024303	10.08.2020	20.10.2022
11.	Mr. Binod Kumar	Non-Executive - Nominee Director	07361689	12.01.2022	21.10.2022
12.	Mr. Dilip Kumar Jain	Non-Executive - Nominee Director	06822012	04.11.2022	-
13.	Mr. Atul Kumar Goel	Non-Executive - Nominee Director	07266897	28.04.2022	-
14.	Mr. Kousgi Sreenivasa Murthy Girish	Managing Director and CEO	08524205	21.10.2022	-
15.	Mr. Pavan Pal Kaushal	Non-Executive - Independent Director	07117387	27.10.2022	-

- Mr. Binod Kumar (07361689) was appointed as Additional Director on 12th January, 2022 and on 08th April, 2022 was appointed as Nominee Director through Postal Ballot. Furthermore, he is ceased to be Director w.e.f. 21st October, 2022.
- Mr. Atul Kumar Goel (DIN: 07266897) was appointed as Additional Director w.e.f. 28th April, 2022 and on 26th July, 2022, was appointed as a Nominee Director through the resolution passed at AGM.
- Mr. Kousgi Sreenivasa Murthy Girish (DIN: 08524205) was appointed as Managing Director and Chief Executive Officer w.e.f. 21st October, 2022 and on 22nd December, 2022, was appointed as Managing Director and Chief Executive Officer through Postal Ballot.
- Mr. Pavan Pal Kaushal (DIN: 07117387) was appointed as Additional Director w.e.f. 27th October, 2022 and on 22nd December, 2022, was appointed as Independent Director through Postal Ballot.
- Mr. Dilip Kumar Jain (DIN: 06822012) was appointed as Nominee Director w.e.f. 04th November, 2022 and on 22nd December, 2022, was appointed as Nominee Director through Postal Ballot.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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
Practicing Company Secretaries

Sd/-

Vishal Lochan Aggarwal

(Proprietor)

Membership No.: F7241

C. P. No.: 7622

UDIN: F007241E000459902

Date: 06.06.2023

Place: New Delhi

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)	(i) Banking Transactions/ loan transactions/ credit facility/ term deposit/investment in securities issued by the Company (ii) Assignment/ securitisation/ sale of loan assets (iii) Acceptance/Placing of Fixed Deposits (iv) Any other related transactions for the relevant period on an ongoing basis. (The value of transactions is disclosed in notes to accounts)	April 01, 2022 to March 31, 2023	All the transactions were in the ordinary course of business and at arms' length and were duly approved by the Audit Committee of Board and Members of the Company. The transactions with Punjab National Bank are banking transactions with a large public sector bank.	The Company has taken omnibus approval of the Audit Committee on March 26, 2022.	Nil
2.	PNB Gilts Limited (Subsidiary of Promoter)	(i) Sale/purchase of securities (ii) Maintenance of SGL Account (iii) Any other related transactions for the relevant period on an ongoing basis. (The value of transactions are disclosed in notes to accounts)	- do -	All the transactions are in ordinary course of business and at arms' length and were duly approved by the Audit Committee of Board and Members of the Company. The transactions with PNB Gilts Limited (Subsidiary of PNB) are in the nature of sale and purchase of securities and payment of brokerage and fees.	The Company has taken omnibus approval of the Audit Committee on March 26, 2022.	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 22, 2023
Place: New Delhi

Girish Kousgi
Managing Director & CEO

Atul Kumar Goel
Non-Executive Director