



ANNEXURE TO DIRECTORS' REPORT - 3

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Philosophy on Corporate Governance

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

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

Over the years, the Company has strengthened its corporate practices and disclosures. The Company also ensured good corporate governance and risk management practices. 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) which are applicable on the Company and other circulars and notifications issued by RBI, SEBI, MCA and other statutory bodies.

Several waves of COVID-19 pandemic in the last two years have forced the companies to adopt a hybrid model of operations. The Government through its various circulars and advisories has supported corporates in ensuring continuity in business operations. 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 staff was regularly advised on ensuring safety measures in and outside office premises. 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 the challenging times.

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

COMPOSITION

Currently, the Board consists of eleven Members comprising five Independent Directors, five Non-Executive Directors and one Managing Director & CEO. During the year and subsequently, following appointments/ cessations took place amongst the Board Members.

- a) Mr. Nilesh S Vikamsey was re-appointed as an Independent Director for a five-year term with effect from April 22, 2021.
- b) Ms. Gita Nayyar was appointed as an Independent Director for a term of three years with effect from May 29, 2021.
- c) Mr. Binod Kumar was appointed as Non-Executive Nominee Director with effect from January 12, 2022. He is nominee of Punjab National Bank. He is liable to retire by rotation.
- d) Mr. Atul Kumar Goel was appointed as Non-Executive Nominee Director with effect from April 28, 2022. He is nominee of Punjab National Bank. He is liable to retire by rotation.
- (e) Dr Gourav Vallabh ceased to be Independent Director with effect from April 21, 2021 upon completion of his five year term
- f) Mr. Rajneesh Karnatak resigned as Non-Executive Nominee Director on October 21, 2021.
- g) Mr. CH SS Mallikarjuna Rao resigned as Non-Executive Nominee Director on January 31, 2022.

h) Mr Ashwani Kumar Gupta completed his first five-year term as an Independent Director on May 11, 2022.

Appointment of Directors EGM dated June 22, 2021: The Shareholders have appointed Mr. Hardayal Prasad as Managing Director & CEO, Mr. Neeraj Madan Vyas, Mr. Sudarshan Sen, Mr. Kapil Modi, Ms. Gita Nayyar, Mr. Rajneesh Karnatak and reappointed Mr. Ramakrishnan Chandrasekaran, Mr. Nilesh S Vikamsey for a second term of five years.

The Shareholders have appointed Mr. Binod Kumar vide postal ballot dated April 08, 2022.

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	Number of Directorships*	Name of Listed Companies and Designations	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
1.	Mr. Sunil Kaul	Non-Executive Nominee Director of Quality Investment Holdings	05102910	1	1. PNB Housing Finance Limited ('L' stands for Listed)	1	0	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.
2.	Mr. Nilesh S Vikamsey	Independent Director	00031213	8	1. PNB Housing Finance Limited (L) 2. Navneet Education Limited (L) – Non-Executive Director 3. Thomas Cook (India) Limited (L) – Independent Director 4. IIFL Finance Limited (L) – Independent Director 5. IIFL Wealth Management Limited (L) – Independent Director & Non-Executive Chairman 6. Gati Limited (L) – Independent Director 7. SOTC Travel Limited ('UL' stands for Unlisted) – Independent Director 8. Nippon Life India Trustee Limited (UL) – Independent Director	8	3	He is a qualified Chartered Accountant and Past President of Institute of Chartered Accountants of India. He has extensive experience of Audits/ Consultancy of Banks, large Companies, Mutual Funds, Financial Services Sector companies. He has vast experience in credit and human resource management.



Sr. No.	Directors	Category	DIN	Number of Directorships*	Name of Listed Companies and Designations	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
3.	Mr. Ramakrishnan Chandrasekaran	Independent Director	00580842	6	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 2. Mindtree Limited (L)- Independent Director 3. L&T Technology Services Ltd. (L) – Independent Director 4. Aujas Cybersecurity Limited (UL) – Director 5. NSEIT Limited (UL) – Director 6. KSL Digital Ventures Limited (UL) - Director 	3	0	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, and driving best-in-class delivery excellence at scale. Besides IT, he has extensive experience in operations, human resource management.
4.	Mr. Neeraj Madan Vyas	Non-Executive Director	07053788	1	<ol style="list-style-type: none"> 1. PNB Housing Finance Limited (L) 	0	0	He 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
5.	Dr Tejendra Mohan Bhasin	Independent Director	03091429	6	<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. Ruchi Soya Industries Limited (L) - Independent Director 5. SBI Life Insurance Company Limited (L)- Independent Director 6. IDBI Intech Limited (UL) - Independent Director 	9	4	He is PhD from University of Madras and MBA from FMS Delhi. He is experienced retired banker who held the position of Chairman and Managing Director of Indian Bank. He has been conferred with honorary fellowship by Indian Institute of Banking and Finance. He was earlier vigilance commissioner in Central Vigilance Commission. He has over 41 years of experience in administration, banking and finance industry, risk management, credit management and operations.

Sr. No.	Directors	Category	DIN	Number of Directorships*	Name of Listed Companies and Designations	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
6.	Mr. Sudarshan Sen	Independent Director	03570051	2	1. PNB Housing Finance Limited (L) 2. Federal Bank Ltd. (L) - Independent Director	2	0	He 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 resources, information technology and currency management.
7.	Mr. Kapil Modi	Non-Executive Nominee Director of Quality Investment Holdings	07055408	3	1. PNB Housing Finance Limited (L) 2. Nextra Data Limited (UL) - Director 3. Hexaware Technologies Limited (UL) - Director	2	0	He is B. Tech from IIT Kharagpur, MBA from IIM Ahmedabad (Gold Medallist), CFA 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.
8.	Ms. Gita Nayyar	Independent Director	07128438	5	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) - Director	3	0	She is a finance professional with over 30 years of global leadership experience with MNC banks/VC funds and corporates. She has extensive cross functional experience in corporate banking, risk and relationship management, investment banking, wealth management and fund raising. She serves on the Board of Governors of IIM, Udaipur. She is also on the advisory committee of National NGOs and a VC Fund.



Sr. No.	Directors	Category	DIN	Number of Directorships*	Name of Listed Companies and Designations	Number of Committees**		Skills/ Expertise
						Member	Chair-Person	
9.	Mr. Binod Kumar	Non-Executive Nominee Director of Punjab National Bank	07361689	1	PNB Housing Finance Limited (L)	0	0	He is currently Chief General Manager of Punjab National Bank having an experience of more than 26 years. He is B. Sc (H), CAIIB, Financial Risk Manager (FRM) conducted by GARP (USA), Post Graduate Diploma in Banking & Finance (NIBM), Diploma in Treasury Investment & Risk Management (DTIRM), NSE's Certification in Financial Markets and Diploma in Banking & Finance.
10.	Mr. Hardayal Prasad	Managing Director & CEO	08024303	2	1. PNB Housing Finance Limited (L) 2. PHFL Home Loans and Services Limited (UL) - Chairman	1	0	He is a senior professional with experience in banking, credit, risk management and information technology. He was part of State Bank of India for over three decades and has handled several assignments for the bank in various locations in India and abroad. He has held senior position in the SBI and leadership position SBI Cards Limited. He is MSc. and CAIIB
11.	Mr. Atul Kumar Goel	Non-Executive Nominee Director of Punjab National Bank	07266897	4	1. PNB Housing Finance Limited (L) 2. Punjab National Bank (L) – Managing Director and CEO 3. The Oriental Insurance Company Limited (UL) - Director 4. National Credit Guarantee Trustee Co. Limited (UL) - Director	2	0	He is a qualified Chartered Accountant, having more than three decades of Banking experience. He was Chief Financial Officer (CFO) in Allahabad Bank. 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 held various positions in Allahabad Bank.

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

**Audit Committee and Stakeholders Relationship Committee.

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 Listing Regulations 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 Directors are updated on the business and regulatory environment and the overall operations of the Company to make informed decisions in everybody's interest. 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 Board Meetings by audio-video means. As per MCA guidelines, all the precautions were taken, rules for safe and secure conduct of Board meetings were followed and proceedings were recorded. Board Meetings are scheduled well in advance and prior notice of each Board Meeting is given through electronic mode to every director. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company.

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



During the year under review, the Board met twenty times on April 27, May 31, June 17, June 19, June 20, June 24, July 05, July 06, August 04, August 23, September 03, September 05, September 18, October 14, October 22, November 01, November 02, 2021, January 20, February 02 and March 09, 2022. The attendance of the Directors at the Board Meetings and the 33rd Annual General Meeting held on September 3, 2021 are listed below:

Sr. No.	Directors	Board Meetings	Attendance at the 33rd AGM	Sitting fee paid* (₹)
1.	Mr. Sunil Kaul	11*	Yes	-
2.	Mr. Ramakrishnan Chandrasekaran	18	Yes	9,00,000/-
3.	Mr. Nilesh S Vikamsey	19	Yes	9,50,000/-
4.	Mr. Neeraj Madan Vyas	20	Yes	10,00,000/-
5.	Dr Tejendra Mohan Bhasin	20	Yes	10,00,000/-
6.	Mr. Sudarshan Sen	19	Yes	9,50,000/-
7.	Mr. Kapil Modi	11*	Yes	-
8.	Ms Gita Nayyar (appointed from 29.05.2021)	18	Yes	9,00,000/-
9.	Mr Binod Kumar (appointed from 12.01.2022)	3	NA	-
10.	Mr. Hardayal Prasad	20	Yes	-
11.	Mr. Ashwani Kumar Gupta (ceased on 11.05.2022)	20	Yes	10,00,000/-
12.	Mr CH SS Mallikarjuna Rao (resigned on 31.01.2022)	17	Yes	-
13.	Mr Rajneesh Karnatak (resigned on 21.10.2021)	12	Yes	-

Leave of absence was granted to the concerned Directors who could not attend the Board Meetings.

*Mr Sunil Kaul and Mr Kapil Modi recused themselves from 9 Board Meetings and on certain agenda items of 2 other Board Meetings where matters related to Preferential Issue and its termination were discussed. They are nominees of the Carlyle Group on the Board of the Company.

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 also placed before the Board.

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

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;

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

- It reviews the functioning of whistle blower mechanism.
- It reviews the functioning of internal audit.
- It recommends the 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 eleven times on April 24, April 27, August 03, August 04, August 11, October 30, November 02, November 15, 2021, January 20, January 29 and March 26, 2022. 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	11	3,30,000/-
2.	Mr. Sudarshan Sen	10	3,00,000/-
3.	Dr Tejendra Mohan Bhasin	11	3,30,000/-
4.	Mr Neeraj Madan Vyas (w.e.f. 30.05.2022)	-	-

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

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, the Listing Regulations. 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 three times on April 01, July 26 and October 08, 2021. The details of attendance at the NRC Meetings are as under:

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Mr. Ramakrishnan Chandrasekaran, Chairman	3	90,000/-
2.	Mr. Sunil Kaul	3	-
3.	Mr. Nilesh S Vikamsey	3	90,000/-
4.	Ms Gita Nayyar (from 01.11.2021)	-	-
5.	Mr Sudarshan Sen (from 01.11.2021)	-	-
6.	Mr Atul Kumar Goel (from 05.05.2022)	-	-
7.	Mr. CH S.S Mallikarjuna Rao (resigned on 31.01.2022)	2	-

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

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 two times on July 24, 2021 and January 12, 2022. 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	2	60,000/-
2.	Mr. Ramakrishnan Chandrasekaran	2	60,000/-
3.	Mr. Sudarshan Sen	1	30,000/-
4.	Mr. Hardayal Prasad	2	-

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

Stakeholders Relationship Committee (SRC)

The Committee oversees the investors' grievances, investor relations, recommend to the Board raising of equity share capital and allotment of equity shares. 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 has met four times on November 23, 2021, January 25, February 04 and March 02, 2022.

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Mr. Sunil Kaul	4	-
2.	Mr. Hardayal Prasad	4	-
3.	Mr Atul Kumar Goel (from 05.05.2022)	-	-
4.	Mr. CH S.S. Mallikarjuna Rao (resigned on 31.01.2022)	2	-
5.	Mr. Ashwani Kumar Gupta, Chairman (ceased on 11.05.2022)	4	1,20,000/-
6.	Ms. Gita Nayyar, Chairperson (w.e.f. 30.05.2022)	-	-

The status of shareholders' complaints during Financial Year 2021-22, 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.)
-	-	-

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.

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 four times during the year on May 20, August 25, December 15, 2021, and February 14, 2022.

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Dr Tejendra Mohan Bhasin, Chairman	4	1,20,000/-
2.	Mr. Sunil Kaul	4	-
3.	Mr. Neeraj Madan Vyas	4	1,20,000/-
4.	Mr. Hardayal Prasad	4	-
5.	Mr. Rajneesh Karnatak (resigned on 21.10.2021)	2	-



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 April 01, May 26, June 11, August 18, August 31, September 21, September 29, October 28, December 14, 2021, February 22, February 26, March 07 and March 25, 2022. The details of attendance at the CCB Meetings are as under;

Sr. No.	Directors	Number of Meetings attended	Sitting fee (₹)
1.	Mr. Neeraj Madan Vyas, Chairman	13	3,90,000/-
2.	Mr. Hardayal Prasad	13	-
3.	Mr. Ashwani Kumar Gupta (ceased on 11.05.2022)	13	3,90,000/-
4.	Mr. Kapil Modi (w.e.f. 30.05.2022)	-	-

IT Strategy Committee

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

During the year, the IT Strategy Committee had met two times on October 07, 2021 and February 04, 2022. The details of attendance at the IT Committee Meetings are as under;

Sr. No.	Directors/Members	Number of Meetings attended	Sitting fee (₹)
1.	Mr. Ramakrishnan Chandrasekaran, Chairman	2	60,000/-
2.	Mr. Kapil Modi	2	-
3.	Mr. Hardayal Prasad	2	-
4.	Mr. Nitant Desai, (CTO, ceased on 31.03.2022)	-	-

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. Hardayal Prasad, Managing Director & CEO
- Mr. Sanjay Jain, Company Secretary and Head Compliance
- Mr. Kaushal Mithani, Chief Financial Officer w.e.f. April 08, 2022

Mr Kapish Jain, ceased to be Chief Financial Officer w.e.f. April 07, 2022.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on June 10, 2021 and April 04, 2022. On April 04, 2022, 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

Non-Executive Directors

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

Details of sitting fees and commission paid during Financial Year 2021-22 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 Meetings		
1	Mr. Ramakrishnan Chandrasekaran	9,00,000	2,40,000	15,00,000	26,40,000
2	Mr. Nilesh S Vikamsey	9,50,000	4,50,000	15,00,000	29,00,000
3	Dr Tejendra Mohan Bhasin	10,00,000	5,40,000	15,00,000	30,40,000
4	Mr. Sudarshan Sen	9,50,000	3,60,000	7,50,000	20,60,000
5	Ms Gita Nayyar	9,00,000	30,000	-	9,30,000
6	Mr. Ashwani Kumar Gupta	10,00,000	5,40,000	15,00,000	30,40,000
7	Mr. Neeraj Madan Vyas	10,00,000	5,10,000	-	15,10,000
		67,00,000	26,70,000	67,50,000	1,61,20,000

*On the profits of FY21, Commission for FY22 will be paid to the directors after the financial statements are adopted by the members at the ensuing AGM. Commission is payable to these directors on a proportionate basis, depending on their tenure as directors of the Company.

No ESOPs has been granted to Non-Executive Directors and Independent Directors

MANAGING DIRECTOR & CEO

Mr. Hardayal Prasad is the Managing Director and CEO of the Company for a period of three years, with effect from August 10, 2020. The appointment may be terminated by either party with or without cause by giving 90 days notice period.

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.

Sl. No.	Particulars of remuneration	Total amount (₹)
		Mr. Hardayal Prasad
1	Gross Salary	-
a)	Salary (as per provisions contained in section 17(1) of the Income tax Act, 1961)	1,85,74,627
b)	Value of perquisites under section 17(2) of the Income tax Act, 1961	1,43,743
c)	Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	
2	Stock Option	
3	Sweat Equity	
4	Commission as % of profit	
5	Performance Bonus	1,04,37,575
	Total	2,91,55,945

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

BOARD EVALUATION

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

The Board Evaluation Process is a questionnaire based assessment, which has set broad parameters for evaluation of the Board, Committee of the Board and Board Members. The NRC takes feedback from the Directors through structured questionnaires.

The Independent Directors review the performance of the Non-Executive Directors, the Chairman and the whole Board.

Chairman of the Nomination and Remuneration Committee, shared the feedback received on board evaluation with members of the committee, board and other independent directors at their respective meetings.

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, 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 at <https://www.pnbhousing.com/investorrelations/updates-events/>.



PROCEEDS FROM PRIVATE PLACEMENT OF DEBT ISSUES

During the year, the Company has raised ₹455 crore of secured NCDs through private placements in 2 series. As specified in the respective offer documents, 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/>. Ms. Gita Nayyar holds 5,814 equity shares of the Company.

PREVENTION OF INSIDER TRADING

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

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 at <https://www.pnbhousing.com/investorrelations/corporate-governance/>.

RISK MANAGEMENT

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

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

The Company provided all the possible services to its customers during pandemic. 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.

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

The detailed procedure mentioned in the postal ballot notice, scrutinizer report, voting results are available on the website of the Company.

TOTAL FEES PAID TO STATUTORY AUDITORS BY COMPANY AND ITS SUBSIDIARY FOR ALL THE SERVICES DURING FINANCIAL YEAR 2021-22

During the year, Statutory Auditors received a total remuneration of ₹0.84 crore from the Company and its subsidiaries. The remuneration pertains to fees for audit, internal financial control reporting, limited reviews, tax audits, taxation services, certifications and other matters and reimbursement of expenses.

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.

General Meetings

Six special resolutions were passed at the previous four General Meetings as detailed below:

S.No	Particulars of General Meetings	Venue, location and time	Number of Special resolutions	Nature of resolutions
1.	AGM - July 29, 2019	03.00 PM. at India Habitat Centre, Lodhi Road, New Delhi	2	Re-appointment of Mr. Shital Kumar Jain (DIN 00047474) as an Independent Director for a second term of 1 (One) year To borrow funds and issue of bonds/ non-convertible debentures and other debt securities
2	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.
3	AGM - September 03, 2021	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	1	To borrow funds and issue of bonds/ non-convertible debentures and other debt securities.
4	EGM - June 22, 2021	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	2	Re-appointment of Mr. Ramakrishnan Chandrasekaran (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

DISCLOSURES

Related Party Transactions

The Policy on Related Party Transactions as approved by the Board is available on the Company's website at <https://www.pnbhousing.com/investor-relations/corporate-governance/>.

There were no material transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business and at arm's length are included in the notes forming part of the financial statements. There were no financial or commercial transactions by the senior management with the Company where they have personal interests that may have a potential conflict with the interests of the Company at large. During the year, the Company has obtained credit facility viz. term loans, overdraft, and entered into securitization of loans to Punjab National Bank. All the transactions were in the ordinary course of business and at arm's length.

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

Accounting Standards / Treatment

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

Management Discussion and Analysis Report

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



During the year, the Company has passed the following matters through Postal Ballot pursuant to 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.

- a. 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 and receipt of postal ballot forms on April 08, 2022.
- b. On April 13, 2022 for approval of related party transactions with Punjab National Bank and PNB Gilts Limited. 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 and receipt of postal ballot forms i.e. on May 18, 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.

DEMATERIALIZATION OF SHARES

All the shares of the Company are available for trading with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Limited (CDSL). The ISIN allotted to Company’s equity shares is INE572E01012. As at March 31, 2022 except 7 shares, remaining equity shares of the Company are held in dematerialized form.

The Company has paid the listing fees for the year 2021-22 as per the Listing Regulations to the respective stock exchanges.

INVESTOR RELATIONS

The Company has 1,19,187 shareholders as on March 31, 2022. The main source of information for the shareholders is the Annual Report that includes, the Directors’ Report, the shareholders’ information and the audited financial results. The Annual Report has information on Report of Directors on Corporate Governance and Management Discussion and Analysis Report.

The Company has an evolved investor relations program. The Company information is available on the website under Investor Relations section. The shareholders are also intimated through the press, email and Company’s website, www.pnbhousing.com 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 leading 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 Financial Year 2021-22, notice for AGM etc., are being sent in electronic mode to shareholders who have registered their e-mail addresses with the Company/ depository participants. As per circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 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 of India Limited and BSE Limited 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 the investors updated on material developments

about the Company such as; Board profile, press release, financial results, annual reports, shareholding pattern, stock information, announcements, investor presentations etc.

The Company has conducted Earning's Calls post announcement of quarterly/half-Yearly/ annual results, which were well attended by the analysts/ investors and the transcripts were uploaded on Company's website.

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

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

NON-MANDATORY REQUIREMENTS

The Company is moving towards a regime of unqualified financial statements. The Company shall endeavour to adopt the 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 the year, 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, details are disclosed in the notes to the financial statement.

SECRETARIAL STANDARDS

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

DECLARATION ON CODE OF CONDUCT

I confirm that for the year under review Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management.

New Delhi

Managing Director & CEO

Date: June 14, 2022

EXTRACTS FROM POLICY ON RELATED PARTY TRANSACTIONS

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 lacs 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 Rs.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
- 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
 - buy-back of securities;

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 transaction	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 - Fees / 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 TO DIRECTORS' REPORT - 4

GENERAL SHAREHOLDERS' INFORMATION

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

34th Annual General Meeting

Date: July 26, 2022

Day: Tuesday

Time: 03.00 P.M.

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 2021-22.

LISTING ON STOCK EXCHANGE

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

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

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

LISTING FEES

The Company confirms payment of Annual Listing fees of NSE and BSE for Financial year 2022-23

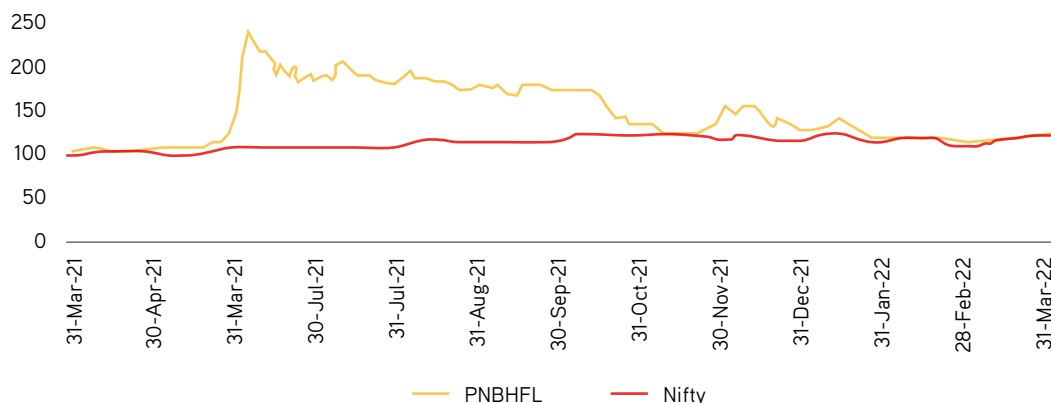
STOCK MARKET PRICE DATA

Month	NSE			BSE			Price in ₹
	High	Low	Total Equity Volume	High	Low	Total Equity Volume	
Apr-21	408.00	350.00	34,67,583	407.65	350.00	3,50,860	
May-21	525.65	357.50	1,13,28,519	525.20	356.90	7,02,446	
Jun-21	925.00	630.75	1,78,88,001	924.00	630.20	12,64,867	
Jul-21	784.40	665.00	17,51,269	794.00	665.00	1,68,216	
Aug-21	753.70	615.00	12,54,840	756.45	618.15	2,03,779	
Sep-21	675.95	615.00	17,88,349	675.15	607.10	1,51,528	
Oct-21	660.00	479.00	45,86,791	660.00	479.15	4,64,727	
Nov-21	550.75	443.10	45,81,238	550.95	443.30	7,81,446	
Dec-21	602.50	480.00	90,28,685	602.05	480.00	9,98,446	
Jan-22	533.70	400.10	85,73,003	534.15	403.00	10,65,835	
Feb-22	467.00	378.20	84,81,852	466.55	379.00	8,62,441	
Mar-22	435.00	370.00	79,66,835	437.00	370.10	7,84,361	

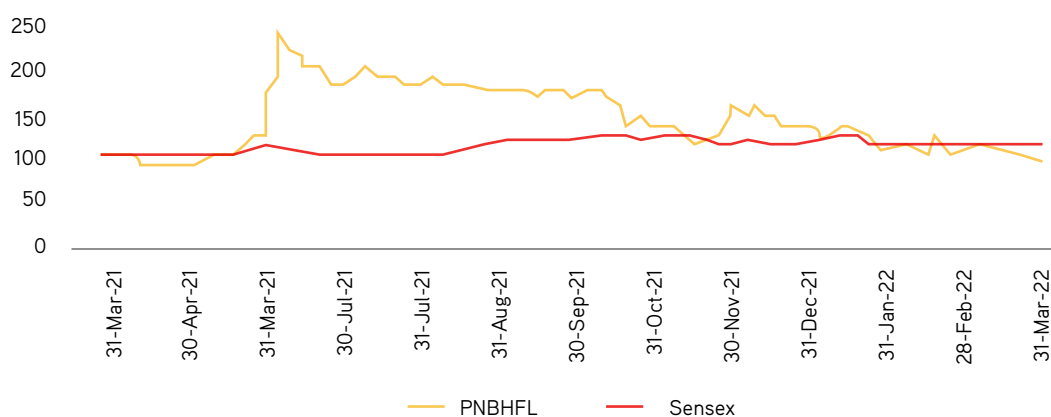
The source for table above is www.nseindia.com for NSE quotes and www.bseindia.com for BSE quotes.



PNBHFL vs Nifty



PNBHFL vs Sensex



REGISTRAR AND TRANSFER AGENTS

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

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

SHARE TRANSFER SYSTEM

All the equity shares of the Company are held in dematerialized form except 7 shares which are in held in physical form. The shares are electronically traded in the Depository. The Registrar and Transfer Agent receives a weekly report from the Depository about the details of beneficiary and update their records.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022

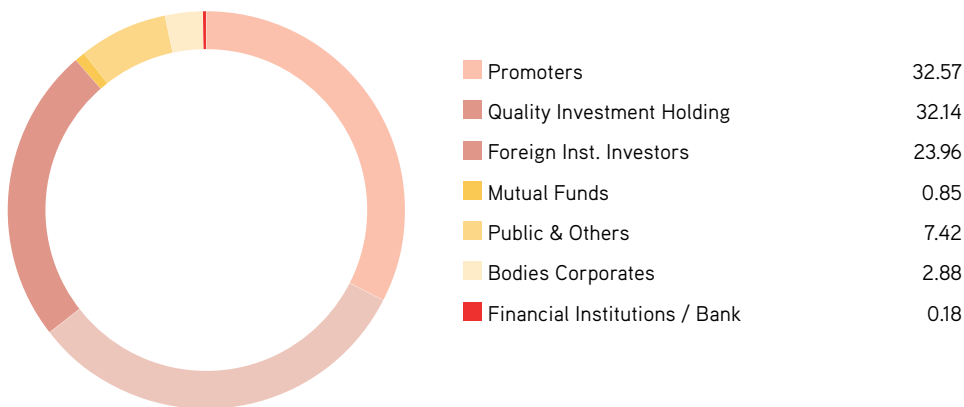
Sr.no.	Shareholding of Nominal Value (₹)			No. of Share Holders	% of Total	Share Amount (₹)	% of Total Share Amount
1	1	to	5000	1,17,876	97.19	5,62,13,210	3.33
2	5001	to	10000	1,764	1.45	1,38,31,470	0.82
3	10001	to	20000	741	0.61	1,11,28,640	0.66
4	20001	to	30000	284	0.23	71,43,760	0.42
5	30001	to	40000	128	0.11	45,71,240	0.27
6	40001	to	50000	104	0.08	48,77,230	0.29
7	50001	to	100000	173	0.14	1,25,76,130	0.74
8	100001	to	*****	213	0.17	1,57,56,43,870	93.45
	Total			1,21,283	100.00	1,68,59,85,550	100.00

Face Value (₹) : 10

NSDL Data as of : March 31, 2022

CDSL Data as of : March 31, 2022

Shareholding Pattern as on March 31, 2022 (% Shareholding)



DEMATERIALIZATION OF SHARES AND LIQUIDITY

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

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



OUTSTANDING CONVERTIBLE INVESTMENTS

The Company does not have any outstanding convertible instruments as on March 31, 2022.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During Financial Year 2021-22, the Company has managed the foreign exchange risk by hedging the entire principal on its foreign currency borrowings. The foreign currency and interest rate risk on the borrowings have been actively hedged through a combination of forward contracts, principal only swaps, interest rate swaps and / or cross currency swaps.

SUSPENSION OF SECURITIES

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

PLANT LOCATIONS

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

ADDRESS FOR CORRESPONDENCE

Registered and Head Office:

9th Floor, Antriksh Bhavan,

22 Kasturba Gandhi Marg,

New Delhi 110001

Phone Number : 1800 120 8800 (011-23555206)

Email Address: loans@pnbhousing.com (investor.services@pnbhousing.com)

CREDIT RATING

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

Instrument	Rating Agency	Latest Ratings Assigned	Migration during the year	Rating as on April 01, 2021
Fixed Deposit	CRISIL Limited	FAA+ (Outlook-Negative)	No change	FAA+ (Outlook-Negative)
	CARE Ratings Limited	AA (Outlook- Stable)	No change	AA (Outlook- Stable)
Non-Convertible Debentures	CRISIL Limited	AA (Outlook- Negative)	No change	AA (Outlook- Negative)
	ICRA Limited	AA (Outlook- Stable)*	Outlook changed from Negative to Stable	AA (Outlook- Negative)
	India Ratings Limited	AA (Outlook- Negative)	No change	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- Negative)	No change	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.

SECRETARIAL COMPLIANCE REPORT OF PNB HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2022

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

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

- (a) All the documents and records made available to us and explanation provided by PNB Housing Finance Limited ("the listed entity"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2022 ("Review Period") in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SAST Regulations");
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the year under review**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment to the extent applicable;
- (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 prior to its repealment to the extent applicable;
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable during the year under review
- (k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;
- (l) Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company) and based on the above examination, We hereby report that, during the Review Period:



- (a) The listed entity has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	As per proviso to Regulation 17 (1) (a) of Listing Regulations, the Board of Directors of the listed entities shall have at least one independent woman director.	There was an intermittent vacancy of Independent Woman Director on the Board of Directors of the Company due to resignation of Ms. Shubhalakshmi Panse w.ef. January 05, 2021 and there was no woman director on the board of the Company as on till May 28, 2021.	<p>There was an intermittent vacancy of Independent Woman Director on the Board of Directors of the Company due to resignation of Ms. Shubhalakshmi Panse w.ef. January 05, 2021 and there was no woman director on the board of the Company as on March 31, 2021 as required under Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17(1)(a) of the Listing Regulations The Board through circulation resolution passed on May 29, 2021 appointed Ms. Gita Nayyar as an Additional Director (in the category of Independent Director) for a period of three years with effect from May 29, 2021 till May 28, 2024.</p> <p>Thereafter, National Stock Exchange of India Limited and BSE Limited has imposed fine of Rs. 318,600 (including GST) each and as confirmed by the Management same has been paid by the Company. The Company has made representation to the Waiver Committee of the stock exchanges(s) and the response is awaited.</p>
2.	As per Regulation 57(4) of Listing Regulations states that the listed entity shall provide the statement containing the details of all the non-convertible securities for which interest/dividend/ principal obligations shall be payable during the coming quarter, within five working days prior to the beginning of the quarter.	Delay in disclosures has been made by the Company under Regulation 57(4) of Listing Regulations for quarter ended December 2021.	The Company has delayed in submission of the disclosures in terms of Regulation 57(4) of Listing Regulations for the quarter ended December 2021.
3.	As per SEBI Circular No. SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019 and FAQs for listing of Commercial Papers states that the listed entity is required to submit a certificate confirming fulfillment of payment obligations of Commercial Paper, within 2 days of payment becoming due.	Delay filing as required under SEBI Circular No. SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019 and FAQs for listing of Commercial Papers.	The Company has made intimation beyond the prescribed timeline stated under SEBI Circular No. SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019 read with FAQs issued by SEBI for listing of Commercial Papers.

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

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

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE Limited & National Stock Exchange Limited	Non – Compliance with Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17(1)(a) of the Listing Regulations	BSE Limited and NSE vide letter dated August 20, 2021 have levied penalty of Rs. 318,600 (including GST) regarding non-appointment of Independent Women Director on the Board during the period starting from April 27, 2021 to May 28, 2021	The details has been mentioned in point (a) (1) above.

The Company has obtained the approval of the Board to raise INR 4,000 crore through a preferential issue of equity shares and share warrants on a private placement basis, subject to the approval of shareholders and other regulatory approvals as may be required.

The Company did not submit the results of the said matter for EGM held on June 22, 2021 pursuant to SEBI communication. The Company filed an appeal before the Securities Appellate Tribunal (“SAT”) and SAT passed an interim order that the EGM would be held on June 22, 2021, however the results would not be declared and be kept in a sealed cover.

Final order was pronounced by the SAT on August 9, 2021 wherein the Presiding Officer has allowed the Company’s Appeal and quashed the SEBI Letter, while the Judicial Member has dismissed the Company’s Appeal. In view of the difference in opinion between the members of the bench, SAT has directed the interim order passed in the matter to continue until further orders and the Appeal papers to be placed before the Presiding Officer on the administrative side for appropriate orders.

SEBI filed an appeal to the Hon’ble Supreme Court of India (SC). The Company decided not to proceed with the preferential issue. Consequently, the appeal filed by the Company against the SEBI has been rendered infructuous and the shareholder approval for the preferential issue has been rendered incapable of being received. The Company filed an application before SAT, seeking permission to withdraw the Appeal. SC dismissed the appeal filed by SEBI stating that the appeal has become infructuous due to subsequent developments.

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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended as follows	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Regulation 17(1)(a) of SEBI LODR, 2015: There is intermittent vacancy of Independent Woman Director on the Board of Directors of the Company due to resignation of Ms. Shubhalakshmi Panse w.e.f January 05, 2021 and there was no woman director on the board of the Company as on March 31, 2021 as required under Regulation 17 (1) (a) of Listing Regulations	March 31, 2021	The Board through circulation resolution passed on May 29, 2021 appointed Ms. Gita Nayyar as an Additional Director (in the category of Independent Director) for a period of three years with effect from May 29, 2021.	The details has been mentioned in point (a) (1) above.



Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended as follows	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
2.	<p>Regulation 57(1) of SEBI LODR, 2015:</p> <p>The intimation to the stock exchanges has made beyond the prescribed time regarding submission of certificate stating that timely payment of interest or principal obligation or both in respect of the non - convertible debt securities i.e. Series - XLIV, Series LI, Series VII-Tier II and Series VIII-Tier II to National Stock Exchange of India Limited.</p>	March 31, 2021	The Company has taken necessary actions to make such reporting within prescribed timeline.	We observed that during the review period, the Company has submitted requisite disclosures within prescribed timeline under regulation 57 (1) of Listing regulations. Therefore, no further comments from our side in this regard.
3	<p>Regulation 60(2) of SEBI LODR, 2015:</p> <p>The Company has made delay in intimation of record date in respect of Series XX to National Stock Exchange of India Limited.</p>	March 31, 2021	The Company has taken necessary actions to make such reporting within prescribed timeline.	We observed that during the review period, the Company has submitted requisite disclosures within prescribed timeline under regulation 60 (2) of Listing regulations. Therefore, no further comments from our side in this regard.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Shashikant Tiwari

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919D000430568

Date: 30.05.2022

Place: Delhi

- i. Notes: Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2022 pertaining to Financial Year 2021-22.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

I have examined the following documents:

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

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

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

S. No	Name of Directors	DIN	Date of appointment in Company	Date of cessation, if any
1.	Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty	07667641	20.12.2019	01.02.2022
2.	Mr. Sunil Kaul	05102910	05.03.2015	-
3.	Mr. Chandrasekaran Ramakrishnan	00580842	07.10.2015	-
4.	Mr. Nilesh Shivji Vikamsey*	00031213	22.04.2016	-
5.	Dr. Gourav Vallabh**	02972748	22.04.2016	21.04.2021
6.	Mr. Ashwani Kumar Gupta	00108678	12.05.2017	-
7.	Dr. Tejendra Mohan Bhasin	03091429	02.04.2020	-
8.	Mr. Neeraj Madan Vyas	07053788	01.09.2020	-
9.	Mr. Sudarshan Sen	03570051	01.10.2020	-
10.	Mr. Kapil Modi	07055408	01.10.2020	-
11.	Mr. Rajneesh Karnatak	08912491	19.01.2021	21.10.2021
12.	Ms. Gita Nayyar***	07128438	29.05.2021	-
13.	Mr. Binod Kumar	07361689	12.01.2022	-
14.	Mr. Hardayal Prasad	08024303	10.08.2020	-

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

** Dr. Gourav Vallabh ceased to be an Independent Director pursuant to completion of five years term on April 21, 2021

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

Mr. Atul Kumar Goel (DIN: 07266897) was appointed as Non-Executive Nominee Director with effect from April 28, 2022.

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

For VLA & Associates
Company Secretaries

Vishal Lochan Aggarwal
(Proprietor)
Membership No.: F7241
C. P. No.: 7622
UDIN: F007241D000391011

Date: 25.05.2022
Place: New Delhi



CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

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

We have examined all relevant records of PNB Housing Finance Limited ("**the Company**") for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31 March 2022. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except, that there was an intermittent vacancy of Independent Woman Director on the Board of Directors of the Company due to resignation of Ms. Shubhalakshmi Panse w.e.f. January 05, 2021 and there was no woman director on the board of the Company as on March 31, 2021 as required under Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17(1)(a) of the Listing Regulations. The Board through circulation resolution passed on May 29, 2021 appointed Ms. Gita Nayyar as an Additional Director (in the category of Independent Director) for a period of three years with effect from May 29, 2021 till May 28, 2024. Thereafter, National Stock Exchange of India Limited and BSE Limited has imposed fine of ₹318,600 (including GST) each and as confirmed by the Management same has been paid by the Company. The Company has made representation to the Waiver Committee of the stock exchanges(s) and the response is awaited.

For Chandrasekaran Associates

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 1428/2021

Shashikant Tiwari

Partner
Membership No. FCS 11919
Certificate of Practice No. 13050
UDIN: F011919D000491145

Date: 14 June, 2022
Place: Delhi

Note: Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2022 pertaining to Financial Year 2021-22.

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,
	Punjab National Bank (Promoter)	a. Banking Transactions b. Loan transactions c. Credit facility d. Term deposit e. External Commercial Borrowings f. Sale and purchase of securities g. Assignment/securitization h. Fixed deposit made/ renewed i. Fixed deposit mature (The value of transactions are disclosed in notes to accounts)	April 01, 2021 to March 31, 2022	All the transactions are in ordinary course of business and at arms' length. 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	Nil

*All related party transactions are benchmarked for arm's length, approved by the 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.

	Mr. Hardayal Prasad	For and on behalf of the Board
Date: June 14, 2022	Managing Director & CEO	Atul Kumar Goel
Place: New Delhi	DIN: 08024303	Non-Executive Director DIN: 07266897