

**Ref: SCRIP ID- SRGHFL, SCRIP CODE-534680, ISIN NO - INE559N01010**

Date: 11-07-2022

To,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

Dear Sir,

**Subject: Notice of 23<sup>rd</sup> Annual General Meeting (AGM) and Annual Report 2021-2022**

We wish to inform you that the 23<sup>rd</sup> AGM of the Company will be held on Friday, August 5, 2022 at 12:15 P.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). In this regard, please find attached Notice of the 23<sup>rd</sup> AGM and Annual Report of the Company for the Financial Year 2021-22.

We would like to inform you that the said documents are also uploaded on the website of the Company at [www.srghousing.com](http://www.srghousing.com).

Brief details of the 23<sup>rd</sup> AGM of the Company are as below:

Date and Time of AGM	Friday, August 5, 2022 at 12:15 P.M.
Mode	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Participants through Video Conference /Live Webcast of AGM	<a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>
Cut-off Date for e-Voting	29-07-2022
E-voting start date and time	02-08-2022, 09:00 A.M.
E-voting end date and time	04-08-2022, 05:00 P.M.
E-voting website	<a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>

Further this is to inform you pursuant to the provisions of section 91 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer books of the Company shall remain closed from Friday July 29, 2022 to Friday August 5, 2022 (both days inclusive) for the purpose of 23<sup>rd</sup> Annual General Meeting of the company.

Kindly take the above information on record and do the needful.

Thanking You,

With Regards,

For SRG Housing Finance Limited

Sunaina Nagar  
Company Secretary  
M.No: A40754

***Encl.: as above***



## SRG HOUSING FINANCE LIMITED

Regd. Office: 321, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan) 313001  
 CIN NO: L65922RJ1999PLC015440 Tel: +91-294-2561882, 2412609  
 Website: [www.srghousing.com](http://www.srghousing.com), Email-id: [info@srghousing.com](mailto:info@srghousing.com), [srghousing@gmail.com](mailto:srghousing@gmail.com)

# NOTICE

## 23<sup>RD</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY THIRD ANNUAL GENERAL MEETING** of the Members of SRG HOUSING FINANCE LIMITED will be held on Friday 5<sup>th</sup> Day of August, 2022 at 12:15 P.M. through Video Conference (VC) or Other Audio Visual Means (OAVM), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Garima Soni (DIN :08336081), Director who retires by rotation in terms of Section 152(6) of The Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To consider and approve appointment of Auditors and to fix their remuneration and in this connection, to pass, with or without modification(s) the following resolution as ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 ,141, 142 and other applicable provisions, if any, of the Companies Act 2013, read with Companies (Audit & Auditors) Rules 2014, (Including any statutory modification(s) or re- enactment(s) thereof for the time being in force) and other applicable provisions if any, M/s Valawat & Associates, Chartered Accountants (Firm Registration No. 003623C), Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company in place of M/s

PKJ & Co. (FRN. 124115W) the retiring Auditors, to hold office for the term of five years, from the conclusion of 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company to be held in 2027 at such remuneration to be decided by Board in consultation with the said Auditors and based on the recommendation of the Audit Committee.”

### SPECIAL BUSINESS:

4. Approval for Issuance of Redeemable Non-Convertible Debentures/ Secured or Unsecured Redeemable Subordinated Debt - Tier-II NCDs/Bonds.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Foreign Exchange Management Act, 1999, including any amendment, modification, variation or re-enactment thereof and subject to the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 or any directions issued by other statutory / regulatory authorities from time to

time including any amendment, modification, variation or re-enactment thereof, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof or any other persons to whom powers are delegated by the Board as permitted under the Companies Act, 2013 or Rules thereunder), for onshore/ offshore issuances of Redeemable Non-Convertible Debentures or Secured or Unsecured Redeemable Subordinated Debt -Tier-II NCDs/ bonds, denominated in Indian Rupees and/or any foreign currency for cash, either at par or premium or at a discount to face value upto an amount not exceeding ₹ 250 Crores (Rupees Two Hundred Fifty Crores Only), to augment resources for onward lending and general corporate purpose, under one or more information memorandum/ shelf disclosure document, in one or more tranches on private placement basis during the period commencing from the date of this Annual General Meeting hereof until the conclusion of 24<sup>th</sup> Annual General Meeting on such terms and conditions as the Board of Directors may deem fit and appropriate for each series as the case may be.

**RESOLVED FURTHER THAT** the Board of Directors of the Company are hereby authorised to take decision(s) about the timing of the issue(s) of such securities including the above said Non-Convertible Debentures/bonds, number of securities, number of tranche(s), to be issued under each such tranche, tenure, purpose, coupon rate(s), securities for the issue if any, pricing of the issue, date(s) of opening and closing of the offers/ invitations for subscription of such securities, deemed date(s) of allotment, redemption and all other terms and conditions relating to the issue of the said securities on private placement basis or delegate the above powers to committee(s) of the Board or such other Committee(s)/ officers duly authorized for the purpose.

**RESOLVED FURTHER THAT** the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc. shall not exceed the overall borrowing limits of the Company, as approved or may be approved by the Members of Company from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised severally to do all such acts, deeds and matters and things and execute all such deeds, documents, instruments and writings as it may, in its sole and absolute discretion, deem necessary in relation thereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any director(s)/ Committees and/ or officer(s) of the Company, to give effect to the resolution.”

**5. Approval for Re-appointment of Vinod Kumar Jain, Managing Director**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provision of section 152, 196, 197, 198, 200, 203 and Schedule V of Companies Act, 2013 and other applicable provisions, if any, of Companies Act, 2013 read with underlying rules viz. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force, members do and hereby approves the reappointment of Mr. Vinod K. Jain (DIN: 00248843) as the Managing Director of the Company for a period of three years from May 7, 2022 till May 6, 2025 upon such terms and conditions including remuneration as set out in the explanatory statement attached hereto and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to vary and/ or modify the terms and conditions of appointment including remuneration payable to Mr. Vinod K. Jain in such manner as may be agreed between the Board and Mr. Vinod K. Jain and within the limits as approved by this resolution.

**RESOLVED FURTHER THAT** in case of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Vinod K. Jain, the remuneration mentioned herein shall be paid to Mr. Vinod K. Jain as minimum remuneration and the same shall

be subject to the overall limits approved by this resolution.

**RESOLVED FURTHER THAT** the board be and is hereby authorised to do all such acts, things and deeds and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) or Committee of Directors to give effect to the aforesaid resolution.”

#### 6. Approval for Further issue of Equity Shares

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 23, 26, 32, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof, for the time being in force, (“Companies Act, 2013”) and the rules and regulations made thereunder, the Securities Contracts (Regulation) Act, 1956, as amended (“SCRA”), and the rules and regulations framed thereunder including the Securities Contracts (Regulation) Rules, 1957 (“SCRR”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), the equity listing agreement, the Foreign Exchange Management Act, 1999, as amended (“FEMA”), and the rules and regulations made thereunder and other applicable laws, rules, regulations, policies or guidelines, including the rules, regulations, guidelines, notifications and circulars, if any, prescribed by the Government of India, Securities and Exchange Board of India (“SEBI”), Stock Exchange, the Reserve Bank of India (“RBI”), National Housing Bank (NHB) and any other relevant statutory and regulatory authorities (collectively, the “Regulatory Authorities”), from time to time, to the extent applicable and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to approvals, consents, permissions and/or sanctions as might be required from the Regulatory Authorities and other third parties, and subject to such conditions as might be prescribed by them while granting such approvals, consents, permissions and sanctions and which may be agreed to by the

Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include duly constituted committee of the Board), the consent, authority and approval of the members be and is hereby accorded to the board to create, offer, issue and allot upto 30,00,000 (Thirty Lakhs) Equity Shares, by way of public issue (i.e. Further Public Issue) and/or private offerings, and/or on preferential allotment and/or Right Issue and/or Qualified Institutions Placement (“QIP”) to Qualified Institutional Buyers (“QIB”)s (as defined in the ICDR Regulations) or any combination thereof, through issue of prospectus and /or placement document or other permissible/requisite offer document to various categories of investors venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not and/or Promoter/Promoter Group (collectively called the “Investors”) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, at such price or prices, at discount or premium or prices permitted under applicable laws in such manner and on such terms and conditions as may be deemed appropriate by the Board including the discretion to determine the QIBs to whom to offer, issue and allotment shall be made to the exclusion of other QIBs at the time of such creation, offer, issue and allotment, all subject to applicable laws, considering the then prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/or underwriter(s) and/or other advisor(s) for such issue.

**RESOLVED FURTHER THAT** the allotment of Securities, in case of QIP pursuant to Chapter VI of ICDR Regulations, shall be made only to the QIBs within the meaning prescribed under the said regulations and to be completed within 365 days from the date of passing of this Resolution or such other time as may be permitted under the ICDR Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter V and/or VI of SEBI (ICDR) Regulations, as applicable and as may be amended from time to time, provided that the Board may, in

accordance with applicable laws, offer a discount of not more than 5% (five percent) or such percentage as permitted under the applicable laws, with such lock-in requirements and on such price determined in accordance with the pricing formula provided under Chapter V and/or VI of SEBI (ICDR) Regulations, as applicable, as may be amended from time to time.

**RESOLVED FURTHER THAT** the “Relevant Date” for the purpose of pricing of the Equity Shares to be issued as per the above resolution, shall be the date of the meeting in which the Board decides to open the proposed issue of such shares or such other dates as may be prescribed, subject to any relevant provisions of applicable laws, rules, regulations, etc. as amended, from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, matters, deeds and things and negotiate, finalise and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable in relation to the Issue and the listing of the Equity Shares pursuant to the Issue, in the best interests of the Company, including determination of the timing, size and price in relation to the Issue in consultation with the Lead Managers if any to the Issue and approve and appoint intermediaries/agencies required to be appointed, involved and concerned, to open and operate any bank account for the purpose of receipt/refund of funds raised in the issue, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the offering, issue, allotment and utilization of the Fresh Issue proceeds, if applicable and such other activities as may be necessary in relation to the Issue, as it may, in its absolute discretion, deem fit and proper in the best interest of the Company and the Issue, and that all or any of the powers of the Company devolved pursuant to this resolution may be exercised by the Board or any duly constituted committee of the Board.

**RESOLVED FURTHER THAT** the Equity Shares allotted pursuant to the Issue as aforesaid shall be listed on one or more recognized stock exchanges in India and the designated stock exchange to be decided by the board on a later date.

**RESOLVED FURTHER THAT** the Equity Shares allotted pursuant to the Issue as aforesaid shall

be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares in all respects, including rights in respect of dividend.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the appointment of the lead managers, underwriters, depositories, custodians, registrars, bankers, legal advisors, advisors, consultants and all such other agencies/intermediaries as are or may be required to be appointed, involved or concerned, the finalisation and execution of the necessary deeds, documents, applications, agreements, declarations, letters, instructions, papers, etc., opening and operating any bank account for the purpose of receipt/refund of funds raised in the Issue, the determination of the nature of the issue, terms and conditions for the Issue, Issue price and discounts permitted under applicable law, premium amount on Issue, if any, timing for Issue and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s) or agreements including but not limited to the placement document and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writing and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilisation of the Issue proceeds, seeking listing of such Securities on the stock exchanges, as it may in its absolute discretion deem fit without being required to seek further consent or approval of

the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** in case of over subscription to the extent of 1% of the Fresh Issue shall be retained for the purpose of rounding off while finalizing the basis of allotment in relation to the Issue.

**RESOLVED FURTHER THAT** all monies received out of the Issue shall be transferred to a separate bank account referred to in Section 40(3) of the Companies Act, 2013; and if the application monies received pursuant to the Issue are not refunded within such time, as specified by SEBI and in accordance with applicable law, the Company shall pay interest on failure thereof, as per applicable law.

**RESOLVED FURTHER THAT** subject to the applicable laws, such Equity Shares as are not subscribed in the Issue may be disposed of by the Board to such persons and in such manner and on such terms as the Board may, in its absolute discretion, think most beneficial to the Company, including offering or placing them with banks / financial institutions / investment institutions / mutual funds / foreign institutional investors / foreign portfolio investors / bodies corporate / such other persons or otherwise.

**RESOLVED FURTHER THAT** subject to the applicable laws, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Directors or any other officer or officers of the Company to give effect to the above resolutions.”

By order of the Board of Directors,

For **SRG Housing Finance Limited**

Registered Office:  
321, SM Lodha Complex,  
Near Shastri Circle,  
Udaipur (Rajasthan)-313001  
CIN: L65922RJ1999PLC015440  
Email: [info@srghousing.com](mailto:info@srghousing.com)  
Website: [www.srghousing.com](http://www.srghousing.com)

Sd/-  
**Sunaina Nagar**  
M. No: A40754  
Company Secretary  
Date: June 24, 2022  
Place: Udaipur

#### NOTES:

- 1) In view of the current extraordinary circumstances due to COVID-19 pandemic, requiring social distancing the Ministry of Corporate Affairs (MCA) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 General Circular No. 21/2021 December 14, 2021 and General Circular No. 2/2022 dated 05 May, 2022 (hereinafter collectively referred to as 'MCA circulars') read together with various circulars issued by Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 and SEBI/HO/CFD /CMD2/ CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 allowed the companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2022. Accordingly the Company would be conducting this meeting through two-way VC and in this connection it has availed the services of National Securities Depository Limited (NSDL) for providing the VC and e-voting facility.
- 2) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts relating to the special business(es) to be transacted at the AGM is annexed hereto. The Board of Directors, at its meeting held on June 24, 2022 considered that the Special business under item no. 4, 5 and 6 being unavoidable, be transacted at the AGM.
- 3) This is to inform that as physical presence of Members has been dispensed with for attending the Meeting through VC/OAVM Facility, therefore there is no requirement of appointment of proxies. Accordingly the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 23<sup>rd</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the 23<sup>rd</sup> AGM through VC/ OAVM Facility and participate there at and cast their votes through e-voting.
- 4) The attendance of the members participating in the AGM through VC will be recorded digitally. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

- 5) Books of the Company would remain closed from Friday 29<sup>th</sup> July, 2022 to Friday, 05 August, 2022 (both days inclusive) for the purpose of 23<sup>rd</sup> Annual General Meeting of the Company.
  - 6) In compliance with the Circulars, Notice of the AGM along with the Annual Report 2021-22 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.srghousing.com](http://www.srghousing.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>
  - 7) We hereby request the Members of the Company to update their e-mail address to enable the Company to send communications electronically.
  - 8) All documents referred to in this Notice and other statutory registers like Register of Directors and Key Managerial Personnel and their shareholding (Section 170 of the Act), the Register of Contracts or Arrangements in which the Directors are interested (Section 189 of the Act) etc. maintained, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 05, 2022. Members seeking to inspect such documents can send an email to [info@srghousing.com](mailto:info@srghousing.com). The said documents would also be available online for inspection during the AGM.
  - 9) In terms of the provisions of Section 107 of The Companies Act, 2013, since the resolutions set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on Show of Hands at the 23<sup>rd</sup> AGM.
  - 10) The members desirous of obtaining any information with regard to the audited Annual Financial Statements of the Company for the financial year 2021-22 or on any other related subject are requested to write to the Company at [info@srghousing.com](mailto:info@srghousing.com) at least 15 days before the date fixed for the 23<sup>rd</sup> AGM, so that the information required could be kept ready.
  - 11) Since the AGM will be held through VC, the Route Map is not annexed in this Notice. The deemed venue is the Registered Office of the Company.
  - 12) Additional information, pursuant to SEBI (LODR) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM is furnished in the explanatory statement forming part of this Notice. The directors have furnished consent/declaration for their appointment/re-appointment as required under the provisions of The Companies Act, 2013 and Rules thereto, and as per the RBI Directions.
  - 13) The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts.
  14. Members are requested to notify the change if any pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs.
  - 15) The Board of Directors of the Company ("the Board") has appointed Mr. Shivhari Jalan, Practising Company Secretary as the Scrutinizer for conducting the voting process in a fair & transparent manner.
  - 16) The Scrutinizer shall after the conclusion of e-voting at the 23<sup>rd</sup> AGM shall make a scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairperson or a person authorized by him, within 2 working days or 3 days, whichever is earlier, from the conclusion of the 23<sup>rd</sup> AGM, who shall then countersign and declare the result of the voting forthwith.
  - 17) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.srghousing.com](http://www.srghousing.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Results by the Chairperson or a person authorized by him and shall be immediately forwarded to the Stock Exchange, i.e. BSE Limited.
- 18) Voting Through Electronic Means**
- a) In compliance with the provisions of Regulation 44 of the Listing Regulations, Section 108 of the Companies Act, 2013 read

with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, MCA circulars and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, the Company is providing a facility to all its Members to enable them to cast their vote on the resolutions listed in this Notice by electronic means i.e. remote e-voting prior to the AGM and also during the AGM (for those Members who have not exercised their votes through remote e-voting).

- b) The remote e-voting period commences on Tuesday August 02, 2022 (09:00 a.m.) and ends on Thursday August , 4<sup>th</sup> 2022 (5:00 p.m.). During this period members of the Company, holding shares in dematerialized form, as on the cut-off date Friday 29<sup>th</sup> July, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- c) Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 23<sup>rd</sup> AGM by e-mail and holds shares as on the cut-off date i.e. on Friday 29<sup>th</sup> July, 2022, may obtain the User ID and password by sending a request to e-mail address [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password for casting his/her vote. In the case of forgot password, the same can be reset by using “Forgot User Details/Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- d) Institutional (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the

Scrutinizer by e-mail through its registered e-mail address to [shivharijalancs@gmail.com](mailto:shivharijalancs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- e) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- f) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Members may also write to the Company Secretary at the email address: [info@srghousing.com](mailto:info@srghousing.com) or contact at telephone no. 0294-2561882.
- g) SEBI vide circular SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 9, 2020, has enabled e-voting for all the individual demat account holders by way of a single login credential through their demat accounts and/ or website of the depositories/depository participants (DP), in an attempt to increase the participation of the shareholders as also improve the efficacy of the voting process.
- h) The Members who have cast their votes by remote e- voting prior to the AGM may attend the AGM on VC but shall not be allowed to vote again.

The details of the process and manner for remote e-voting are explained herein:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.



Details on Step 1 are mentioned below:

## A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## B) LOGIN METHOD FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE-

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

## 5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
2. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
    - a) Click on “Forgot User Details/ Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
    - b) If you are still unable to get the password by aforesaid option, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - c) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  3. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  4. Now, you will have to click on “Login” button.
  5. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@srghousing.com](mailto:info@srghousing.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
2. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility

**The Instructions for Members For E-Voting On The Day Of The AGM Are As Under:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1500 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee Auditors, Company Secretary etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
2. Member will be provided with a facility to attend the AGM through VC through the NSDL

e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under 'shareholders/members login' by using the remote e-voting credentials like User Id and Password. The link for VC will be available in 'shareholder/members login' where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.

3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [info@srghousing.com](mailto:info@srghousing.com)
7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [info@srghousing.com](mailto:info@srghousing.com) at least 15 days before the date of AGM. The same will be replied by the company suitably.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### GENERAL INFORMATION:

1. Unclaimed Dividend: Under the provisions of Section 125 of The Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required

to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and the dividend pertaining to Financial year 2014-15 along with the shares are duly transferred by the Company to IEPF.

Any shareholder can claim back his shares by filing the claim in the prescribed form (E-form IEPF-5).

#### For the Attention of The Members:

1. Members are requested to send intimations of any changes in their addresses, applications for demat of shares, applications for transfer of shares and any related correspondence to the Company's share transfer agents Link Intime India Pvt Ltd Address:- C 101, 247 Park, LBS Marg, Vikhroli West Mumbai - 400083 Email Id:- [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) Website: [www.linkintime.co.in](http://www.linkintime.co.in), Tel No:- 022-49186270 Fax: 022-49186060
2. Sending notices and documents to shareholders through email:  
As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc. to the email addresses of the shareholders. For this purpose, shareholders holding shares in demat form are requested to register their email IDs with their Depository Participants.
4. PAN: Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic/dematerialised form are, therefore requested to submit their PAN to their Depository Participant(s).

By order of the Board of Directors,

For **SRG Housing Finance Limited**

Registered Office:  
321, SM Lodha Complex,  
Near Shastri Circle,  
Udaipur (Rajasthan)-313001  
CIN: L65922RJ1999PLC015440  
Email: [info@srghousing.com](mailto:info@srghousing.com)  
Website: [www.srghousing.com](http://www.srghousing.com)

Sd/-  
**Sunaina Nagar**  
M. No: A40754  
Company Secretary  
Date: June 24, 2022  
Place: Udaipur

Information required under Regulation 36(3) of the Listing Regulations (relating to Corporate Governance) and Secretarial Standard on General Meetings, with respect to the Directors seeking appointment/re-appointment are as follows:

<b>Name of the Director</b>	Ms. Garima Soni, Non-Executive Director	Mr. Vinod Kumar Jain, Managing Director
<b>Director Identification Number</b>	08336081	00248843
<b>PAN</b>	DZKPS3284J	AAWPJ9008R
<b>Date of Birth, Age</b>	03/04/1992, 30 Years	11/12/1970, 51 Years
<b>Date of first appointment on board</b>	23/02/2019	10/03/1999
<b>Brief resume of the Director including Qualification, nature of expertise in specific functional areas</b>	Ms. Garima Soni is the Non-Executive, Non-Independent Director of the Company. She is a practicing Company Secretary and holds a Master's degree in Legislative Law. She has over 9 years of experience in compliance and finance, policy making and corporate Governance.	Mr. Vinod K. Jain is promoter of the Company and has over two and half decades of experience in the field of finance, marketing, insurance and transport. He has excellent grasp and thorough knowledge and experience of finance and also of general management
<b>No. of shares held in the Company</b>	4652/ 0.03%	2916387 / 22.43%
<b>Directorships and Committee memberships held in other companies</b>	Nil	He has held directorship in the following other companies: S R G Securities Finance Limited SRG Global Builders Private Limited  He holds the membership of Risk Management Committee in S R G Securities Finance Limited.
<b>Inter-se relationships between Directors, Manager and KMPs</b>	Not related with any Directors, Managers and KMPs	Spouse of Mrs. Seema Jain, Director
<b>Nationality</b>	Indian	Indian
<b>No. of Board Meetings held during the year</b>	7	7
<b>No. of Board meetings attended during the year.</b>	5	7
<b>Terms &amp; Conditions of appointment</b>	Re-appointed as Non- Executive Director and shall be liable to retire by rotation.	Re-appointed as Managing Director of the Company for further period of 3 Years.
<b>Remuneration sought to be paid</b>	Nil	a. Salary:- Yearly salary of ₹ 180 Lakhs fixed. b. Incentive: Incentive of 5% net Profits of the Company subject to a maximum ceiling ₹ 180 Lakhs, in addition to his yearly salary mentioned above. c. Perquisites: Gratuity Payable at a rate not exceeding half a month's salary for each completed year of services in addition to a and b. d. Benefits: Benefits as provided under Section IV Part II of Schedule V of Companies Act 2013.
<b>Remuneration Last drawn</b>	Nil	₹ 321.16 Lakhs
<b>Equity listed Companies from which he/she resigned in the past three years</b>	None	None

## EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No: 3

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

The Members at the 18<sup>th</sup> AGM of the Company had appointed M/s PKJ & Co. (FRN. 124115W), Chartered Accountants as the Statutory Auditors of the Company for the tenure of five years to hold office from the conclusion of 18<sup>th</sup> AGM till the conclusion of 23<sup>rd</sup> AGM of the Company to be held in the year 2022. Accordingly, the said auditors will complete their present term on conclusion of this AGM.

The Board of Directors places on record its appreciation for the services rendered by M/s PKJ & Co as the statutory Auditor of the Company.

The Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the appointment of M/s Valawat & Associates (FRN: 003623C), Chartered Accountant as statutory auditor for a term of five years from the conclusion of 23<sup>rd</sup> AGM till the conclusion of 28<sup>th</sup> AGM to be held in calendar year 2027 subject to approval of members at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. Valawat & Associates, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI) since 1987, with Firm Registration Number 003623C. The Firm has obtained Peer Review certificate from ICAI. The firm specializes in Audit & Assurance, Taxation Services and also provides range of other professional services to its clients. The firm has head office at Udaipur, Rajasthan.

In accordance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 an audit firm which has completed its term under clause (b) of Section 139(2) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

M/s. Valawat & Associates has completed the period of five years from their previous term and eligible to be appointed as the statutory auditor of the Company.

M/s Valawat & Associates, have confirmed that their appointment for the first term of Five (5) years if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Based on various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc. the board has recommended the appointment of M/s. Valawat & Associates as the Statutory Auditors of the Company.

The retiring auditors were paid audit fees of ₹ 1.75 Lakhs (except certification and limited review fee) plus applicable taxes. The fees proposed to be paid to M/s Valawat & Associates will be mutually agreed basis the efforts involved and shall not exceed 15% of the audit fee paid for the previous auditors.

The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible nonaudit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

#### Item No: 4

For the purpose of business of the Company, to augment resources for onward lending and other activities of the Company, the board of directors of your Company are required to borrow funds, within the limits approved by members, inter-alia, by issue of Non-Convertible Debentures (NCDs) in accordance with the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and subject to RBI Directions.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company can make a private placement of its securities including NCDs subject to prior approval of shareholders by way of special resolution. The Rules further provide that the special resolution shall be passed in respect of all offers/invitations for such debentures made during the year. Such an approval from members to borrow funds by way of NCDs is valid till the conclusion of the succeeding AGM.

At the 22nd AGM held on 03rd September, 2021 the Members had approved borrowing by way of Non-Convertible Debentures upto an amount not exceeding of ₹ 250 Crores (Rupees Two Hundred Fifty Crore only), denominated in Indian Rupees and/or in any foreign currency for cash either at par or premium or discount, for cash either at par or premium or discount to face value on a Private-Placement basis, subject to the RBI prescribed ceiling of borrowing as stipulated in the RBI direction/ regulation from time to time. As at 31<sup>st</sup> March 2022, the total borrowings of the Company stood at ₹ 286.63 crores, inclusive of Non-Convertible Debentures of ₹ 51.70 crores.

Since the said special resolution is valid only for one year i.e. till the conclusion of 23<sup>rd</sup> AGM, accordingly approval of the Members is being sought by way of Special Resolution as set out at item No. 4 for onshore and offshore issuances of Redeemable Non-Convertible Debentures or Secured or Unsecured Redeemable Subordinated Debt -Tier-II NCDs/bonds, denominated in Indian Rupees and/or any foreign currency for cash, either at par or premium or at a discount to face value upto an amount not exceeding ₹ 250 Crores (Rupees Two hundred fifty Crores Only), to augment resources for onward lending and other activities of the Company, under one or more information memorandum/ shelf disclosure document on a private placement basis during the period from the date of this meeting till the 24<sup>th</sup> Annual General Meeting under one or more information memorandum/ shelf disclosure document (if applicable) in one or more series or tranches.

The NCDs proposed to be raised denominated in Indian Rupees and/or any foreign currency for cash either at par or premium or discount to face value depending upon the prevailing market conditions, shall be within the overall borrowings limit as approved by shareholders from time to time and also subject to the RBI prescribed ceiling of borrowings as stipulated in the RBI Directions/Regulations from time to time. All the required details/disclosures relating to the issue would be made available in the one or more information memorandum/ shelf disclosure document or respective information memorandum, as the case may be.

The terms of issue of such NCDs would depend upon the requirement of the funds, time of issue, market conditions and alternative sources of funds available to the Company and would be decided by the Board or the Committee, if any constituted by the Board.

All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company.

Your Directors recommend the passing of the Special Resolution proposed at item no. 4 of the Notice.

None of the Directors and key managerial personnel (including relatives of directors or key managerial personnel) of the Company is concerned or interested, financially or otherwise, in this resolution.

#### Item No. 5

The members of the Company at its 20<sup>th</sup> Annual General Meeting held on September 30, 2019 has approved the re-appointment of Mr. Vinod Kumar Jain, Managing Director of the Company.

Mr. Vinod K. Jain has provided over two and half decades meritorious services and significant contribution towards the overall growth and expansion of the Company and with his skills and understanding in various aspects of Company's affairs and long term business experience he has provided the Company with exemplary leadership. Therefore, the Board (based on the recommendation of the Nomination & Remuneration Committee and his fit and proper criteria) and in recognition to his work and vast experience decided to reappoint him as a Managing Director of the Company for a further period of 3 years with effect from May 7, 2022 to May 6, 2025 on the remuneration as approved by Board in consultation with Nomination & Remuneration Committee in the

Board meeting held on March 16, 2022 subject to the approval of the members of the Company.

Mr. Vinod Kumar Jain has confirmed that he continues to satisfy the fit and proper criteria as prescribed under Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and that he has not been convicted for any offence under any of the statutes enumerated in Part I of Schedule V to the Companies Act, 2013 and that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority. Mr. Vinod Kumar Jain is committed to devote enough time that is required by the Company in order to fulfil his fiduciary responsibility towards the various stakeholders.

Requisite Notice under Section 160 of the Act proposing the re-appointment of Mr. Vinod K. Jain has been received and consent has been filed by Mr. Vinod K. Jain pursuant to Section 152 of the Act. He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 has been received from Shri Vinod K. Jain in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility for such re-appointment.

The terms of his re-appointment is as below:-

#### I. Remuneration:

- a. **Salary:** Yearly salary of ₹ 180 Lakhs fixed.
- b. **Incentive:** Incentive of 5% of net profits of the Company subject to a maximum ceiling of ₹ 180 lakhs in addition to the yearly salary as mentioned above (profits shall be computed in the manner laid down in section 198 except that the remuneration of the directors shall not be deducted from the gross profits).
- c. **Perquisites:** Gratuity payable at a rate not exceeding half a month's salary for each completed year of service in addition to a and b.
- d. **Benefits:** Benefits as provided under Section IV Part II of Schedule V of Companies Act, 2013. Since the revised remuneration exceeds the overall limit prescribed under provisions of section 197, 198 and Section II Part II Schedule V to the Companies Act, 2013, therefore consent of the Members is sought for the same.

#### II. Remuneration in the event of loss or inadequacy of profits:

In case of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Vinod K. Jain, the remuneration mentioned herein shall be paid to Mr. Vinod K. Jain as minimum remuneration and the same shall be subject to the overall limit as approved in this Annual General Meeting.

#### III. Tenure

Reappointment shall be for a period of 3 years from 07.05.2022 to 06.05.2025 and he shall not retire by rotation.

#### IV. Roles and Duties

The roles, responsibilities and duties as Managing Director shall be as per the provisions of Company's Article of Association, Companies Act, SEBI Regulations, Listing Agreement, RBI directions, directions given by Board from time to time and other laws applicable to the Company. Accordingly the Board recommends the passing of the special resolution as set out in the item no. 5 of the Notice. Mr. Vinod K. Jain is interested in the resolution set out at Item No. 5 of the Notice. The relatives of Mr. Vinod K. Jain including Mrs. Seema Jain, Director may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their equity shareholding interest, if any, and Directorship in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. Contract/Memorandum setting out the terms and conditions of the appointment of the Managing Director, would be available for inspection by the Members at the Registered office of the Company during normal business hours on any working day upto and including the date of the AGM and also at the venue of the Meeting.

#### STATEMENT OF PARTICULARS (ITEM NO. 5) (PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)

##### I. General Information:

1. Nature of Industry: The Company is a Housing Finance Company registered with National Housing Bank.



2. Date or expected date of commencement of commercial production: The Company was incorporated on March 10, 1999 and started finance business in the year 2002.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
4. Financial performance based on given indicators: as per audited financial results for the year ended March 31, 2022.

Financial Highlights	(₹ In Lakhs)
Gross Revenue	7919.15
Profit After Tax	2032.19
Shareholder's Fund	11373.96

5. Foreign investments or collaborations, if any: Not Applicable.

## II. Information about the Concerned Managing Director:

### 1. Brief Resume:

Mr. Vinod K. Jain, started his career by joining family business in the year 1990 after higher secondary qualification. He is having more than 2 and half decades experience in various service industries like transport, Insurance, Finance & construction. With his hard work, devotion and intelligence he has been accredited for the expansion of the business of SRG. He is responsible for the overall administration of the Company, subject to the superintendence and guidance from the Board. He is a leading personality of the finance sector in Rajasthan. Apart from this, he is the member of various social groups such as:

- National President of Akhil Bhartiya Pulak Jan Chetna Manch, 2013 & 2019
- President of Mahaveer Yuva Manch Sansthan, January, 2021
- Cabinet Treasurer of International Association of Lions Club, District 3233 E-2 July, 2020
- Patron of Akhil Bhartiya Shree Digamber Jain Dasha Narsinghpura Sansthan, Udaipur July, 2020
- Trustee of Jito Administrative Training Foundation (JATF)
- Founder, Vice President, and Trustee of Shri Digamber Jain Jinsharanam Teerth Trust, Uplat, Maharashtra

- Member and Trustee of Udaipur Chamber of Commerce & Industry
2. Past Remuneration: During the financial year ended March 31, 2022 - ₹ 180 Lakhs plus 5% of Net profit i.e. ₹ 321.16 lakhs.

### 3. Recognition or Awards:

- Business Leader of the year Award by World Leadership Congress
- Adjudged amongst the 100 Most Influential BFSI Leaders
- International Achievers Award for Intellectual People by the All India Business Development Association
- Rashtriya Samaj Gaurav by Akhil Bhartiya Shree Digamber Jain Dasha Narsinghpura Sansthan, Udaipur
- Best President Award by the Akhil Bhartiya Pulak Jan Chetna Manch
- Bhamashah Award and Yuva Gaurav Award by the Mahaveer Yuva Manch Sansthan
- Bhamashah Award by the International Association of Lions Club, District 3233 E-2.

### 4. Job Profile and his Suitability:

Mr. Vinod K. Jain is the Promoter Director of the Company since the inception of the Company and appointed as Managing Director of the Company on May 7, 2012, and re-appointed as managing Director with effect from May 7, 2016 to May 7, 2019 to May 6, 2022. He is responsible for the day to day affairs of the Company. Taking into consideration his qualifications, commitment and expertise in relevant fields, he is best suited for the responsibilities currently assigned by the Board of Directors.

### 5. Remuneration Proposed:

#### a. Salary:

Yearly salary of ₹ 180 Lakhs fixed.

#### b. Incentive:

Incentive of 5% of net profits of the Company subject to a maximum ceiling of ₹ 180 Lakhs, in addition to his yearly salary as mentioned above. (Profits shall be computed in the manner laid down in section 198 except that the remuneration of the directors shall not be deducted from the gross profits).

**c. Perquisites:**

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service in addition to a and b.

**d. Benefits:**

Benefits as provided under Section IV Part II of Schedule V of Companies Act, 2013.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** Taking into consideration the size and growth of the Company, the profile of Mr. Vinod K. Jain, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other peer companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the Directors or key managerial personnel, if any: Besides the remuneration proposed to be paid to him and the transactions in which Mr. Vinod K. Jain & his relatives are interested as provided in the Note no. 34 to Financial Statements for the year ended March 31, 2022, the Managing Director does not have any other pecuniary relationship with the Company

**III. Other Information:****1. Reasons of Loss or inadequate profits:**

As the Company is in the stage of growth and expansion hence as an abundant precaution, the special resolution is proposed in accordance with proviso of Section II-A Part II Schedule V to the Companies Act, 2013.

2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company posted net profit of ₹ 2032.19 Lakhs for the year ended March 31, 2022. During the year Company obtained finance from banks and financial institutions. In future also the Company is expecting to raise more long term funds from Banks and Financial Institutions for the Company's business, board is hopeful to manifold the profit of the Company under leadership of Mr. Vinod K. Jain, Managing Director of the Company.

3. The Company has not made any default in repayment of debts or interest payable thereon in the preceding financial year

**IV. Disclosures:**

The details of remunerations and other information shall be given in the Corporate Governance forming part of the Annual Report 2022.

**Item No. 6**

At the 22<sup>nd</sup> AGM of the Company held on September 03, 2021 approval of the members of the Company was obtained for authorizing the Board of Directors of the Company for issue of equity shares- by way of public (i.e. Further Public Issue and/or private offerings and/or on preferential allotment to the promoter and/or public or any combination thereof, During 2021-22 the Company continued to deliver a better ROE, and kept CAR as well as leverage ratio at comfortable levels. Hence, the Company did not raise any capital during 2021-22, though approval was taken from the members.

The Company proposes to raise additional capital for its future growth and expansion. The proceeds may be utilized for augmenting cash resources, to fund the organic or inorganic growth opportunities in the area of its operations and adjacencies, for making investments growth of existing businesses or for any other general purposes as may be permissible under the applicable law and approved by their Board or its duly constituted Committee.

This special resolution seeks to empower the Board to create, issue, offer and allot, Equity Shares in one or more tranches by way of public (i.e. Further Public Issue) and/or private offerings and/or on preferential allotment to the promoter/ public or any combination thereof, of face value of ₹ 10/- each upto 30,00,000 (Thirty lakhs) equity shares on such terms and conditions as may be deemed appropriate by the Board (which term shall be deemed to include any committee thereof which the Board may constitute / have constituted) at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

Material information pertaining to the Further public offer (FPO) is as follows:

- **Issue Price:** The price at which the Equity Shares will be allotted through the FPO shall be determined and finalized by the Company in consultation with the book running lead manager in accordance with the SEBI (ICDR) Regulations, 2018 as amended from time to time.
- **The object(s) of the issue are:** The proceeds of the FPO are to be utilized for the purposes that shall be disclosed in the Draft Red Herring Prospectus to be filed with the Stock Exchange(s) in connection with the FPO.
- **Intention of promoters, directors or key managerial personnel to subscribe to the offer:** The Company shall decide about the same in accordance with all applicable laws, rules, regulations (any amendments, modifications thereof) and in consultation with Book running Lead Manager and will be disclosed in Draft Red Herring Prospectus.
- **Change in control, if any, in the company that would occur consequent to the FPO:** No changes in control of the Company or its management is intended or expected pursuant to the FPO, except the change in the shareholding pattern of the Company.

The Board shall issue Securities pursuant to this special resolution and utilize the proceeds for business purposes, including but not limited to meet capital expenditure and working capital requirements of the Company, repayment of debt, exploring acquisition opportunities and general corporate purposes. The special resolution also seeks to empower the Board to offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares as may be determined by the Board

As the Issue may result in the issue of Equity Shares of the Company to investors who may or may not be members of the Company, consent of the members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the SEBI ICDR Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In case of QIP, allotment of securities would be completed within a period of 365 days from the date of passing the resolution set out at agenda no. 6. The securities issued will be listed on one or more stock exchanges in India.

All the documents referred in the Notice are available for inspection at the Registered Office of the Company.

The Board of Directors therefore, recommends the passing of the special resolution proposed at Agenda No. 6 of the Notice.

The Directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of Equity Shares that may be subscribed by the companies / institutions in which they are Directors, members or employees.

By order of the Board of Directors,  
For **SRG Housing Finance Limited**

Registered Office:  
321, SM Lodha Complex,  
Near Shastri Circle,  
Udaipur (Rajasthan)-313001  
CIN: L65922RJ1999PLC015440  
Email: [info@srghousing.com](mailto:info@srghousing.com)  
Website: [www.srghousing.com](http://www.srghousing.com)

Sd/-  
**Sunaina Nagar**  
M. No: A40754  
Company Secretary  
Date: June 24, 2022  
Place: Udaipur

नई दिशा।  
नया जोश।  
नया मकाम।



2021-22  
23<sup>rd</sup> Annual Report



The online version can be viewed at  
<https://www.srghousing.com/Annual-Report>

## Contents

01-18

### CORPORATE OVERVIEW

About Us	02
Strong facts.	04
Steady performance.	
6 Yerars Journey	05
Managing Director's Message	06
Bridging new milestones	08
Strengthening Our Digital Ecosystem	09
Powering our Human Resources	10
Creating a Positive Impact	12
Awards	13
Board of Directors	14
Management Team	16
Corporate Information	18

19-80

### STATUTORY REPORTS

Management Discussion and Analysis	19
Directors' Report	31
Report on Corporate Governance	52
Certificate on Corporate Governance	80

81-164

### FINANCIAL STATEMENTS

Independent Auditor's Report	81
Balance Sheet	90
Statement of Profit & Loss	91
Cash Flow Statement	92
Notes Forming Part of Financial Statements	94

#### Forward-Looking Statements

In this Annual Report, we have disclosed forward-looking information to enable stakeholders to comprehend our prospects and take relative decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise

# Nayi Disha. Naya Josh. Naya Makaam.



India's housing sector is all revived, resurgent, and marked by new opportunities, which include a growing economic outlook, rising aspirations, huge unhoused population, and low home loan rates.

Despite the unprecedented challenges faced during the year, SRG Housing has navigated through the tough times with resilience and optimism and delivered a strong performance. More focused than ever at expanding our capabilities, we are well-positioned to be at the forefront of upcoming opportunities and conquer new milestones.

We are creating new branches, building expert teams, implementing new technologies, upgrading our infrastructure, and adopting new ways of working- all this towards a singular vision of fulfilling housing demand for all and establishing ourselves as the leading housing finance company in rural and semi-urban India. With a new direction and renewed enthusiasm, we have set the stone rolling towards a stronger and prosperous future, supported by recovery in economic activity and surge in consumer demand.

# About Us

SRG Housing is a retail and affordable housing finance company empowering the underserved rural and semi-urban population of India to own their dream home. Established in 1999, we provide individual housing loans and loans against property to aspiring home-buyers in central and western India. We take pride in being the first company in Rajasthan to be registered with National Housing Bank (NHB) in 2002 and the very first in India to migrate from BSE SME Platform to the BSE Main Board in 2015.

## WHAT WE DO

With a vast experience and deep understanding of the rural financial ecosystem, we are uniquely positioned to finance 96% of India's population that lacks access to mainstream banking and financial services. We primarily serve the unbanked and undocumented people in the rural and semi-urban areas of India, efficiently catering to their needs for housing loans and loans against property. The majority of our loan disbursements are for single unit properties.

## OUR CUSTOMERS

Envisioning housing for all, we cater to first-time borrowers from the lower end of the socio-economic pyramid, living in Indian hinterlands and not serviced by the formal financial system. These are usually self-employed people running small or medium businesses and having an informal source of income. Our customers comprise daily wage employees, local tradesmen, domestic assistants, cooks, garage mechanics, shop-floor workers, tea stall vendors, and vegetable vendors, among others.

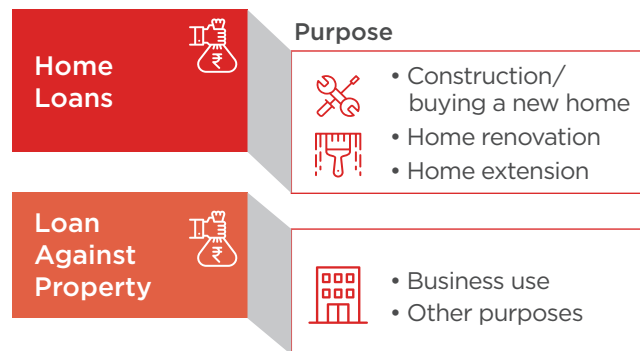


## MISSION

To provide housing loans to individuals in the unserved and under-served, rural and semi-urban areas of India

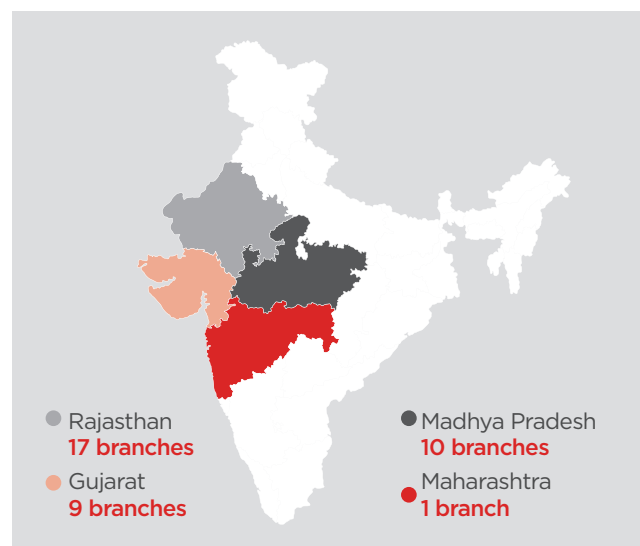
## PRODUCT PORTFOLIO

### Product



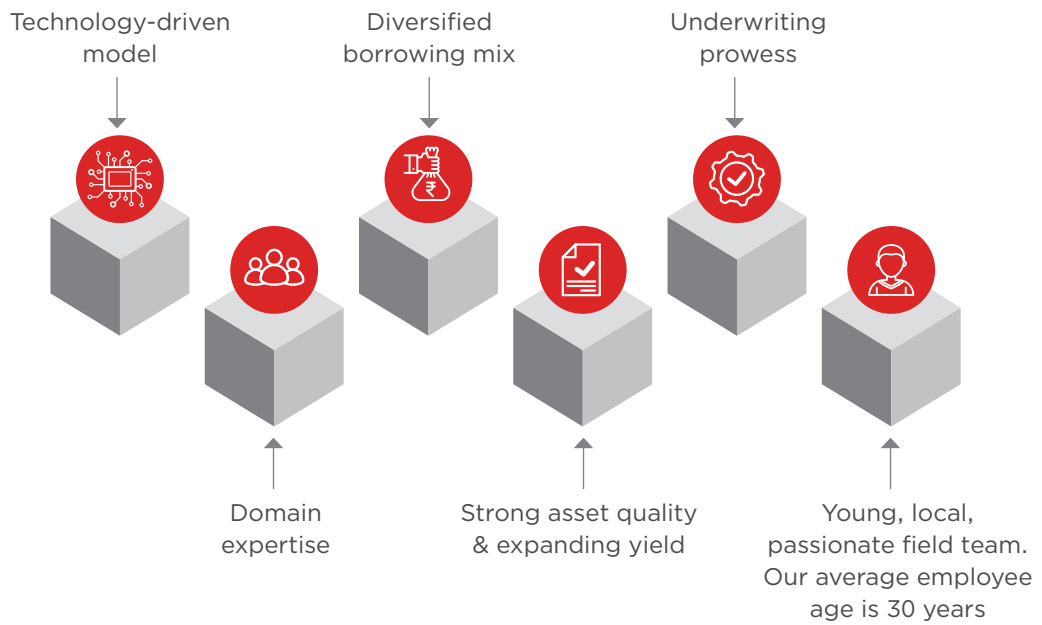
## GEOGRAPHICAL PRESENCE

Headquartered in Udaipur, we enjoy a strong presence across 4 states of Rajasthan, Madhya Pradesh, Gujarat, and Maharashtra. We operate from 37 branches across these states and are also expanding our digital presence at a rapid pace.

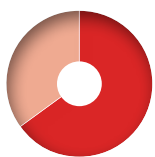


\*54 Branches as on June 2022.

**OUR DIFFERENTIATING STRENGTHS**

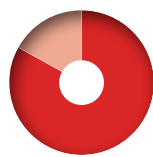


**BUSINESS SNAPSHOT**



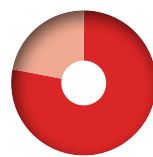
**Loan Mix**

- **65.11%** Housing Loan
- **34.89%** Loan Against Property



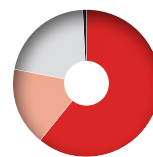
**Business Mix**

- **83.32%** Rural
- **16.68%** Urban



**Customer Profile**

- **78.23%** Self-employed
- **21.77%** Salaried







**State-wise**

- **61.02%** Rajasthan
- **17.3%** Madhya Pradesh
- **21.01%** Gujarat
- **0.67%** Maharashtra



# Strong facts. Steady performance.

	FACT	STANDS FOR	SRG IMPACT
	<b>62%</b> of our customers are between 35-53 years of age	We are catering to mature prospects with sound businesses and sufficient cash flows	Reflects consumer's ability to save money to buy a plot and construct on it
	<b>51%</b> of our customers have studied till class XII	Basic level of education reinforces borrowers intent to repay the loan	Strongly reflects in our sound GNPA and NNPA numbers
	<b>More than 95%</b> of cases have women co-borrowers	Women are being considered for home-ownerships in rural India	Reduces risk and fosters women empowerment
	Average income of a target household is nearly <b>₹ 30,000</b>	Indicates more than sufficient income considering lifestyle expenses	Improves business prospects and facilitates sustainable growth
	<b>Around 96%</b> of our borrowers pay their EMIs through banking channels like NACH	Increasing financial literacy amongst our consumers	Reflects our role in enabling financial inclusion
	Most of our customers are <b>small business owners</b> with informal source of income	Customer profile includes animal husbandry, dairy farms, general stores, small time contractors, tea and food vendors, grain merchants, among others	Determines our strong skillsets to credit underwrite marginal profiles, who, otherwise fall prey to loan sharks. In providing easy financial access to unbanked and undocumented consumers

## 6 Years Journey

**Journey from our first ever equity private placement in March 2017 to March 2022**

In the past few years, we have seen massive reforms such as demonetization and GST. The IL&FS crisis was followed by several liquidity crunches in the industry. The unprecedented COVID-19 pandemic followed. Despite these, we are growing strongly.



	Then	Now
AUM	₹ 81.83 Crores	₹ 340.01 Crores
Shareholder's Fund	₹ 33.97 Crores	₹ 113.74 Crores
Yield on Portfolio	21.50%	21.93%
Net Interest Income	₹ 8.97 Crores	₹ 42.40 Crores
NIM	10.57%	12.74%
Profit after tax	₹ 2.71 Crores	₹ 20.32 Crores
EPS	₹ 2.38	₹ 15.63
Average Ticket Size	₹ 7.62 Lacs	₹ 5.94 Lacs
Average LTV	49.51	40.81
Average Tenure	6 yrs	6.82 yrs
Cost to Income Ratio	55.26%	48.13%
Gross NPA (as % of AUM)	1.57	2.47
Net NPA (as % of AUM)	1.21	0.42
Return on Average Assets	3.19	5.01
Return on Average Equity	11.20	19.60
Capital Adequacy Ratio (CAR)	72.71*	38.30

\*CAR was high due to fresh infusion of capital, pre infusion CAR was 49.91% (2016)

**Though our market capitalization has not increased in the past few years, we are continuously delivering strong returns.**

# Managing Director's Message



With an entrenched presence in rural and semi-urban areas, we empower the unserved and underserved sections of the society by fulfilling their housing finance aspirations.”

## DEAR SHAREHOLDERS,

### Hope you all are safe!

FY22 started with gloom surrounding the second wave of the COVID-19 pandemic and stringent restrictions to prevent its spread. However, as the year came to a close, the economy appeared to be coming back on track notwithstanding the rapid spread of the Omicron variant. Successful vaccination of majority of India's population along with proactive fiscal and monetary policy interventions led to a rebound in consumer and business confidence, leading to a strong 8.7% Gross Domestic Product (GDP) growth of the Indian economy in the fiscal year.

India's housing sector is brimming with new opportunities which include a buoyant economic outlook, rising aspirations, a huge unhoused population, and lower home loan rates. The pandemic had imposed severe restrictions on human mobility and people were compelled to stay indoors for the past two years. The residential market saw an unprecedented year of growth in sales and new launches in the year under review. Lower mortgage rates, improved affordability, high savings, and a resurging interest in homeownership triggered by the pandemic have been the key drivers of increased demand for housing.

## PERFORMANCE IN FY22

Despite the unprecedented challenges, we delivered a strong performance and navigated through the tough times with resilience and optimism. Our Assets

Under Management (AUM) stood at ₹340.01 Crores as against ₹325.40 Crores in the previous year, registering a growth of 5%. The disbursements stood at ₹85 Crores compared to ₹89.88 Crores in FY21. Net Interest Income for the year stood at ₹42.40 Crores as against ₹36.17 Crores in FY21. Profit after Tax increased to ₹20.32 Crores from ₹18.83 Crores in the previous year. Our NPAs continue to be low at 0.42%, with an average Loan to Value (LTV) ratio of 40.81%.

## STRATEGIC PRIORITIES

With an entrenched presence in rural and semi-urban areas, we empower the unserved and underserved sections of the society by fulfilling their housing finance aspirations. Our customized and technology-led products and solutions enable us to offer a seamless customer experience. Our strategy continues to be focused towards strengthening our products and services, investing in technology and trading platforms, and providing the highest service to our customers.

For the past five years, we have seen massive reforms and policies which have significantly impacted India's real estate sector; notable ones being demonetization in 2016 and the implementation of Goods & Services Tax (GST) in 2017. Further, the year 2018 saw the massive IL&FS crisis followed by severe liquidity crunch in the Non-Banking finance and housing finance industries. And, most importantly, the last two years saw massive disruptions to livelihoods and businesses worldwide due to the unprecedented COVID-19 pandemic.

Despite these challenges, we have grown and considerably reduced our NPAs in the last five years. Our loan book has grown from ₹ 81 Crores in March 2017 to ₹ 340 Crores in March 2022 and PAT has increased from ₹ 2 Crores to ₹ 20 Crores during the same period.

As we move forward, we are more focused than ever and have charted a new direction to remain at the forefront of the emerging opportunities. Currently, we are in an expansion mode and have set the stone to drive a stronger and prosperous future, supported by the recovery in economic activity and consumer demand.

As on 31<sup>st</sup> March 2022, we had 37 branches across the country. Our network is well supported by a competent team of professionals with deep expertise and market domain. We are focused on increasing our presence by opening branches in the neighborhood areas and taking our total branch count to 60 by the end of the current fiscal.

The COVID-19 pandemic has accelerated the pace of digital transformation. At SRG, we have embraced this and revamped our digital infrastructure significantly. As part of technology enhancement, we continue to make investments towards automation and newer technologies to improve efficiencies and processes, achieve faster turnaround, and streamline collection and disbursements. Our one-of-its-kind initiative, SRG SRAJAN, is aimed at eliminating redundancies and improving productivity of resources.

During the year, we appointed Mr. Saurabh Rajawat as the Chief Operating Officer. He comes with vast experience and expertise and has worked in several industries prior to joining our Company. Moreover, we have onboarded 100 employees across all our branches. I am confident that these new members will fructify the evolution and expansion plans.

In another significant development, we have raised ₹ 167.40 Crores during the year, of which 36% is from banks, 43% is from Financial Institutions, and 21% is from National Housing Bank (NHB). Our liquidity remains strong. During the year, the liquidity funds available to us stood at ₹ 110 Crores, of which ₹ 74.40 Crores are undrawn funds available.

## **BUSINESS OUTLOOK**

We are moving ahead with a renewed focus and direction to achieve scalable growth with our consistent efforts. We are continually working to create new branches, new expert teams, new technology, new ways of working, and revamped infrastructure—all this towards a singular vision of fulfilling housing demand for all and creating a much stronger loan book and balance sheet. Strong asset quality boosts our confidence in the underwriting model.

Our collection efficiencies post COVID have proven that retail borrowers are responsible and concerned about their credit availability.

Our greatest focus lies on capitalising the massive opportunities coming underway to drive growth and meet the homeownership aspirations of millions of people in the country.

## **CONCLUSION**

I would like to take this opportunity to thank our stakeholders for their unstinted trust and support in us. I would also like to thank our dedicated employees who have continuously supported us through all the disruptions during the year.

Warm Regards,

**VINOD K. JAIN**

Managing Director  
DIN: 00248843

# Bridging new milestones

Despite significant challenges confronted during the year, we leveraged our core competencies and delivered positive results, reflecting the inherent strength of our business model. The year 2021-22 not only unfolded new opportunities but also pushed us to the next orbit of growth.

## KEY HIGHLIGHTS OF FY22



Gross Loan Book reached

**₹ 340.01 Cr**  
(+4.49% YoY)



Loan Disbursed

**₹ 84.89 Crores**



Net Interest Income (NII) stood at

**₹ 42.40 Crores**  
(+17.22% YoY)



CRAR was registered at

**38.3%**



Average Lending Rate stood at

**23.16%**  
against Borrowing Cost of  
**10.56%**



Loan Spread continued to remain strong at

**13%**



Total Net Worth as on March 31, 2022 stood at

**₹ 113.74 Crores**



Return on Average Equity (ROAE) for the year was

**5.01%**



NNPA stood at

**0.42%**  
and GNPA at  
**2.47%**



Debt Equity Ratio / Gearing Ratio was

**2.52 times**

# Strengthening Our Digital Ecosystem

At SRG, we rapidly update technology and continuously deploy state-of-the-art solutions to keep pace with the evolving market trends. Consistent innovation and automation help us elevate operational efficiency, enhance productivity, and fulfil the dynamic needs of our consumers.



## EMPOWERING TEAMS THROUGH DIGITIZATION

During the year, we updated our technological infrastructure, integrating digitization into every aspect of our business. Migration to AWS Cloud infrastructure reinforced our commitment to automation and provided round-the-clock access to digital services to our field staff. We continued to reap the benefits of SRG Sales Application, an efficient approval process that minimises the incidence of error. It further enables elimination of cash dealings through direct loan disbursement to the customer's bank account. Digitization of collection and recovery processes, backed by an in-house collection application, also improved business performance.

## BITRIX 24 CRM: ELEVATING PROCESS INTELLIGENCE

Bitrix 24, a one-stop CRM tool, was deployed across our call centre, marketing and legal teams to support them in their respective roles and enhance process

efficiencies. The tool gave our sales team complete control on the customer lifecycle, right from capturing and converting leads to customer service, on a single platform. Streamlining multiple processes across the Company and providing an overview of our customers, sales cycle, marketing and campaigns, and more, the software strengthens us to manage our business more efficiently.

## ADRENALINE: HR TRANSFORMATION IN ACTION

Adrenaline HR software was deployed with the objective to optimize our most crucial assets, our employees. With a wide range of capabilities, the software simplifies our payroll and compliance activities and serves as a strong platform for HR analytics. Establishing a strong virtual connect between employees, it empowered our people to communicate and collaborate with utmost ease. Adrenaline is Social, Mobile, Analytics, and Cloud-ready.

# Powering our Human Resources

A powerful organization is made up of empowered people. Inspired by this, we undertook various employee-centric initiatives to facilitate their development and ensure their overall well-being.

Continued efforts were made towards safeguarding our employees by upholding hygiene and safety measures as we battled the second and third waves of the pandemic. 100% of our employees stand vaccinated against the pandemic as on 31<sup>st</sup> March, 2022. Employee interest was further protected by ensuring zero salary cuts during the year.



## TALENT ACQUISITION AND DEVELOPMENT

With the aim to build a robust management team, significant subject-matter experts were hired at senior positions in key areas of credit, finance, information technology, and business development.

This move is expected to reap long-term benefits in the organizational journey of growth and profitability. New employees were apprised about the organization and their responsibilities with the help of nine structured induction programs conducted over the year through video calls.

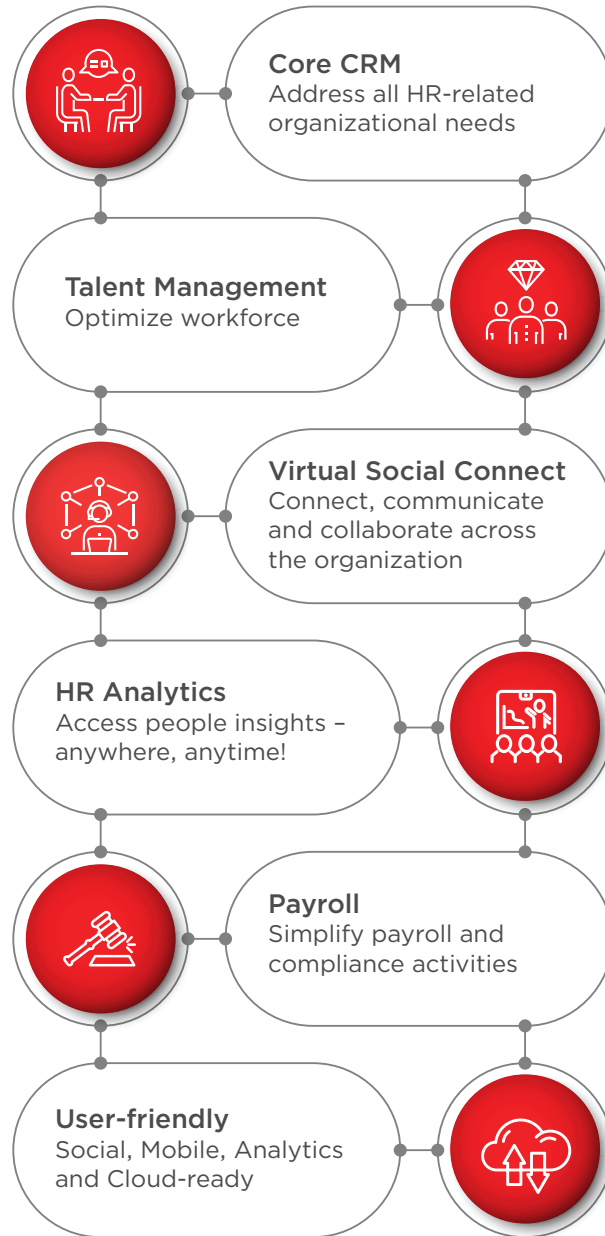


Pathshala, a nominations and invitation-based learning exercise, kept the employees motivated while enhancing their productivity. Learning was further enabled through 'Gyan Guruwaar', a weekly knowledge-sharing mailer, was sent to the employees. Multiple other learning and development programs were also conducted for the existing employees at all levels to upgrade their skills and improve performance.

## DIGITAL EMPOWERMENT

Digitization remained a key enabler for our people and played an instrumental role in driving efficiencies within our HR processes. Adrenaline, a powerful HR software, laid the cornerstone for streamlining our HR function and enhance the way we work.

**ADRENALINE: THE CORE HR SOFTWARE**



**SRG SRAJAN** helped us strengthen our business operations further and continued to assist our human resources in ensuring customer delight. **HR Mantra**, a human resource management software, also proved effective in establishing strong employee connect.



# Creating a Positive Impact

As a responsible corporate citizen, we believe in uplifting the communities that we live and operate in. Our Corporate Social Responsibility initiatives emphasize on providing the underserved people with better access to education, healthcare, and livelihood opportunities.

Rising to the fight against the pandemic and its cascading effect on the marginalized communities, we undertook several COVID-19 relief initiatives during the year. SRG Foundation, a separate entity, was formed and helmed the organization's philanthropic activities. We donated an oxygen generation plant during the year. Generators were also donated to the hospitals by us. In addition, we participated in various plantation drives and assistance for education and academic scholarships were extended to the underserved communities.



**₹ 44.62 Lacs**  
spent on CSR initiatives



Tree plantation drive



COVID-19 relief activity



Oxygen plant donated to RNT Hospital, Udaipur



DG Set Donated to Parsad Community Health Centre, Sarada Udaipur

# Awards



Award for Excellence in Home Loans



Excellence in Rural Housing Finance Award by World Leadership



Best Housing Finance Company Golden Star Awards



Distinguished NBFC Awards Best Cloud initiative



- Award for excellence in Home Loans by BFSI in March 2022
- Best Housing Finance Companies Customer Service Excellence award by Golden Star Awards on 25<sup>th</sup> October 2021
- Distinguished NBFC Awards-2021 held by Banking Frontiers for the Best Cloud Initiative-SRG SRAJAN on 20<sup>th</sup> August 2021
- Excellence in Rural Housing Finance Award by World Leadership Congress, April 2021

## Board of Directors



### **MR. VINOD K. JAIN**

*Managing Director (Promoter)*

DIN No. 00248843

Mr. Vinod K. Jain is the Managing Director and Promoter of SRG Housing. He has over two-and-a-half decades of experience in the financial services space. During his inspiring career, he has taken multi-dimensional roles and a strategic direction that drove the Company to its peak. With his deep financial prowess and effective team management capabilities, he has scaled the Company to higher levels with utmost honesty and integrity. He has envisioned to transform the Company as the next big participant in India's Housing Finance sector.



### **MRS. SEEMA JAIN**

*Non-Executive, Non-Independent Director*

DIN No. 00248706

Mrs. Seema Jain serves as the Non-Executive Director to the Board since inception. She has a wide knowledge of finance, with excellent leadership, management, and organizational skills. She has more than 20 years of experience in human resource, strategic planning, administration and corporate governance.



### **MR. ASHOK KABRA**

*Non-Executive, Independent Director*

DIN No. 00240618

Mr. Ashok Kabra is a Non-Executive, Independent Director of the Company and serves on various Committees. He holds a Master's degree in Commerce. He has a diverse exposure of more than 19 years in corporate finance, stock broking, investments, and financial services.



### **MR. VIKAS GUPTA**

*Non-Executive, Independent Director*

DIN No. 05280808

Mr. Vikas Gupta is the Non-Executive, Independent Director of the Company. He is a Bachelor's in Commerce from Mohan Lal Sukhadia University, Udaipur, and a Law (LLB) graduate. He is registered with the Commissioner of Income Tax, Udaipur as an Income Tax Practitioner. He has more than 20 years of exposure in legal matters, tax consultancy and all related financial services.



### MR. NISHANT BADALA

*Non-Executive, Independent Director*

DIN No. 06611795

Mr. Nishant Badala is the Non-Executive, Independent Director of the Company. He holds a Master's degree in Commerce from the University of Udaipur. He is a Chartered Accountant and a Company Secretary by profession. He has more than 8 years of experience in accounting & financial and risk management and provides valuable inputs on various financial and strategic decision-making.



### MS. GARIMA SONI

*Non-Executive, Non-Independent Director*

DIN No. 08336081

Ms. Garima Soni is the Non-Executive, Non-Independent Director of the Company. She is a practicing Company Secretary and holds a Master's degree in Legislative Law. She has over 7 years of experience in compliance and finance, policy making and corporate governance.



### MR. SURESH K. PORWAL

*Non-Executive, Independent Director*

DIN No. 08966740

Mr. Suresh Kumar Kanhaiyalal Porwal is a Chartered Accountant by profession. He retired from State Bank of India as a Chief Manager in May 2020. He has more than 33 years of banking experience. He also serves as a Partner in SCJ Associates, a chartered accountant firm. He has a wide experience in the areas of risk management and has handled multiple functions at SBI.

# Management Team



## MR. ASHOK MODI

*Chief Financial Officer*

Mr. Ashok Modi has over 26 years of experience in audit and strategic planning for financial strengthening of individuals and organizations. He has in-depth knowledge of the financial system and its various derivatives. He has been with the Company since 2012.



## MS. SUNAINA NAGAR

*CS and Chief Investor Relations Officer*

Ms. Sunaina Nagar is an associate member of the Institute of Company Secretaries of India and holds an LLB degree. She has also done her MBA (PGDFM) from Narsee Monjee Institute of Management Studies. She handles compliance, equity, and debt financing matters. Her deep insights and research mindset has helped the Company find innovative ways to expand and flourish. She has gained an extensive working experience in the housing finance industry and has been adjudged amongst the 101 Most Influential BFSI Leaders by ET Now World BFSI Congress and Awards. She has been with the Company since 2015.



## MR. ARCHIS JAIN

*Vice President - Business Development*

Mr. Archis Jain has a Master's degree in Family Business Programme from SP Jain School of Global Management. He is responsible for driving business operations as well as implementation and monitoring of business targets. He is leading the team to analyze opportunities, develop go-forward plans, and for efficient and effective business workflow with technological advancements. He has been awarded as a Young Achiever of the Year at the ABP News BFSI and Most Admired BFSI Professional in 2022. He is also an image consultant and a soft skill trainer.



## Mr. Saurabh Rajawat

*Chief Operating Officer*

Mr. Saurabh Rajawat is Chartered Accountant & Company Secretary by profession. He has vast experience of 12 years in NBFC & Fintech Space. He has experience in various fields such as collection, credit, risk, compliance, Development & enhancement of automated lending platform - Loan Origination to Loan Disbursements & collection follow ups, Development of Credit Rule engine (Decision Support Systems) & Score cards for unsecured loan products - For Salaried Customers, SME customers & Gig economy customers, Cost Control etc.



## Mr. Kartik Singh Mehta

*Assistant Vice President - Business Strategy & Planning*

Mr. Kartik Singh Mehta is a Chartered Accountant by Profession, joined SRG Housing Finance in 2017. With his diverse experience gained through range of assignments handled during his stint with the company has grown along and currently holds position of AVP of Strategic Planning in the company. He has played vital role Strategy Formulation for Various functions internally and externally.



## Ms. Liji Sivaraman

*Assistant Vice President- Information Technology*

Ms. Liji Sivaraman is an IT Professional with 14 plus years of combined experience in the IT and education sector. She has worked extensively in Dubai in corporate strategy & technology with eminent organizations for almost 10 years. Her expertise lies in balancing stakeholder expectations and project management. She possesses exceptional team management skills and closely collaborates with team members to establish efficient communication channels and deliver projects on time.



नई उम्मीद, नया घर, नई खुशियां।

# Corporate Information

## STATUTORY AUDITOR

### M/s PKJ & Co.

Chartered Accountants  
Office No. 002 GR Floor, Gulmohar Complex,  
Station Road, Goregaon (East), Mumbai

## INTERNAL AUDITOR

### M/s Jain Kothari & Company

Chartered Accountants  
550-51, S.M. Lodha Complex, Near Shastri Circle,  
Udaipur, Rajasthan 313001

## SECRETARIAL AUDITOR

### Mr. Shivhari Jalan

Practising Company Secretary  
1055, Level 10, Hubtown Solaris, N.S.Phadke Marg,  
Andheri (East), Mumbai - 400069

## LISTED ON

BSE Limited Code: 534680

## BANKERS & FINANCIAL INSTITUTIONS

National Housing Bank  
State Bank of India  
Punjab National Bank (E-Oriental Bank of Commerce)  
Union Bank of India (E-Andhra Bank)  
UCO Bank  
DCB Bank  
South Indian Bank  
Federal Bank  
AU Small Finance Bank  
LIC Housing Finance Ltd.  
MAS Financial Services Ltd.  
MAS Rural Housing and Mortgage Finance Limited  
AVANSE Financial Services Ltd.  
Hinduja Housing Finance Ltd.  
Hinduja Leyland Finance Ltd.  
NABKISAN Finance Limited  
NABSAMRUDDHI Finance Limited  
TATA Capital Financial Services Limited

## REGISTERED OFFICE

321, SM Lodha Complex, Near Shastri Circle,  
Udaipur, Rajasthan - 313 001.  
Phone: 0294-2561882, 2412609

## CORPORATE OFFICE

1046, 10<sup>th</sup> Floor, Hubtown Solaris,  
N.S. Phadke Marg, Near East-West Flyover,  
Andheri (East), Mumbai - 400 069, Maharashtra.  
Phone: 022-62215307

E-mail: info@srghousing.com, srghousing@gmail.com  
Web: www.srghousing.com

CIN: L65922RJ1999PLC015440

NHB Registration No: 02.0056.04, Dated: 15.04.2004

LEI No.: 3358001A8CU8SNHBIU98

## DEBENTURE TRUSTEE

Catalyst Trusteeship Limited  
(Formerly known as GDA Trusteeship Limited)

### Address:

Windsor, 6<sup>th</sup> Floor, Office No. 604, C.S.T. Road,  
Kalina, Santacruz (East), Mumbai - 400 098

Tel: +91 22 4922 0555 • Fax: +91 22 4922 0505

Email: dt@ctltrustee.com

Web: www.catalysttrustee.com

CIN: U74999PN1997PLC110262

## REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Pvt Ltd  
C 101, 247 Park, L. B. S. Marg,

Vikhroli (West), Mumbai - 400 083 (Maharashtra)

Tel: 022-28515606 • Fax No: 022-28512885

Email: rnt.helpdesk@linkintime.co.in

Web: www.linkintime.co.in

CIN: U67190MH1999PTC118368

## AUDIT COMMITTEE

Mr. Nishant Badala, Chairman

Mr. Vikas Gupta, Member

Mr. Ashok Kabra, Member

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Suresh K Porwal, Chairman

Mrs. Seema Jain, Member

Mr. Ashok Kabra, Member

## NOMINATION & REMUNERATION COMMITTEE

Mr. Ashok Kabra, Chairman

Mr. Suresh K Porwal, Member

Mrs. Seema Jain, Member

## RISK MANAGEMENT COMMITTEE

Mr. Vinod K. Jain, Chairman

Mrs. Seema Jain, Member

Mr. Suresh K Porwal, Member

Mr. Saurabh Rajawat

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Nishant Badala, Chairman

Mr. Vinod Kumar Jain, Member

Mrs. Seema Jain, Member

## IT STRATEGY COMMITTEE AND STEERING COMMITTEE

Mr. Nishant Badala, Chairman

Mr. Vinod K. Jain, CIO-Member

Mr. Kartik Singh Mehta, CTO-Member

Ms. Liji Sivaraman, Member

# Management Discussion and Analysis

## GLOBAL ECONOMIC OVERVIEW

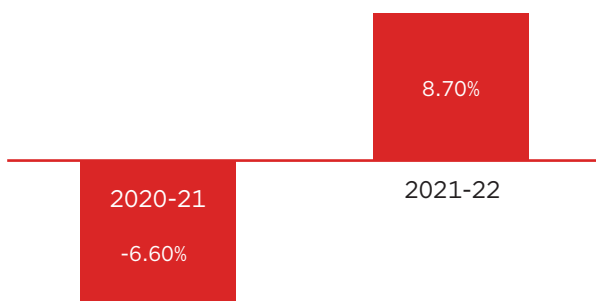
The start of the year 2021 though positive, with the global economy on a mending path, saw the advent of the Russia-Ukraine conflict and rising viral load in China. This slowed down the global economy with broad based inflationary pressures and supply chain disruptions. In 2022, output and investment in advanced economies are projected to return to pre-pandemic trends due to widespread vaccination drives. Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. Advanced economies grew 5.2% in 2021 and are expected to grow at 3.3% in 2022 and 2.4% in 2023. Emerging economies fared better than advanced economies in 2021 growing at 6.8%. In 2022 and 2023, emerging economies are expected to grow at 3.8% and 4.4% with India leading the way. Although a gradual resolution of supply-demand imbalances and a modest pickup in labor supply will ease price inflation eventually, uncertainty prevails.

### Outlook

Post 2023, global economy is estimated to decline to about 3.3% over the medium term. Employment and output are expected to remain below pre-pandemic trends through 2026, barring a few exceptions. Despite prevailing global tensions and lingering impact of the pandemic, longer-term goals should be the primary focus of policymakers. Governments should look to harness positive structural change wherever possible, embracing the digital transformation and retooling and reskilling workers to meet its challenges. Carbon pricing and fossil fuel subsidy reform can also help with the transition to a cleaner mode of production, less exposed to fossil fuel prices.

(Source: World Economic Outlook April 2022, IMF)

### GDP Growth in India



Source: National Statistics office (NSO)

## INDIAN ECONOMY

As per the World Economic Outlook by the IMF, India is set to remain the fastest growing economy in the world. Braving the COVID pandemic and the ongoing geopolitical tensions, the Indian economy is expected to witness 8.7% GDP growth in 2021-22 as against a GDP contraction of 6.6% witnessed in 2020-21, as per the provisional estimates by the National Statistics Office (NSO). The first and last quarters of 2021-22 were impacted due to the second and third waves caused by the COVID-19 pandemic. However, significant recovery was seen in the remaining two quarters due to pent-up demand and increased Government spending.

With consumer inflation rising, like in most other major economies, RBI tightened its monetary policy to maintain a balance between inflation and growth. The unprecedented high global commodity and energy prices due to the ongoing geopolitical situation led to a spike in retail inflation, hitting an eight-year high of 7.8% in April 2022, which poses a risk to near-term economic growth. Besides inflation, the marginal cost of funds lending rate is rising with interest rate tightening. In response, the Reserve Bank of India (RBI) hiked the key interest rate by 40 bps hike in May 2022 and 50 bps in June 2022, the second increase in five weeks, to tame inflation. The increase in lending rate or the repurchase rate (repo) by 50 bps to 4.90% was the biggest in more than a decade and came on the back of an unscheduled meeting that kicked off the tightening cycle.

The Union Budget 2022-23 aimed to harness the momentum that has led to India emerging as the fastest-growing large economy. New and ambitious targets are taken up by India in the green economy and tech industries. The four key pillars for development that have been chalked out are inclusive development, productivity enhancement, energy transition, and climate action. The government is pushing forward with its citizen empowerment agenda, promising jobs, inclusive development, healthcare transformation and female empowerment. Under the PLI scheme, 6 million new jobs are expected to be created in 14 different industries and generate an additional ₹ 30,00,000 Crores revenue. The government wants to promote a digital economy, fintech, technology-enabled development, energy transition, and climate action.



Despite near-term challenges, in FY23, as per IMF, the economic growth rate is expected at 8.2%, almost twice faster than China's 4.4%, led by lower base effect, successful vaccination drive, and offtake of government programs spurring investments and activity. Strong fiscal, monetary, and budgetary interventions are expected to keep India on track to become USD 5 trillion economy by 2025.

Source: National Statistics Office, IMF

## INDUSTRY OVERVIEW

### Housing Finance Sector

The real estate industry in India struggled through the last decade and most Housing Finance Companies (HFCs) faced liquidity and other challenges post IL&FS crisis. The onset of COVID-19 weakened the performance of the banks and all leading HFC's witnessed a decline in their key performance ratios. However, the HFC's are now in a better position as the reduction in stamp duties in few states boosted overall demand and reduced cost.

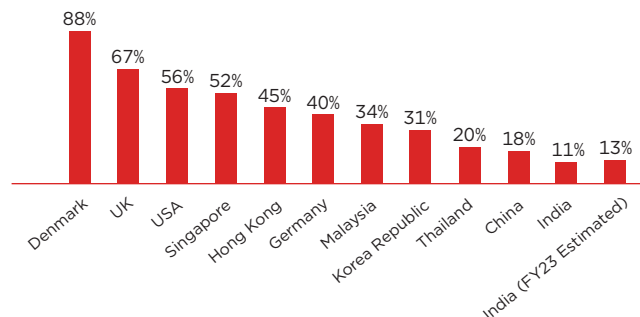
The second wave of infections and the prolonged weakness in the operating environment challenged the recovery since Q3 FY21, which led to a decline in collection efficiency (CE) and hence affected the smooth collections and led to some slippages in the asset quality metrics in Q1 2021-22. After an impact on their disbursements in Q1 2021-22, non-banking financial companies-housing finance companies (NBFC-HFC) saw a sharp recovery in the second quarter. The industry saw a sharp recovery in CE in Q2 2021-22 and the (GNPAs) reduced by around 50 basis points. On-book portfolio is estimated at ₹11.6 Lac Crores, up 9% YoY, in the first half of 2021-22. The collections in Q3 2021-22 have seen an improvement and are near to pre-COVID levels, while the retail portfolio has grown substantially. HFCs' gross stage 3 assets moderated and stood at 3.3% as compared to 3.6% in December 2021. NBFCs and HFCs registered an improvement in their asset quality in Q4 2021-22 as the impact of the Omicron variant of COVID-19 was minimal, and the slippage from the restructured book was lower.

The RBI, vide its circular of February, 2022, provided some relaxation to the implementation of the tightened IRAC norms. However, as expected, most of the entities which had already aligned their GS3 reporting with the tighter IRAC norms continued to focus on collections and did not avail the deferment provided by the RBI. Higher focus on collecting from the 30-90 overdue bucket, versus the 60-90/90+ bucket in the past, supported asset quality.

The reported GNPA ratio of HFCs is estimated to increase to 3.6-3.8% as of March 31, 2022, from 3.3% in December 2021, due to RBI's norms on upgradation of assets and the lag effect of the COVID-19 pandemic. Post September 2022, when the new norms of the central bank will be adopted by all HFCs, GNPAs are likely to increase further. The impact on HFCs is expected to be in the range of 25-150 basis points and for affordable housing finance companies in the range of 75-200 basis points. Any major impact for HFCs is not expected to go ahead as both the industry and customers will adjust to the new norms and bounce back their earlier NPA levels. The HFCs have already started to augment their collections in view of the upcoming tighter Income Recognition, Asset Classification and Provision (IRAC) norms.

Housing finance companies are likely to witness a portfolio growth of 9-11% in FY23, according to ICRA estimates. Going forward, the growth trend is expected to continue, driven by healthy demand in the industry, increasing level of economic activity and increasing vaccination in the country.

### Opportunity in mortgage penetration



Source: MOSPI, United Nations Department of Economics and Social Affairs, IMF, European Mortgage Federation, HOFINET, NHB, Company reports, CRISIL Research. India data for FY19, rest for 2015

### Real Estate and Housing Sector

After a decline of 7.3% in 2020-21, the construction sector is predicted to grow by 11.5% in 2021-22, according to the National Statistical Office, aided by the base effect and strong economic growth. The increase in the construction activity and initiation of large-scale infrastructure projects are going to be significant contributors to the GDP. The financial, real estate and professional services sectors are expected to grow at 4.2% in 2021-22 as compared to 2.2% growth in 2020-21 driven by investments in the construction and real estate sectors. Other allied sectors such as logistics, warehousing, and data centers are also expected to fuel demand going forward.

Due to the pandemic demand for properties in the real estate market suffered a significant lag. This pent-up demand for properties is estimated to finally unleash

itself in 2022, bringing back the good cheer in the real estate market. And even though property prices may soar during this time, affordable home loan interest rates will ease home buying and further boost the industry to flourish again.

The real estate market faced substantial loss during the COVID-19 spread with the housing market experiencing a significant low in the last two years. However, in 2021, the real estate market started getting back on its foot again. Demand for apartments grew and surges in the prices in the big cities of India were witnessed during the second half of 2021. Home loan and property market interest rates declined around the same time. Ready-to-move-in properties attracted more buyers than usual as the importance of owning a home became more apparent during lockdowns. Many states lowered stamp duty rates on the properties, thus boosting demand. Value appreciation was seen in tier II and III cities in India. The housing sector remained the most in-demand sector in real estate.

In 2022, things seem a little brighter for the real estate market as it is likely going to get a huge boost in property demand and sales. Despite the fears of COVID-19 new variants, the demand for the housing market in 2022 is increasing among homebuyers. The property market is predicted to offer an affordable housing segment to buyers this year wherein all will be able to afford and purchase their own properties. Most of the trends of 2021 are likely to continue in the 2022 housing market graph. Additionally, there will be more new trends, such as experiential retail.

The year 2022 is predicted to be the year of homebuyers with the housing market witnessing a steady rise in demand. Numerous builders offering unique projects will give both the investors and the end-buyers ample property choices. The housing segment will see increased sales as compared to industrial properties.

In 2021, the residential properties recovered moderately from the effects of the pandemic. Around 5% capital value growth is expected in residential space by 2022. The sector has already seen a green flag and is ready to gain momentum this year. Low rates of interest and incentives offered to property developers by the Reserve Bank of India (RBI) have given a boost to the residential sector. More than 77,000 residential units were sold in the three quarters of 2021. The sales were 47% more than that of the previous year. In 2022, the average quarterly residential sales are predicted to be 35,926 units.

In the last two years, there were merely any fluctuations in the housing market. But in the second half of 2022, prices in the real estate market are most

likely to go north, indicating a rise in property prices. This price bounce in the market will be back with the surge in home buyers' demands. As per the housing market predictions, the real estate market is expected to contribute 12-13% to GDP annually.

The housing market will be a key player in the real estate market in 2022. The residential space will keep dominating the housing market and will bring in foreign investments. The housing market is also expected to gain more shares in 2022. The demand for bigger residential spaces and low-interest rates are the stimulants for attracting buyers and investors, despite a rising trend in prices. If there are no disruptions and the current momentum continues, the housing market graph will almost achieve its original state in the pre-COVID era.

### **Affordable Housing**

Affordable Housing remains the key sub-segment in the housing and real estate sector. Owing to the pent-up ready inventory, the real estate prices are expected to rise gradually. The potential homebuyers who were waiting for the pandemic to get over are keen on investing in the real estate sector and considering the prices are still reasonable with developers offering great discounts to serious buyers. Moreover, the continued push of the Indian government on the affordable real estate sector is driving the demand further.

With the Credit Linked Subsidy Scheme, the homebuyers of the economically weaker sections are finding it easier to acquire a home. With an aim to improve credit flow for the housing sector, the RBI doubled the limit for individual housing loans offered by urban cooperative banks (UCBs) and rural cooperative banks (RCBs). Given the rise in housing prices, the revised limits will facilitate the growth of the housing sector. This sentiment will aid in a robust recovery of the real estate sector in FY23.

### **Extensive Government Initiatives**

The affordable housing market will be the driving force in the real estate market for the next decade. The Union Budget 2022-23 brought to its forefront 'One Nation, One Registration Software' to shift home sellers and buyers to take more intelligent real estate market-related decisions. The initiative of Union Budget 2022-23 regarding the Indian real estate market are as follows:

- Announced to apportion ₹ 48,000 Crores between all the Indian states for the construction of 80 Lacs residential units under the Pradhan Mantri

Awaz Yojana (PMAY). This is 75% higher than the budget allocation made in FY22

- Extended the Pradhan Mantri Awaz Yojana (Gramin) up to 2024
- The momentum going has kept the funds at similar levels for the next year, with a target of handing over 80 Lac homes to urban and rural dwellers
- Urged the states to adopt the Unique Identification Number for Land Parcels to efficiently use of available land resources in the country to help in the IT-based management of records
- To ramp up the 'housing for all' initiative and boost the economic activities the government increased the allocation substantially in the current year
- To facilitate digital inclusion and aid fund transfer, all of the 1.5 Lac post offices will come under the complete banking system. This will enable smooth and transparent real estate transactions in the rural areas and also encourage loan disbursal to the semi-urban population

## COMPANY OVERVIEW

SRG Housing Finance Limited (SRG Housing or the Company), a National Housing Board (NHB) registered company, is a well-known strong retail and affordable housing finance company in the central and western regions of India. It has been in the business for over two decades. Its primary target audience is the underserved rural and semi-urban population. A

BSE-listed entity, it is the first company in India to migrate from BSE SME platform to BSE main board. With operations across 4 states of Rajasthan, Madhya Pradesh, Gujarat, and Maharashtra, the Company has 54 branches as on June 2022 (37 Branches till March 2022). Its registered office is in Udaipur, Rajasthan and its corporate office is in Mumbai.

SRG Housing provides financial assistance to people with informal sources of income and thus limited access to formal banking Channel typically available to the low and middle-income group who are self-employed individuals running small or medium businesses. The Company's primary business involves providing housing finance for home ownership, by offering (i) Individual Home Loans for construction or buying a new house as well as for renovation and extension and (ii) Loans against Property/Mortgage Loan against residential/ commercial property for business or other purposes.

The Company has been a crucial contributor to furthering the Central Government's Housing for All initiative. With a rich experience and expertise, the Company has played a significant role in the financial inclusion of the underserved population into India's mainstream finance led by its unwavering focus on small ticket loans and low Loan to Value (LTV). This enables its customer to create an asset for self and family while upgrading lifestyle. Notwithstanding the fact that most of the SRG Housing customers are new to credit, and get the opportunity to enter the formal financial system through a home loan availed from SRG Housing.

## Operational Highlights

- AUM, Approvals and Disbursements: As of March 31, 2022, the total loan portfolio or Assets under Management (AUM) increased 5% to ₹ 340.01 Crores from ₹ 325.40 Crores in the previous year. Owing to the second wave of covid impacting Q1 of FY23, major pick up was seen in H2FY23 and we expect the momentum to continue improving in the coming years
- Total housing loan portfolio of ₹ 221.38 Crores constituted 65.11% of the total loan book as compared with ₹ 220.60 Crores constituting 67.79% of total loan book in 2020-21
- Total Loan against Property comprised 35% of the loan book as compared with 32.21% in 2020-21
- During the year under review, total loans sanctioned stood at ₹ 88.79 Crores from ₹ 96.85 Crores in 2020-21
- Total loan disbursements during 2021-22 stood at ₹ 85 Crores as compared with ₹ 89.88 in 2020-21
- Company's average tenure of loans stood at 6.82 years and the average LTV of the AUM stood at 40.81% primarily attributable to strong standards of credit underwriting, which safeguarded the Company against credit and collateral risk
- Average lending rate was maintained at 23.16% against a borrowing cost of 10.56% leading to a robust loan spread of 12.6%

Despite significant challenges posed by the COVID-19 pandemic related second and third waves during the year under review, the company delivered positive results reflecting the inherent strength of its business model.

## Marketing and Distribution

The Company had a total of 37 branches across 4 states - 17 branches in Rajasthan, 10 in Madhya Pradesh, 9 in Gujarat and 1 in Maharashtra, as of March 31, 2022. The Company is engaged in catering to the financial needs of the Low and Middle Income (LMI) segment. It has built strong brand equity across Tier II and Tier III areas backed by a deeply entrenched business network. It operates through both Direct Selling Agents (DSA) and sales executives (Company Employees). For customer convenience, the Company offers doorstep services customized to suit client needs as per individual demographics. The Company has left no stone unturned in strengthening its marketing and distribution with presence across digital media, social media, and local customer touch points. The Company utilizes various cost-effective measures to engage with customers, including:

- Local media advertising comprising regional newspapers ads, magazines and cable channels
- At cinema halls, bus terminals, and railway stations, in prominent locations
- Advertising on hoardings and canopies
- Periodic distribution of pamphlets and banners
- Conducting loan camps every 2-3 months

For three consecutive years now, the Teams at SRG Housing have been using the SRG Sales Application, an efficient approval process that minimizes the incidence of error with the aid of the Lead Management System (LMS) and Sales Login File. Post document verification, the disbursement is made directly into the customer's bank account. The Company does not indulge in any cash dealings.

- Collection and Recovery Process: is digitalized and backed by a robust in-house collection app increasing efficiency and convenience
- Asset Quality and NPA: As defined by RBI, a loan is classified as a non-performing asset (NPA) when a borrower does not make payment and breaches the 90-day deadline. A borrower is said to have defaulted when payment is not made in time, is missed, avoided, or completely stopped led by various reasons such as cash flow mismatches, lack of income, job loss or medical emergencies etc

As of March 31, 2022, the Company's NNPA was 0.42% same as that on March 31, 2021. Asset quality is maintained by leading an efficient and accurate customer screening process in addition to the policy of providing collateral loans with security of about 2 times the asset size. This has allowed our LTV to stay low at 41% levels. In rural and semi-urban areas, owing to the high level of societal disrespect, most customers strive hard to avoid default with the sole purpose of maintaining high societal integrity and self-respect.

Customers eventually repay the loan leading to bare minimum write-offs. This has resulted in a robust track record of low NPAs. Additionally, the company follows a stringent recovery process at all levels.

Our loan follow up processes have the following inbuilt efficiencies:

Collection Reviews at H.O.

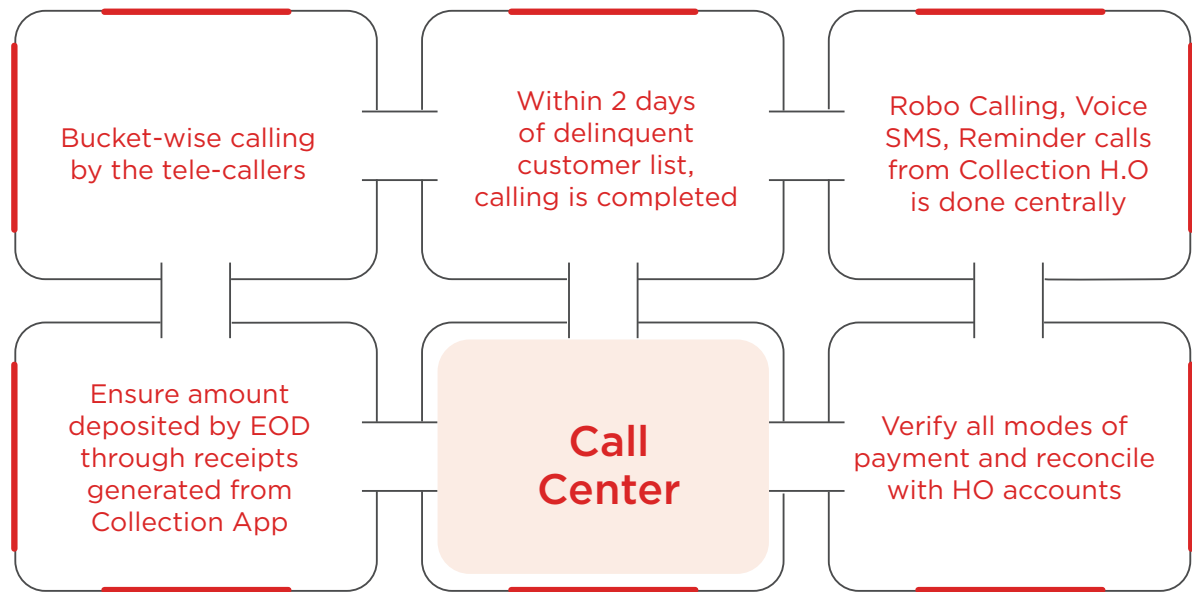
- At each due date, delinquency list of customers is allocated to centralized team for review and follow up with customers
- Post the allocation of delinquent customers, the collection team commences follow up for collections through SMS, tele-calling, personal visits

Collection Performance Review

- Review collection performance of the team on a daily basis
- Provide target-based incentives on monthly basis as per the Collection policy

Collection Executives

- Tehsil-wise cases are allocated to Collection executives simultaneously while allocating the delinquent customer list
- Working through Mobile Application-SRG Go Collect
- Collection amount transfer and generate receipt to customer through Collection App



### Collection Process

In case of default, SRG Housing provides notice of possession to defaulters in accordance with the provisions of the SARFAESI Act. As the bulk of the portfolio is of housing related loans, the intent of repayment is high as the customers strive too hard to keep the house in possession as in most cases the borrower and his family reside in the property under consideration. As most loans are of small ticket size, help from friends and family is availed in case of a cash crunch. The Company writes off a loan, when the loan continues to be bad for a period exceeding 7 years and the realizable value of the security is insufficient to make good the loan. During the year, the Company has written off marginal loans worth ₹ 35.85 lacs.

For any possible unforeseen contingencies, the Company makes adequate provisions. The pandemic did not have any material financial bearing on the Company's capital and resources. As of March 31, 2022, gross NPA stood at ₹ 8.40 Crores. The Company has made provisions of ₹ 8.09 Crores as against regulatory required provisions of ₹ 4.37 Crores. By way of prudence and abundant caution, the Company has provided additional provisions over and above the regulatory guidelines.

### Funding Sources

The Company received sanctions of ₹ 167.40 Crores, in 2021-22, out of which 36% is from Banks, 21% from NHB and 43% from financial institutions (FIs). The total borrowings of the Company marginally increased to ₹ 286.63 Crores in FY22 from ₹285.78 Crores in 2020-21.

46% of borrowings are at a fixed rate while 54% are at floating rate. All lendings by the Company are at fixed rate.

NHB carries out strict on-site and off-site inspections before providing any refinance. Sanction of Refinance facility of ₹ 35 Crores from NHB during the year is a reflection of SRG Housing's robust business model.

### Borrowing Mix:

Borrowing Profile (%)	2021-22	2020-21
Banks (%)	40.53%	35.77%
NCD (%)	18.04%	22.84%
FI (%)	32.36%	27.06%
NHB (%)	9.07%	14.33%

### Asset-Liability Management

The Company's robust Asset-Liability Management Policy approved by the Board of Directors enables an efficient asset-liability management in adherence to the ALM regulatory guidelines. The policy serves as a blueprint for the experienced team to manage ALM risks. The Asset-Liability Management Committee (ALCO) comprising the Managing Director and members of Senior Management periodically reviews the ALM position. Led by the robust policy and rich expertise of the management team, the Company has managed to keep at bay any significant cash flow mismatch in its operations.

The Company maintains its ALM position based on the maturity buckets which enable it to make available adequate credit when required to avoid hindrances due to asset-liability mismatch. The Company boasts of having a strong ALM position, even amidst the HFC liquidity crunch phase, led by the stringent policy of ensuring steady surplus record in all buckets.

SRG Housing maintains a cumulative surplus of ~110 Crores over the tenor.

**SWOT ANALYSIS****Strengths**

- Strong presence in under-penetrated rural and semi-urban markets
- Experienced Board and Key Management Personnel
- Strong Asset Quality
- Low ticket size and Low LTV
- Technology-driven model
- Deep understanding of customer profile, cash flow assessment and local property related matters

**Weaknesses**

- Geographic concentration
- Concentrated funding
- Lack of product differentiation

**Opportunities**

- Growing demand of affordable housing
- Urbanization, growth of nuclear families etc.
- Growing need for self-owned houses during the pandemic
- Government's enhanced focus on 'Housing for All' and supporting policy changes
- Government push and initiatives on digitizing land records aiding property ownership identification

**Threats**

- Increasing cost of borrowings
- COVID-related risk and uncertain economic environment
- Liquidity Management Risk
- Technological disruptions in the industry
- Competition from NBFCs, Fintechs and banks in rural pockets

**FINANCIAL REVIEW**

The Financial Results in 2021-22 were calculated as per Indian Accounting Standards (Ind AS).

In 2021-22, SRG Housing's total income from all operations increased 4.94% to ₹ 80.46 Crores from ₹ 76.67 Crores in 2020-21. Profit Before tax (PBT) increased 7.40% to ₹ 25.53 Crores from ₹ 23.77 Crores in 2020-21. Profit After Tax (PAT) increased 7.91% to ₹ 20.32 Crores from ₹ 18.83 Crores in 2020-21. Net Interest Income (NII) increased 17.22% to ₹ 42.40 Crores from ₹ 36.17 Crores in 2020-21. Net Interest Margin (NIM) on gross AUM expanded 68 basis points to 12.74% in 2021-22 from 12.06% in 2020-21. The Company continued to earn a strong spread on its loans of 12.6%.

**Management Outlook**

The year under review started with the second wave of COVID-19, which severely impacted rural areas. With the third wave on the horizon, business sentiment was weak impacting demand in the first half of 2021-22. The country witnessed the much anticipated third wave of COVID-19 during the fourth quarter of 2021-22, which was, however, relatively milder than the prior ones. Business activity picked up in H22021-22, led by a strong festive season and weak third wave.

The Company remains focused on building a sustainable and profitable business while improving asset quality. The Company is striving hard to expand business by having 60 branches in 2023 out of which 54 branches are already operational. In 2023 we have added 17 branches. There are significant green shoots at the ground level, which will enable the Company to grow its Gross Loan Assets (AUM) to ₹ 500 Crores over the next 12-18 months.

**RISK MANAGEMENT**

At SRG housing, risk is considered as an important element of corporate functioning and governance. The Company has a well-defined process of identifying, analysing, and treating risks to avoid hindrances in achieving its objectives. For effective risk management strategy, the Risk Management Committee has identified and classified the various risks persisting in the organization and studied in detail the activities and places where resources are placed at risk. All the activities of all the departments are listed in a Risk Measurement Template. Post identification of risk parameters, risks are thoroughly analyzed to effectively identify and manage potential problems that could undermine key business initiatives or projects. A Risk Impact Matrix is framed to analyze the impact and probability of occurrence of that activity.

All listed activities are scored accordingly. For every process, a preventive and corrective action, First Person Responsible and monitoring frequency is listed against it. Post assessment, risks are continuously

monitored and appropriate measures are taken to mitigate reduce and avoid all possible threats to the organization.

Risks	Mitigation
<p><b>Pandemic Risk:</b> Though COVID-19 infections have reduced in severity, the re-emergence of variants can lead to further infection. If it leads to mobility restrictions, it may impact business earnings and:</p> <ul style="list-style-type: none"> <li>• Weak consumer sentiment</li> <li>• Discontinuity of operations</li> <li>• Default risk of customers may increase</li> </ul>	<p><b>Mitigation:</b> Nation-wide successful vaccination drive in addition to efficient crisis management, technologically advanced processes and robust infrastructure have well equipped the Company to deal with any disruption caused by future infectious waves.</p>
<p><b>Liquidity Risk:</b> Short-term borrowing tenure may lead to asset-liability mismatch risk and liquidity risk, which in turn may result in:</p> <ul style="list-style-type: none"> <li>• Impacted earnings</li> <li>• Liquidity crisis</li> <li>• Income loss which could damage Company's reputation</li> </ul>	<p><b>Mitigation:</b> The ALCO team is responsible for monitoring and managing ALM position based on maturity buckets. The Company's proficient management of asset maturities and liabilities for funds and borrowings and the repayment schedules reduces the possibility of asset-liability mismatch.</p>
<p><b>Credit Risk:</b> If a customer defaults, it may lead to credit risk. Other reasons for / impact of credit risk include:</p> <ul style="list-style-type: none"> <li>• Inadequate credit</li> <li>• Liquidity crunch</li> <li>• Impact on AUM</li> <li>• Increase in NPA</li> <li>• Lower earnings</li> </ul>	<p><b>Mitigation:</b> Loans are disbursed only post thorough verification of the credit profile of all borrowers and recovery processes using a well-devised credit appraisal process. Low LTV further reduces chances of default.</p>
<p><b>Operational Risk:</b> Failure or mismanagement related to law, HR, technology, or customer relations may impact the operational efficiency of the Company leading to:</p> <ul style="list-style-type: none"> <li>• adverse impact on brand equity</li> <li>• loss in earnings</li> <li>• business closure</li> </ul>	<p><b>Mitigation:</b> A strict code of conduct policy governs all operations and services, including loan origination, document processing, marketing and research, supervision of loans, data processing and back office. For effective control, the Company ensures legal governance of all outsourced services.</p>

**Risks****Mitigation**

**Competition Risk:** High growth potential of the highly fragmented housing finance market attracts competition which may lead to:

- Lower growth in revenue
- Loss in market share

**Mitigation:** Strong brand equity in a market where the Company operates with a track record of positive ALM, low NPAs, prompt TAT, effective financial assistance, localized approach, simple documentation process has created a moat for the Company.

**Interest Rate Risk:** Unforeseen fluctuation in repo rates/ interest rates may adversely impact the loan spread resulting in:

- Reduced income
- Reduced profitability

**Mitigation:** The Company borrows at variable and fixed rates while lending only at a fixed rate. This provides a natural hedge. High NIM of ~13% leaves a lot of scope to absorb any unforeseen movement in interest rates.

**Manpower Risk:** Since human resource is crucial for the success of any HFC, the Company has to ensure high retention rate. Loss of employees may have an adverse impact on:

- Business growth
- Brand equity
- Operations

**Mitigation:** Strong senior management, employees with long serving tenures in the Company, and strong employee focused HR policies help to maintain a high retention rate and low attrition. A highly motivated work environment, rewards and recognition, safe and productive work culture further increases employee loyalty.

**Technology Risk:** In case processes are not updated with prevailing technological advancements in the sector, it may result in:

- Proliferation of cyber attacks
- Information and cyber security threat
- Data leaks
- Loss of reputation
- Operation failure

**Mitigation:** Constant upgradation of IT systems enables adherence to standard safety protocols. To prevent the threat of unauthorized access, privacy breach, and the possibility of misuse of sensitive information or operational disruption, the Company uses monitoring tools, Information Security and Management framework and latest software coupled with an integrated operations system and an efficient ERP system.

**Regulatory Risk:** Being a part of the Housing finance sector, the Company is required to comply with various applicable laws and statutes. Any variation in interpretation or non-compliance may impact:

- Brand equity
- Earnings
- Legal non-compliances

**Mitigation:** An in-house proficient legal team closely monitors regulatory developments and implementation of the required amendments.



## Internal Control System and their Adequacy

The Company's strong internal control system enables safeguarding of its assets and the highest level of productivity at all levels. The internal control framework is in keeping with the size and industry in which it operates. The internal control system has been automated with the help of the technologically advanced SRG SRAJAN program. The Company complies with the highest level of credit underwriting parameters, requisite laws, and regulations led by a robust internal control framework, which also enhances the process of financial reporting and transaction reporting. Documentation and recording of all process flow help in streamlining the system.

An independent firm of chartered accountants is entrusted with the job of verifying all the internal reports, as per standard policies and procedures. The firm also suggests any required changes for processes and systems as it may find appropriate. To maintain the robustness of the internal control framework, the Audit Committee implements the suggested corrective measures as deemed fit.

On a quarterly basis, a team from the head office conducts audits across all branches. This team is entrusted with the responsibility of reviewing cases at random for the property inspection and customer verification.

## Information Technology

All aspects of business, including customer sourcing, credit evaluation, disbursement, and collection, have been automated for higher operational efficiency, better productivity, and cost-effectiveness. For streamlining key activities and core functions and standardizing Standard Operating Procedures (SOPs), the Company adopted SRG "SRAJAN." The technically advanced program has significantly eliminated redundancies and improved operational efficiencies and productivity. Automation of operations enables

employees across the organizational framework to serve customers more efficiently.

Mobile-based processing of loan applications, capturing leads, and acceleration of loan processing has been possible with the help of SRG SRAJAN program-led mobile lending solutions, HRMS and due diligence. Different apps have enabled smooth functioning, like sales app for users with LOS, Docu-Check for KYC verification of customers, Credit PD app for determining the eligibility of the customer in real-time, Go Collect application for real-time collection management and efficient, remote real-time tracking of field agent activities. Turnaround time (TAT) has been significantly reduced due to digitalization.

IT service desk is efficiently used for raising tickets for requests and resolution and performance management of IT resources, assets, and Office 365. IT systems TAT has been significantly reduced and has enabled standard service level agreement (SLAs) for IT services for interdepartmental communications within the organization and also for employees across various branches.

During the year, the Company migrated to AWS Cloud infrastructure to provide digital services to field staff 24x7. The Company also equipped its call center, marketing, and legal team with "Bitrx 24 CRM" for sales intelligence, with an eye on servicing customers with a 360-degree view, digital campaigns, marketing, etc. It has resulted in the following benefits:

1. A single platform for the Company to manage leads, engage with clients, and close deals ensuring complete control over the entire sales process - from lead acquisition to customer service
2. Ability to easily switch between business profiles on Facebook, Instagram, WhatsApp, Viber, or other platforms
3. A single hub where all customer activity can be managed, replies can be given to all messages and comments, data can be analyzed and stats can be collected

For digitization of HR processes, a new software with a wide range of capabilities, named Adrenalin HR Software was implemented. The software significantly changed the working style and helped to create a strong foundation to address all HR-related organizational needs. The software enables all employees to connect virtually through Virtual Social Connect which allows employees across the organization to connect, communicate, and collaborate. The HR department was benefitted due to simplified payroll and compliance activities and easy access to HR Analytics. Adrenalin is Social, Mobile, Analytics, and Cloud-ready.

### Human Resources

Human capital is a key resource for sustainable growth and the Company strives to attract, retain, develop and recognise talent. The Company provides a safe, conducive, collaborative, and healthy work environment. Employee career growth is the focus area of HR policy that aims to balance personal and professional growth. To encourage employees across the organization to enhance their knowledge and skills regular training and development programs are conducted. Various motivational programs, and appropriate and timely rewards and recognition enable the Company to ensure high retention ratios. Several programs and initiatives are undertaken to inculcate a strong sense of business ethics and social responsibility. HR policy strives to align employee goals with that of the Company to foster a productive work culture.

Continuation of various digital initiatives like SRG SRAJAN, HR Mantra, 'Pathshala', 'Gyan Guruwaar', etc enabled the Company to strengthen its employee connects. During the year, the Company conducted 9 induction programs through video calls. A grand employee annual event- "Aayam" was successfully conducted in which all the employees from all the 4 states had come together. It was an annual meet as well as an awards function followed by live music and gala dinner.

The founders have built a strong senior management team which has played a crucial role in the organizational growth journey.

A proficient in-house legal team of lawyers, chartered accountant and company secretaries, and an independent IT team are responsible for effective server-based database management, data transition security and adequate IT controls.

The total number of employees as of March 31, 2022 stands at 370.

### Corporate Social Responsibility

During the year, the Company's CSR activities focused on COVID-19 relief, healthcare, and other activities in accordance with Schedule VII of the Act and CSR Policy of the Company. The total amount spent during 2021-22 was ₹ 44.62 Lacs.

The Company has constituted a separate trust named "SRG Foundation" to channelize effectively the CSR Funds to provide impetus on philanthropic initiatives of the Company. The Company donated generators to hospitals, and donated an oxygen generation plant during the year. The Company also undertook several plantation activities and extended scholarship and education related assistance for the welfare of the society.

### Segment Reporting

The main business of the Company is to provide loans for purchase/construction/repairs and renovation of residential houses/flats/colonies, and all other activities of the Company revolve around the main business of Financing against properties. Hence, there are no separate reportable segments, as per IND AS 108 dealing with Operating Segments as specified under Sec. 133 of the Companies Act, 2013.

### Related Party Transactions

The Audit Committee or Board or Shareholders have approved the transactions with related parties entered into by the Company, at the general meeting, as applicable. For the information of all the stakeholders, the Company's policy on related party transactions is uploaded on the Company's website. The Company's interests were not at any risk while carrying out transactions with any of the related parties. The notes to accounts carry all the required information and details of transactions with the Company and related parties.

## Key Financial Ratios, along with Explanation

Ratios	FY 22	FY 21	% Change
Net Interest Income to average loans	12.74	12.06	0.68
Total Operating Expenses to NII	56.63	56.32	0.31
Average Return on Equity	19.60	22.35	-2.75
CRAR	38.30	38.06	0.24
Tier-I	37.91	37.43	0.48
Tier-II	0.39	0.63	-0.24
Gross NPA	2.47	2.34	0.13
Net NPA	0.42	0.42	0.00
Provision Coverage Ratio	96.33	101.71	-5.38
EPS (in ₹)	15.63	14.49	1.14
Interest Coverage Ratio	1.84	1.77	0.07
Debt Equity Ratio	2.52	3.05	-0.53
Net Profit Margin %	25.26	24.57	0.69
Cost to Income	48.13	44.48	3.65
Opex to Avg Asset	5.92	5.63	0.29
Profit to Avg Asset	5.01	5.20	-0.19
Operating profit Margin (%)	22.86	20.61	2.25

## Return on Net Worth

Ratios	Amount (₹ In Cr.)	% Growth
FY 22	113.74	21.50
FY 21	93.61	25.04

## Cautionary Statement

Basis the management's current outlook and views concerning future developments and their potential impact upon the Company, the report contains "forward-looking statements" describing the Company's objectives, estimations, projections and expectations. Various dynamics may have a potentially significant impact on the operations of the Company. The Company does not have any control over many such incidences like macroeconomic factors impacting demand and supply, Government regulations and taxation, natural calamities, etc. Due to changes in internal or external factors, in case the actual results differ materially, the Company assumes no responsibility.

# Director's Report

To,  
The Members  
SRG Housing Finance Limited

The Board of Directors of your Company take pleasure in presenting before you the 23<sup>rd</sup> Annual Report on the operational and business performance of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

## FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS & STATE OF AFFAIRS:

The summarized financial performance for the Financial Year ended March 31, 2022 and a comparison with previous year are as under:

(₹ In Crores)		
Particulars	2021-22	2020-21
<b>Profit Before Fair Value Changes, and Provision for Expected Credit Loss</b>	<b>25.90</b>	<b>25.33</b>
Net Gain/(Loss) on Fair Value Changes	(0.02)	0.10
Impairment on Financial Instruments (Expected Credit Loss)	(0.35)	(1.66)
<b>Profit Before Tax</b>	<b>25.53</b>	<b>23.77</b>
Less : Tax Expenses (Including Deferred tax)	5.2	4.94
<b>Profit After Tax</b>	<b>20.32</b>	<b>18.83</b>
Other Comprehensive Income	(0.19)	(0.09)
<b>Total Comprehensive Income</b>	<b>20.13</b>	<b>18.75</b>
<b>Retained Earnings</b>	<b>68.28</b>	<b>52.27</b>
Opening Balance	52.27	37.32
Profit for the year	20.32	18.83
Other Comprehensive Income	(0.19)	(0.09)
<b>Amount Available for Appropriations</b>	<b>72.40</b>	<b>56.06</b>
Appropriations:	0.00	0.00
<b>Transferred to Special Reserve under Section 36(1)(viii) of The Income Tax Act, 1961 &amp; Section 29C of the NHB Act, 1987</b>	<b>4.13</b>	<b>3.80</b>
Excess provision	(0.00)	(0.01)
Other Adjustment due to IND AS	0.00	0.00

Note: Figures have been regrouped/recalssified/rounded off wherever necessary

## BUSINESS PERFORMANCE:

### A. Lending operations:

#### Assets Under Management (AUM):

During the year under review, SRG Housing maintained sustainable growth. The Gross Loan Book as at March 31, 2022 stood at ₹ 340.01 Crores as against ₹ 325.40 Crores as at March 31, 2021, growth of 4.48%. As at March 31, 2022 the Loan Portfolio contributing Housing loans as 65.11%, (previous year 67.79%) and Loan against properties (LAP) as 34.89% (previous year 32.21%).

#### Sanctions:

During the Financial Year under review, your Company sanctioned housing loans of ₹ 53.72 Crores as compared to ₹ 54.64 crores in the previous financial year and LAP sanctioned ₹ 35.07 crores as compared to ₹ 42.21 crores in previous financial year.

#### Disbursements:

During the Financial Year under review, your Company disbursed housing loans of

₹ 49.13 Crores as compared to ₹ 49.49 crores in the previous financial year and LAP disbursed ₹ 35.76 crores as compared to ₹ 40.39 crores in previous financial year.

Further details of lending operations are provided in the Management Discussion and Analysis Report.

## B. Profits:

The profit before tax for FY22 increased by 7.40% to ₹ 25.53 crores (FY21: ₹ 23.77 crores).

The profit after tax for FY22 increased by 7.91% to ₹ 20.32 crores (FY21: ₹ 18.83 crores).

## NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY:

The Gross NPA of your Company as on March 31, 2022 was ₹ 8.40 Crore; 2.47% (previous year ₹ 7.62 Crore; 2.34%). The Net NPA as on March 31, 2022 was ₹ 1.41 Crore; 0.42% (previous year 1.35 Crore; 0.42%). The Company has written off loans amounting to ₹ 0.35 crores in FY22 (FY21: Nil) on which corresponding opening provisions were reversed.

The regulatory and compliance reporting, has been done in accordance with the prudential guidelines for Non-Performing Assets (NPAs) issued by the Reserve Bank of India under Master Direction - Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021.

Your Company has made adequate provision for the assets on which instalments are overdue for more than 90 days and on other assets, as required. For details on the impairment provisioning, please refer note no. 59 to the financial statements.

The Company has maintained cumulative provision of ₹ 8.09 Crores against the required provision of ₹ 4.38 crores, (previous year ₹ 7.75 Crores against the required provision of ₹ 4.10 crores)

On November 12, 2021, RBI issued a notification on Prudential Norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances Clarification, with the objective of harmonising regulatory guidelines for all lending institutions. RBI stipulated that borrower accounts be flagged as overdue as part of their day-end process for the due date. RBI also stipulated that NPA accounts can only be upgraded to standard provided all outstanding dues have been fully repaid. In February 2022, RBI provided time till September 30, 2022 for NBFCs to comply with the upgradation criteria. The Company has opted for such deferment.

## CAPITAL ADEQUACY RATIO:

Particulars as on March 31	2022	2021
Capital Adequacy Ratio	38.30%	38.06%

The Company maintains an adequate Capital Adequacy Ratio which is far higher than the minimum required level of 15% under the RBI Master Directions signifying the strong position of the Company.

## DIVIDEND:

Your Directors felt it prudent to retain the earnings for the year under review to be ploughed back in business, which shall result in further augmentation of the Company's growth and Shareholders' wealth.

## CHANGES IN SHARE CAPITAL:

During the year under review there was no changes in the Share Capital of the Company.

## BORROWINGS:

### A. Refinance from National Housing Bank (NHB):

NHB continued to extend its support to your Company through various schemes and refinance; during the Financial Year under review, your Company has availed refinance assistance of ₹ 25 crores and ₹ 10 crores under special refinance scheme.

The refinance outstanding as at March 31, 2022 amounts to ₹ 26 crores.

### B. Banks and Financial Institutions:

The Company availed fresh credit facilities of ₹ 132.40 crores from multiple Banks and Financial Institutions during the year 2021-2022. The outstanding credit facilities from Banks and Financial Institutions as at March 31, 2022 amount to ₹ 208.93 Crore.

During the year, the rating assigned to term loans continued as BWR BBB (BWR Triple B) Outlook: Stable from Brickwork Ratings, the Credit Rating Agency.

Further the CARE Rating Agency has also assigned CARE BBB; stable to long term bank facilities in May 2022.

### C. Non-Convertible Debentures ("NCDs"):

During the year 2021-2022 the Company did not issue any NCDs. The outstanding NCDs as at March 31, 2022 stood at ₹ 51.70 Crores. During the year, the rating assigned to NCDs continued

as BWR BBB (BWR Triple B) Outlook: Stable from Brickwork Ratings, the Credit Rating Agency. Further for NCDs amounting to ₹ 25 Cr along with Brickwork rating, credit rating of ACUITE BBB also issued by ACUITE, the credit rating agency.

Disclosure in accordance with the RBI Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021.

- i. The total number of non-convertible debentures which have not been claimed by the investors or not paid by the housing finance Company after the date on which non-convertible debentures became due for redemption.- Nil
- ii. The total amount in respect of such Debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption- Nil

Debenture Trust Agreement(s) were executed in favour of Catalyst Trusteeship Limited for NCDs issued by the Company on private placement basis.

Further details of borrowings are provided under notes to accounts.

### **UNCLAIMED DIVIDEND AND UNCLAIMED SHARES:**

As at March 31, 2022, dividend amounting to ₹ 5025/- has not been claimed by the shareholders. The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

Under the provisions of Section 124 and 125 of The Companies Act, 2013 and Rules framed thereunder and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto, dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

Further as per the provisions of Section 124(6) of The Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016, the shares in respect of which the dividend has not been claimed for seven (7) consecutive years are required to be transferred by the Company to the designated Demat account of the IEPF Authority.

In terms of the above Rules, reminder letters were sent by the Company to all the shareholders who had not claimed their dividends for a consecutive period of 7 years, informing that their shares will be transferred to IEPF suspense account on the due date, if they do not place their claim for unclaimed dividend amounts before the Company.

As at March 31, 2022 there is no unpaid/ unclaimed Dividend and the shares to be transferred to the Investor Education & Protection Fund.

In terms of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has made the relevant disclosures to the Ministry of Corporate Affairs (MCA) regarding unpaid/unclaimed dividends.

The Company has uploaded prescribed information on [www.iepf.gov.in](http://www.iepf.gov.in) and [www.srghousing.com](http://www.srghousing.com).

Further details on unclaimed dividend and unclaimed shares are provided in Report on Corporate Governance.

### **UNCLAIMED NON-CONVERTIBLE DEBENTURES AND INTEREST THEREON:**

Under the provisions of Section 125 of The Companies Act, 2013, Matured NCDs and/or Interest thereon, remaining unclaimed and unpaid for a period of seven years from the date they became due for payment are required to be credited to Investor Education and Protection Fund (IEPF) established by the Government of India.

As at March 31, 2022 there was no NCDs amount or interest thereon, which remain unclaimed and unpaid.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA):**

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Master directions issued by Reserve Bank of India (RBI), Report on Management Discussion and Analysis is forming part of this Annual Report.

### **DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANIES:**

During the year under review the Company does not have any Subsidiary, Associate or Joint venture Companies.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 22 AND DATE OF THIS REPORT:**

No material changes and commitments, affecting the financial position of the Company have occurred between the financial year ended March'22 and date of this Director's Report.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of Section 134 (3) (c) read with Section 134(5) of The Companies Act, 2013, and based on the information provided by the management, your Directors hereby confirm that:

- a. In the preparation of the annual accounts for the year ended on March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended March 31, 2022.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of The Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d. The annual accounts of the Company have been prepared on a going concern basis;
- e. Internal Financial Controls have been laid down to be followed by the Company and such Internal Financial Controls were adequate and operating effectively;
- f. Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **DISCLOSURE UNDER SECTION 43(A)(II) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

### **DISCLOSURE UNDER SECTION 54(1)(D) OF THE COMPANIES ACT, 2013:**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

### **DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme hence no information pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

### **DISCLOSURE UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:**

During the year under review the Company has not made any application nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016. Further there were no instances of one-time settlement for any loans taken from the Banks or Financial Institutions.

### **REGULATORY COMPLIANCES:**

The Company is in compliance with applicable Circulars, Notifications and Guidelines issued by RBI and NHB from time to time.

Your Company is also in compliance with the applicable provisions of the Companies Act, 2013 and Rules thereunder, Secretarial Standards, SEBI LODR Regulations and other applicable statutory requirements.

For more details regarding Compliances, please refer the Secretarial Audit Report enclosed to this Report.

During the Financial Year, no penalty was imposed on the Company by any regulator/ supervisor/ enforcement authority.

### **CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Master Directions and the Companies Act, 2013 and Rules thereto, as amended from time to time.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Master Directions and disclosures as required under The Companies Act, 2013 and the Rules thereto, a separate Section titled '**Report on Corporate Governance**' forms part of this Annual Report.

The certificate by the Secretarial Auditor confirming compliance with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations, 2015 forms part of this report.

The said certificate for financial year 2021-22 does not contain any qualification, reservation or adverse remarks.

In terms of Section 136 of The Companies Act, 2013, the reports and accounts are being sent to the members and others entitled thereto.

### **INTERNAL GUIDELINES ON CORPORATE GOVERNANCE:**

As on March'22, your Company adhered to the Internal Guidelines on Corporate Governance adopted in accordance with Master Directions-Non-Banking Finance Company (Housing Finance Company), (Reserve Bank) Directions, 2021, 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.srghousing.com/Corporate-Governance-Policy>.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company with related parties are in the ordinary course of business and on an arm's length basis. Your Directors draw attention of the Members to Note no. 34 to the Financial Statements which sets out related party disclosures. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with Section 188 of Companies Act, 2013 accordingly information in Form AOC-2 is not annexed.

All related party transactions are approved by the Audit Committee or Board or members at a general meeting, as applicable.

The policy on transactions with related parties is given as elsewhere in this report and also available at the website of the Company [www.srghousing.com](http://www.srghousing.com).

### **RISK MANAGEMENT POLICY:**

Pursuant to Section 134 (3) (n) of The Companies Act, 2013, The SEBI (LODR) Regulations, 2015 and RBI Master directions, the Company has in place a risk management framework approved by the Board of Directors.

SRGHFL's Risk Management framework provides the mechanism for risk assessment and mitigation. Company has in place Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Director's Report.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY POLICY AND INITIATIVES:**

In accordance with the provisions of Section 135 of The Companies Act, 2013 and the rules framed thereunder, the Company has a Corporate Social Responsibility Committee. The role of the CSR Committee is to review the CSR policy, indicate activities to be undertaken by the Company towards CSR activities and formulate a transparent monitoring mechanism to ensure implementation of projects and activities undertaken by the Company towards CSR activities.

During the year the Company's CSR activities focused on COVID-19 relief, healthcare and other activities in accordance with Schedule VII of the Act and CSR Policy of the Company. The total amount spent during financial year 2021-22 was ₹ 44.62 Lakhs (Previous Year ₹ 55.21 Lakhs). The Annual Report on CSR activities including brief contents are provided to this report.

Further, your Company has constituted a separate entity named as "SRG Foundation" to effectively channelize CSR Funds to provide impetus on philanthropic initiatives of your Company. Your Company plans to drive CSR initiatives directly as well as through the SRG Foundation to spend maximum available funds for CSR.

### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by board. To maintain its



objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board and/or to the Managing Director.

The Internal Auditor monitors and evaluates the efficacy and adequacy of Internal Control System in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of Internal Auditor, respective heads undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and/or to the Managing Director.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The composition of the Board is in accordance with Section 149 of the Act and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an appropriate combination of Executive, Non-executive and Independent Directors.

The Board of the Company comprises 7 Directors, consisting of 4 Independent Directors, 2 Non-Executive Women Directors and a Managing Director as on March 31, 2022.

Details of Board of Directors along with Key Managerial Personnel as on March 2022 is mention below:

<b>Name</b>	<b>DIN/PAN</b>	<b>Designation</b>
Vinod Kumar Jain	00248843	Executive Director
Seema Jain	00248706	Non-Executive- Non Independent Director
Garima Soni	08336081	Non-Executive- Non Independent Director
Nishant Badala	06611795	Non-Executive- Independent Director
Vikas Gupta	05280808	Non-Executive- Independent Director
Ashok Kabra	00240618	Non-Executive- Independent Director
Sureshkumar Kanhaiyalal Porwal	08966740	Non-Executive- Independent Director
Ashok Modi	CPLPM4355L	Chief Financial Officer
Sunaina Nagar	AWNPN3427H	Company Secretary

### **Appointment / Resignation of Directors:**

During the year the shareholders at the 22nd Annual General Meeting have approved the appointment of Mr. Sureshkumar Kanhaiyalal Porwal as an Independent Director to hold office in the capacity of Non- Executive Independent Director in the company w.e.f December 01, 2020 for tenure of 5 years i.e. upto November 30, 2025.

Pursuant to the provisions of Section 152 of the Act Ms. Garima Soni Non-Executive Director being the longest in office among directors who are liable to retire by rotation, retires and being eligible; offers herself for re-appointment at the ensuing 23<sup>rd</sup> Annual General Meeting.

The tenure of Vinod Kumar Jain, Managing Director has been ended on May 6, 2022. Considering his remarkable efforts and strategies, which contributed towards the continued growth of the Company and fit and proper criteria for reappointment as per RBI Master Directions, the Nomination and Remuneration committee, recommended his re-appointment as the Managing Director of the Company and the board of Directors in their meeting held on March 16, 2022 approved his reappointment as the Managing Director of the Company for a further period of 3 years commencing from May 7, 2022 subject to approval of the Members in the ensuing 23<sup>rd</sup> Annual General Meeting on such terms and conditions as approved by members.

The necessary resolution for re-appointment of the aforesaid directors and their detailed profile has been included in the Notice conveying the ensuing 23<sup>rd</sup> Annual General Meeting.

All the Directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013 and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

Details of managerial remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report.

Further no director has been resigned from the Company during the Financial Year under review.

### **Key Managerial Personnel (KMP):**

During the year under review, there was no change in the Key Managerial Personnel of the Company.

In terms of the Act, the following are the KMPs of the Company as on March'22:

1. Mr. Vinod Kumar Jain - Managing Director
2. Ms. Sunaina Nagar- Company Secretary
3. Mr. Ashok Kumar – Chief Financial Officer

### **DECLARATION FROM INDEPENDENT DIRECTORS**

The Independent Directors have confirmed that they satisfy the criteria prescribed for Independent Directors as stipulated in the provisions of the Section 149(6) of the Act and Regulation 16(1)(b) & 25 of SEBI LODR Regulations. The names of all the Independent Directors of the Company have been included in the Independent Director's databank maintained by Indian Institute of Corporate Affairs ("IICA"). The Company has obtained declaration of independence from all the Independent Directors of the Company.

### **DECLARATION OF FIT & PROPER CRITERIA:**

All the Directors of the Company have given the declaration to the effect that they are Fit & Proper, to be appointed as Director, as per the criteria prescribed by RBI / NHB.

### **PERFORMANCE EVALUATION OF THE BOARD:**

The Company has defined a manner of evaluation as per the provisions of the Act and SEBI Listing Regulations and for the evaluation of the performance of the Board, Committees of Board & Individual Directors. The above manner is based on the Guidance Note on Board Evaluation issued by the SEBI on January 05, 2017

The Board carried out the evaluation of every Director's performance, its own performance, the Committees namely Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee and all the Independent Directors.

During the financial year under review, a separate meeting of the Independent Directors was held on March 16, 2022, without the attendance of Non-Independent Directors and the Management of the Company. The Independent Directors had discussed and reviewed the performance of the Non Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board,

which is necessary for the Board to effectively and reasonably perform its duties.

### **AUDITORS:**

#### **Statutory Auditor:**

In accordance with provisions of Companies Act, 2013 the current Statutory Auditor M/s PKJ & Co., Chartered Accountants, (Registration No. 124115W) appointed by the members at the 18th Annual General Meeting held on September 30, 2017 as the statutory Auditor of the Company for a period of five years upto the conclusion of ensuing Annual General Meeting.

The Board of Directors places on record its appreciation for the services rendered by M/s PKJ & Co as the statutory Auditor of the Company.

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, the Board of Directors of the Company on the recommendation of Audit Committee has considered and recommended the appointment of. M/s Valawat & Associates (FRN: 003623C), Chartered Accountant as statutory auditor for a term of five years beginning from the conclusion of 23<sup>rd</sup> AGM till the conclusion of 28<sup>th</sup> AGM, subject to approval of members at the ensuing AGM.

The Company has received a confirmation from the said Auditors that they are not disqualified and are eligible to hold the office as Auditors of the Company.

The Statutory Auditors have audited the books of accounts of the Company for the financial year ended March 31, 2022 and have issued the Auditors' Report thereon.

The Statutory auditors' report annexed to the financial statements for the year under review does not contain any qualifications, reservations or adverse remarks.

The details of remuneration paid by the Company to M/s. PKJ & Co., Chartered Accountants are provided in note no. 27 of the financial statements.

During the year under review, the statutory auditor have not reported and instances of fraud committed in the Company by its officers or employee to the Board/Audit Committee under Section 143(12) of the Company's Act, 2013.

#### **Secretarial Auditor:**

Mr. Shiv Hari Jalan, Practicing Company Secretary was appointed as the Secretarial Auditor of the Company for the financial year 2021-22 by the Board

of Directors pursuant to provisions of the Companies Act, 2013 and Rules framed there under. Secretarial Audit Report along with the Secretarial Compliance Report as prescribed by SEBI as provided by Mr. Shiv Hari Jalan, Practicing Company Secretary is annexed to this Annual Report. The Secretarial Auditors have not submitted any material qualifications, reservations or adverse remarks or disclaimers. Further, the Secretarial Auditors have not reported any instances of fraud in terms of Section 143 (12) of the Act.

#### **SECRETARIAL STANDARDS:**

During the year under review, the Company complies with the applicable Secretarial Standards i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

#### **MEETINGS OF THE BOARD AND COMMITTEES:**

During the financial year 2021-22, 7 meetings of the board of directors were held and the related details, including details of various committees and meetings thereof are available in the Report of Directors on Corporate Governance forming part of this Annual Report.

#### **PARTICULARS OF LOANS, GAURANTEES OR INVESTMENTS:**

Since the Company is a Housing Finance Company, the disclosures regarding particulars of the loans given, guarantees given and securities provided is exempted under the provisions of Section 186 (11) of the Companies Act, 2013.

As regards investment made by the Company, the details of the same are provided under Note no. 5 forming part of Financial Statements of the Company for the year ended March 31, 2022.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

There is no information to disclose under the head 'Conservation of Energy and Technology Absorption' given in the above rules since the Company is engaged in providing financial services activities. However, your Company is taking every step to conserve and minimize the use of energy wherever possible. There were no foreign exchange earnings and outgo, during financial year 2021-22.

#### **REQUIREMENT FOR MAINTENANCE OF COST RECORDS:**

The Company being a Housing finance Company is not required to maintain cost records as prescribed under section 148(1) of the Act.

#### **EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Act, the copy of Annual Return in Form MGT-7 as required under Section 92 (3) of the Act is placed on the website of the Company at <https://www.srghousing.com/Annual-Report>

#### **PARTICULARS OF EMPLOYEES:**

As at March 31, 2022, the Company had 1 employee employed throughout the year who was in receipt of remuneration of more than ₹ 1.02 crores per annum. Except this no other employee employed throughout the year that was in receipt of remuneration of ₹ 1.02 crores or more per annum or ₹ 8.50 lacs or more per month if employed for part of the year. Disclosures on managerial remuneration are annexed to this report.

#### **CHANGE IN NATURE OF BUSINESS:**

There are no changes in the nature of business of the Company during the year under review.

#### **DETAILS RELATING TO DEPOSITS:**

The Company has been granted registration by the National Housing Bank as a non-deposit taking Housing Finance Company. Being so, the Company has neither accepted in the past nor has any future plans to accept any public deposits.

#### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the year, there were no significant or material orders passed by the regulators or courts or tribunals against the Company.

#### **DISCLOSURES ON MANAGERIAL REMUNERATION:**

Details of Managerial remuneration as required under Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is annexed to this report.

#### **LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2021-2022 to BSE where the Company's securities are listed.

#### **INVESTOR COMPLAINTS AND COMPLIANCE:**

During the year Company has not received any investor complaints and that as on date no investor complaints are pending.

## **PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE**

The Company has a policy on prevention, prohibition and Redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's policy on the same is placed on the website of the Company [www.srghousing.com](http://www.srghousing.com). The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In terms of section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, we report that, during 2021-22, no case has been reported under the said act.

## **LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT:**

There are no loans and advances in the nature of loans to firms/companies in which directors are interested.

## **ACKNOWLEDGEMENTS:**

Your Board of Directors place on record their appreciation for the advice, guidance and support given by various regulatory authorities including the

National Housing Bank (NHB), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Stock Exchange (BSE), Depositories (NSDL & CDSL), Debenture Trustees, Debenture Holders, and all the Bankers and Lenders of the Company.

The Board of Directors would like to acknowledge the role of all its stakeholders - shareholders, borrowers, key partners, lenders, customers, Statutory and Secretarial Auditors, Registrar & Share Transfer Agent, Rating agencies, local/ statutory authorities, Service Providers and Counselors and all others for their continuing support to the Company.

Your Directors also record their appreciation for the dedicated services of the employees and their contribution to the growth of the Company especially during the difficult times of the pandemic.

The Board would also like to express its sincere appreciation to all the Company's valued Shareholders, for their continued support and patronage.

Best Wishes

**Vinod K. Jain**  
Managing Director  
DIN: 00248843

**Seema Jain**  
Director  
DIN:00248706

Date: 24-06-2022  
Place: Udaipur

## Annexure -I

# Details of Managerial Remuneration

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided below:

Sr. No.	Requirements	Disclosures
(i)	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2021-22	<b>Executive Director</b> Mr. Vinod K. Jain- Managing Director- 160.93 times
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	<b>Executive Director</b> Mr. Vinod K. Jain- Managing Director- 6.50%  <b>KMPs (Other than Managing Director)</b> Mr. Ashok Kumar- There was 20% increase in the remuneration of the KMP in the financial year. Ms. Sunaina Nagar- There was 40% increase in the remuneration of the KMP in the financial year
(iii)	The percentage increase in the median remuneration of employees in the financial year	There was increase of 14.76% in the median remuneration of the employees in the financial year.
(iv)	The number of permanent employees on the rolls of company	There were 370 permanent employees on the rolls of the Company, as on March 31, 2022.
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There is increase of 11% in Average remuneration of all employees other than the Managerial Personnel.  There is increase of 21% in Average remuneration of Managerial Personnel
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company.

Further details are provided in Report of the Directors on Corporate Governance.

## ANNEXURE –II

# Annual Report on Corporate Social Responsibility (CSR) Activities

## 1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

SRG Housing Finance Limited ("The Company") has a Board approved Corporate Social Responsibility (CSR) Policy in compliance with Section 135 of the Companies Act 2013 and the rules made thereunder. Pursuant to the amendments to Companies (Corporate Social Responsibility Policy) Rules, 2014 on January 22, 2021, the CSR Policy has been amended and approved by the Board at its meeting. The main objective of the CSR Policy is to lay down guidelines to inculcate the objective of society betterment and philanthropy in its growth plan.

The CSR policy of the Company inter alia provides guiding principles for selection and implementation of CSR activities in pursuance of Schedule VII to the Companies Act, 2013, roles and responsibilities of the CSR Committee, guidance for formulation of an annual action plan, process for implementation of CSR activities, modalities of monitoring and evaluation framework and reporting mechanism. The CSR Policy of the Company is available on the Company's website at <https://www.srghousing.com/Corporate-Social-Responsibility-Policy>.

The Company has established 'SRG Foundation' ("The Foundation") as approved by the Board of Directors of the Company to take forward the Company's CSR Vision and implement social programmes in a far more collaborative and participative way. The Foundation was established on April 16, 2021 wherein the Company acts as settlor.

The CSR projects undertaken by the Company are within the framework of Schedule VII of the Companies Act, 2013. The Company's CSR projects are focused on core sectors such as Healthcare, Environment sustainability, Education, Protection of national heritage, art and culture etc.

## 2. THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE COMPRISED OF:

Sr. No	Name of Director	Designation	Number of meetings of CSR Committee held during the Year	Number of meetings of CSR Committee attended during the year.
1.	Mr. Nishant Badala	Non-Executive Independent Director - Chairman	2	2
2.	Mr. Vinod K. Jain	Executive Director - Member	2	2
3.	Ms. Seema Jain	Non-Executive - Non Independent Director - Member	2	2

## 3. THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

The web-link for the requisite information is as under:

<https://www.srghousing.com/Corporate-Social-Responsibility-Policy>

## 4. IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

Not applicable.

**5. AMOUNT AVAILABLE FOR THE SET OFF IN PURSUANCE SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR**

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1.	Nil	Nil	Nil
<b>Total</b>		<b>Nil</b>	<b>Nil</b>

**6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5)**

₹ 2225.91 Lakhs

**7. CSR OBLIGATION**

Sr. No.	Particulars	Amount (in ₹ lakhs)
1.	2% of average net profit of the Company as per section 135(5)	44.52
2.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
3.	Amount required to be set off for the financial year, if any	Nil
4.	<b>Total CSR obligation for the financial year (7a+7b-7c)</b>	<b>44.52</b>

**8. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR**

During the financial year 2021-22, SRG Housing Finance Limited spent a total of ₹ 44.62 lakhs on CSR projects. A breakdown of the manner in which this expenditure was made has been depicted in the table given below;

**a) CSR Amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹ lakhs)	Amount Unspent (in ₹ lakhs)					
	Total Amount transferred to Unspent CSR Account as per section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer	
44.62 Lakhs	Nil	Nil	Nil	Nil	Nil	

**b) Details of CSR amount spent against ongoing projects for the financial year – Nil.**

**c) Details of CSR amount spent against other than ongoing projects for the financial year**

Sr No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project State	District	Amount spent for the project (In Lakhs)	Mode of Implementation -Direct (Yes/No)	Mode of implementation Through implementing agency Name	CSR Registration number
1	Combating COVID-19 relief activities	1. Promotion of health care, including preventive health care and sanitation 2. disaster management	Yes	Rajasthan	Udaipur	16.41	Direct	-	-
2	Plantation activities	Environmental sustainability	Yes	Rajasthan	Udaipur	1.28	Direct	-	-

Sr No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In Lakhs)	Mode of Implementation -Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR Registration number
3	Education and Livelihood	Promoting, education, including special education and employment enhancing vocation skills especially among children, women, elderly	Yes	Rajasthan	Udaipur	2.00	SRG Foundation	SRG Foundation	CSR00019899
4	Setting up homes and hostels for women and orphans	Setting up homes and hostels for women and orphans	Yes	Mumbai	Maharashtra	8.75	Direct		
5	Education and Livelihood	Promoting, education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Rajasthan	Udaipur	2.61	SRG Foundation	SRG Foundation	CSR00019899
6	Protection of national heritage, art and culture	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.	Yes	Rajasthan	Udaipur	10.00		SRG Foundation	CSR00019899
7	Healthcare - Other Interventions	(i) Promoting healthcare, including preventive healthcare	Yes	Rajasthan	Udaipur	3.57	Direct		
<b>Total</b>									

**d) Amount spent in Administrative Overheads:**

The amount has been well within the prescribed limits of 5% or below.

**e) Amount Spent on Impact Assessment: Not Applicable.****f) Total amount spent for the Financial Year: 44.62 Lakhs**



**g) Excess amount for set off, if any:**

Sr. No.	Particulars	Amount (in ₹ lakhs)
i	Two percent of average net profit of the company as per section 135(5)	44.52
ii	Total amount spent for the Financial Year	44.62
iii	Excess amount spent for the financial year [(ii)-(i)]	0.10
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ lakhs)	Amount spent in the reporting Financial Year (in ₹ lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in ₹ lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	Nil	spent in 2020-21 ₹ 20.11 Lakhs	Nil	Nil	Nil	Nil

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) - Nil.**

**10 SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5)- NOT APPLICABLE.**

For SRG Housing Finance Limited

Sd/  
**Mr. Vinod K. Jain**  
 Managing Director

Sd/  
**Mr. Nishant Badala**  
 Chairperson of CSR Committee

Place: Udaipur  
 Date: 24-06-2022

## Annexure -III

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
**The Members of**  
**SRG Housing Finance Limited**  
 321, S.M. Lodha Complex,  
 Near Shastri Circle,  
 Udaipur - 313001.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SRG Housing Finance Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the review period)
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the period under review)
  - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the period under review)
- (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the review period)
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the period under review)
- (j) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the period under review)
- (k) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- (vi) Other laws applicable specifically to the Company namely:
  - (a) National Housing Bank (NHB) Act, 1987
  - (b) Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002.
  - (c) Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 read with the relevant guidelines and circulars;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

The company has made disclosure of closure of trading window to BSE Ltd with delay of 4 days i.e. on 04.10.2021. However the company has Closed trading window for all designated person from 1st October 2021.

The Company has submitted outcome of Board Meeting held on 28.05.2021 to BSE Ltd with delay of just 7 minutes (due to technical glitches) in which board has approved and considered the audited financial result for the quarter and year ended 31.03.2021.

The Company has made delayed disclosure as required under Regulation 57 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for interest/principal obligations for non-convertible securities are payable during October'21 to December'21 and January'22 to March'22 respectively i.e. disclosure made on 08.10.2021 and 19.01.2022.

The Company has made delayed disclosure as required under Regulation 57 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for non-convertible securities during the quarter October'21 to December'21 i.e. disclosure made on 19.01.2022 for payment of interest / principal obligations.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review no changes in the composition of the Board of Directors that took place.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance in accordance with the provisions of Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

**I further report** that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company had no specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Mumbai  
Date: 24.06.2022  
UDIN: F005703D000526157

For **Shiv Hari Jalan & Co.**  
Company Secretaries  
FRN: S2016MH382700

**(Shiv Hari Jalan)**  
Proprietor  
FCS No: 5703  
C.P.NO: 4226  
PR No. 1576/2021

This report is to be read with my letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

## 'ANNEXURE A'

To,  
The Members of  
SRG Housing Finance Limited  
321, S.M. Lodha Complex,  
Near Shastri Circle,  
Udaipur - 313001.

My Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provision of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai  
Date: 24.06.2022  
UDIN: F005703D000526157

For **Shiv Hari Jalan & Co.**  
Company Secretaries  
FRN: S2016MH382700

**(Shiv Hari Jalan)**  
Proprietor  
FCS No: 5703  
C.P.NO: 4226  
PR No. 1576/2021

# SECRETARIAL COMPLIANCE REPORT

To,  
**The Members of**  
**SRG Housing Finance Limited**  
 321, S.M. Lodha Complex,  
 Near Shastri Circle,  
 Udaipur - 313001.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., have examined:

- (a) all the documents and records made available to me and explanation provided by SRG 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;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the review period)
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the period under review)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the period under review)
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the review period)

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

and applicable Regulation and circulars / guidelines issued thereunder.

and based on the above examination, considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that, during the Review:

(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	Closure of Trading Window under SEBI (Prohibition of Insider Trading) Regulations 2015.	The company has made disclosure of closure of trading window to BSE Ltd with delay of 4 days i.e. on 04.10.2021 for dealing in the securities of the Company shall remain Closed from October 01, 2021 till 48 hours after the announcement of financial results of the Company for the quarter and half year ended 30th September, 2021.	The company has made disclosure of closure of trading window to BSE Ltd with delay of 4 days. However the company has Closed trading window for all designated person from October 01, 2021.
2	Regulation 30 (6) and para 4 in Para A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Company has submitted outcome of Board Meeting held on 28.05.2021 to BSE Ltd with delay of just 7 minutes (Due to technical glitches) in which board has approved and considered the audited financial result for the quarter and year ended 31.03.2021.	The Company admitted to comply this regulation henceforth.
3	Regulation 57 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Company has made delayed disclosure i.e. disclosure made on 08.10.2021 and 19.01.2022 for interest/principal obligations for non-convertible securities are payable during October'21 to December'21 and January'22 to March'22 respectively.	The Company admitted to comply this regulation henceforth. The Company has made compliance its vide letter dated 21.03.2022 under this regulation for interest/ principal obligations payable for non-convertible securities during April'22 to June'22.
4	Regulation 57 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Company has made delayed disclosure i.e. disclosure made on 19.01.2022 for payment of interest /principal obligations for non-convertible securities during the quarter October'21 to December'21.	The Company admitted to comply this regulation henceforth. The Company has made compliance its vide letter dated 04.04.2022 under this regulation for payment of interest /principal obligations for non-convertible securities during the quarter January'22 to March'22.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my 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.
-----NIL-----				

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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
No observations were made in previous report issued by us on June 28, 2021, June 30, 2020 and M/s Deepak Vijaywargey and Associates, Company Secretaries on May 24, 2019 and hence reporting on action taken by the listed entity and our comment thereto, does not arise.				

Place: Mumbai  
Date: 30.05.2022  
UDIN: F005703D000430501

For **Shiv Hari Jalan & Co.**  
Company Secretaries  
FRN: S2016MH382700

**(Shiv Hari Jalan)**  
Proprietor  
FCS No: 5703  
C.P.NO: 4226  
PR No. 1576/2021



## ANNEXURE - IV

# Report on Corporate Governance

### PHILOSOPHY ON CODE OF GOVERNANCE

Good Corporate Governance is ensured by transparent disclosure, accountability, integrity, taking fair and ethical business decisions and also conducting business taking into account the stakeholders' interests.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance systems and processes at SRG Housing Finance Limited is as follows:

At SRG Housing Finance Limited ("SRG Housing", "the Company", "SRGHFL"), we are committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The Company's Board follows ethical standards of Corporate Governance and adheres to the norms and disclosure requirements mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter collectively referred to as ("Listing Regulations")) as applicable and looks at corporate governance as a part of its business. The Company also adheres corporate governance provisions as mentioned under the Chapter IX of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021.

Our Company Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of the Company.

The Board has a set of policy on Corporate Governance to help fulfill Company's corporate responsibility towards its stakeholders. The Board, at the discretion, may change the policy or guidelines periodically to achieve our stated objectives. Further, these guidelines allow the Board to make decisions that are independent of the management.

The policy is available on the website of the Company at <https://www.srghousing.com/Corporate-Governance-Policy#>

Given below is the report of the directors on corporate governance in accordance with the provisions of the Listing Regulations and applicable RBI Directions.

### 1) BOARD OF DIRECTORS:

#### A . Composition & Category of directors:

The Board holds a fiduciary position and is entrusted with the responsibility to act in the best interests of the Company and ensure value creation for all.

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations. The board comprises of 7 Directors; out of which 1 is Executive Director and 6 are Non-Executive Directors which includes 4 Independent Directors. All the Directors bring a wide range of skills and experience to the board. The Independent Directors have confirmed that they satisfy the criteria prescribed for an Independent Director as stipulated under the provisions of Section 149(6) of the Companies Act, 2013. All directors are appointed by the members of the Company. Brief profiles of the directors, are set out in this report.

All the directors of the Company have confirmed that they are not debarred from holding the office of director by virtue of any order by SEBI or any other authority. The directors have ascertained that neither they nor any other company on which they serve as directors have been identified as a wilful defaulter.

All the directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations.

Details of the Board of Directors in terms of their directorships/memberships in committees of listed public companies are as under:

Directors	Age	No. of Directorship (including SRGHFL)	Name of the Listed Companies	No. of Committees		Category of Director
				Member (Including SRGHFL)	Chairman (Including SRGHFL)	
Mr. Vinod K. Jain	51	2	SRG Housing Finance Limited	0	0	Promoter - Managing Director
			S R G Securities Finance Limited	0	0	Promoter - Managing Director
Mrs. Seema Jain	46	2	SRG Housing Finance Limited	1	0	Promoter - Non- Executive Director
			S R G Securities Finance Limited	1	0	Promoter - Whole Time Director
Mr. Ashok Kabra	51	1	SRG Housing Finance Limited	2	0	Independent Director
Mr. Vikas Gupta	42	1	SRG Housing Finance Limited	1	0	Independent Director
Mr. Nishant Badala	32	2	SRG Housing Finance Limited	0	1	Independent Director
			S R G Securities Finance Limited	0	2	Independent Director
Ms. Garima Soni	30	1	SRG Housing Finance Limited	0	0	Non-Executive Director
Mr. Suresh Kumar Porwal	62	1	SRG Housing Finance Limited	0	1	Independent Director

#### Notes:

- Other directorships exclude foreign companies, private limited companies and Companies under Section 8.
- In accordance with SEBI (LODR) Regulations, 2015 membership/ Chairpersonship of only Audit Committee and Stakeholders' Relationship Committee have been reckoned in all other public limited Companies.
- None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

#### Disclosure of relationship between directors inter-se:

Director	Related To	Relation
Mr. Vinod K. Jain	Mrs. Seema Jain	Spouse
Mrs. Seema Jain	Mr. Vinod K. Jain	Spouse

No other directors, except as mentioned above, are related to each other.

**Details of Shareholding of Directors as on March 31, 2022:**

A	VINOD KUMAR JAIN (MANAGING DIRECTOR)	Shareholding at the beginning of the year 01/04/2021		Cumulative Shareholding during the year 31/03/2022	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1681041	12.93		
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	Acquisition :- 11-03-2022	612381	4.71		
	Acquisition :- 17-03-2022	223965	1.73		
	Acquisition :- 29-03-2022	399000	3.06		
<b>3(1+2)</b>	<b>At the End of the year</b>	<b>2916387</b>	<b>22.43</b>	<b>2916387</b>	<b>22.43</b>

B	SEEMA JAIN (DIRECTOR)	Shareholding at the beginning of the year 01/04/2021		Cumulative Shareholding during the year 31/03/2022	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	543751	4.18		
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	Acquisition:-11-03-2022	202650	1.56		
<b>3(1+2)</b>	<b>At the End of the year</b>	<b>746401</b>	<b>5.74</b>	<b>746401</b>	<b>5.74</b>

C	GARIMA SONI (DIRECTOR)	Shareholding at the beginning of the year 01/04/2021		Cumulative Shareholding during the year 31/03/2022	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	4652	0.03		
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
			No Change		
<b>3(1+2)</b>	<b>At the End of the year</b>	<b>4652</b>	<b>0.03</b>	<b>4652</b>	<b>0.03</b>

Except above none of other directors holding shares in the Company.

**B. Responsibilities of Board:**

The board of directors represents the interest of the Company's shareholders, in optimizing long-term value by providing the management with guidance and strategic direction on shareholders' behalf. The board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

**C. Board Expertise and Attributes**

The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance. The table below summarizes the list of core skills/expertise/competencies identified by the board of directors as required in the context of business and sector for it to function effectively and those actually available with the board :-

Sr. No.	Specific skills/ expertise/ competency	Name of Director
1	Knowledge on Company's businesses, policies, major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni Mr. Nishant Badala Mr. Ashok Kabra Mr. Vikas Gupta Mr. Suresh K Porwal
2	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni
3	Business Strategy, Governance, Administration, Decision Making.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni
4	Financial and Management skills.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni Mr. Ashok Kabra Mr. Vikas Gupta
5	Technical / Professional skills and specialized knowledge in relation to Company's business.	Mr. Vinod Kumar Jain Ms. Garima Soni Mr. Nishant Badala Mr. Vikas Gupta Mr. Suresh K Porwal
6	Experience in finance, risk management, legal, compliance and corporate governance.	Mr. Vinod Kumar Jain Ms. Garima Soni Mr. Nishant Badala Mr. Vikas Gupta Mr. Suresh K Porwal Mrs. Seema Jain

**D. Independent Directors**

Board confirms that in the opinion of the board, the independent directors fulfill the conditions specified in the Listing Regulations and Companies Act, 2013 and are independent of the management.

All the independent directors of the Company have confirmed that they have registered themselves in the databank created for independent directors.

### **Role of Independent Directors:**

Independent directors play an important role in deliberations at the board meetings and bring to the Company their wide experience in the fields of finance, housing and accountancy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

The Audit Committee, the Nomination & Remuneration Committee and the Stakeholder's Relationship Committee have a majority of independent directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015, the Corporate Governance Directions issued by RBI/NHB and as approved by the board, from time to time.

### **Appointment of Independent Directors:**

The Company has 4 (four) Independent Directors on its Board. All Independent Directors are not liable to retire by rotation. Formal letters of appointment were 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 is placed on the Company's website at the link: <https://www.srghousing.com/Terms-Of-Appointment#>

All Independent Directors of the Company, at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence as provided in Section 149 of the Companies Act, 2013. In the opinion of the Board, each Independent Director possesses appropriate balance of skills, experience and knowledge, as required.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of Independence. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the

opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

During the period under review the requirement of taking Directors and Officers insurance (D and O insurance) for all independent directors is not applicable on the Company.

### **Familiarisation programme for independent directors:**

The objective of a familiarization programme is to ensure that the Independent Directors are updated on the business environment and overall operations of the Company. This enables the Independent Directors to make better informed decisions in the interest of the Company and its stakeholder. A familiarization programme was conducted for Independent Directors on areas such as the core functions of the Company, overview of the industry, financials and the performance of the Company. An overview of the familiarization programme is placed on the Company's website at the link: <https://www.srghousing.com/Familiarizations-Programme>

### **Meetings of independent directors:**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. The Independent Directors of the Company met once during the year on March 16, 2022 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and access the quality, quantity and timeliness of flow of information between the Company management and the Board.

## **E. Evaluation of Directors and Board:**

With the objective of enhancing the effectiveness of the board, the Nomination & Remuneration Committee formulated the methodology and criteria to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee and review its implementation and compliance. The evaluation of the performance of the board is based on the

approved criteria such as the board composition, strategic planning, role of the Chairman, non-executive directors and other senior management, assessment of the timeliness and quality of the flow of information by the Company to the board and adherence to compliance and other regulatory issues.

In terms of Regulation 17(10) of the SEBI (LODR) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/ CMD/ CIR/P/2017/004 dated January 05, 2017, your Company has put in place the 'Board and Director's Evaluation Policy' laying down a framework for evaluation of the Board, its Committees and of the individual directors with defined attributes for evaluation.

During the year, the Nomination and Remuneration Committee has evaluated the performance of the board as a whole and of its committees and the performance of the directors. The Independent Directors also held a separate meeting to review the performance of the executive directors, non-executive directors, and the overall performance of the board.

The Nomination & Remuneration Policy can be accessed through the following link <https://www.srghousing.com/DataImages/download/POLICY%20Remuenration%20&%20Appointment%20Final.pdf>

#### F. Code of conduct:

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available at the link: <https://www.srghousing.com/Code-Of-Conducts#>

The Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for financial year 2021-22. A declaration signed by the Company's Managing Director is published in this Report.

The Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial

transactions between them and the Company that could have potential conflict of interest with the Company at large.

## 2) BOARD MEETINGS, COMMITTEE MEETINGS AND PROCEDURES:

### Board Meetings:-

The Board meets at regular intervals to discuss and decide on the business policy and strategy and other businesses. The meetings of the Board of Directors are generally held at the Registered Office of the Company. During the year under review, Board met 7 (Seven) times. All the meetings were held in a manner that not more than 120 days lapsed between two consecutive meetings.

The required Quorum was present at all the Board meetings.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors present
28-05-2021	7	6
05-08-2021	7	5
17-09-2021	7	4
12-11-2021	7	7
24-12-2021	7	6
07-02-2022	7	7
16-03-2022	7	6

The Company places before the Board all those details as considered necessary under the SEBI (LODR) Regulations, 2015, RBI Directions and other applicable laws. The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda notes are sent to the Directors All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Board takes on record the actions taken by the Company on all its decisions periodically.

Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM) of each Director for the year ended March 31, 2022 is given below:

Name of Director	No. of Board Meetings held	No. of Board Meetings attended	% of attendance	Attendance at the last AGM held on September 03, 2021
Mr. Vinod K. Jain	7	7	100%	Yes
Mrs. Seema Jain	7	5	71.43%	Yes
Mr. Ashok Kabra	7	7	100%	Yes
Mr. Vikas Gupta	7	4	57.14%	No
Mr. Nishant Badala	7	6	85.71%	Yes
Ms. Garima Soni	7	5	71.43%	Yes
Mr. Suresh Kumar Porwal	7	7	100%	Yes

Leave of absence was granted to the Directors as requested.

## BOARD COMMITTEES:

### A) Audit committee:

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR), Regulations 2015 and RBI Directions. Members of the Audit Committee are financially literate and have relevant finance / audit exposure. Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company held on September 3, 2021.

#### Terms of reference:-

The Audit Committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the Company. The terms of reference of the Audit Committee covers all matters specified in SEBI (LODR) Regulations, 2015 and also those specified in Section 177 of the Companies Act, 2013, RBI Directions and other applicable laws. The committee reviews the reports of the internal auditors and statutory auditors along with the comments and corrective action taken by the management. The committee also reviews the asset-liability management system assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the compliance with legal and statutory requirements, the quarterly/annual financial statements before submission to the Board for approval, related party transactions. The committee also recommends the appointment of internal auditor, statutory auditor. The committee also looks into those matters specifically referred to it by the Board.

The audit committee met 5 (Five) times during the year on 28-05-2021, 05-08-2021, 12-11-2021, 07-02-2022 & 16-03-2022.

The Composition of Audit Committee and attendance is as mentioned below:-

Name of Members	Number of Meetings attended
Mr. Nishant Badala - Chairman	5
Mr. Vikas Gupta - Member	5
Mr. Ashok Kabra - Member	5

The Company endeavors that the gap between the approval of financial results by the Audit Committee and the board is kept to minimum, as required under the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

### B) Nomination and Remuneration Committee:

The Committee's composition meets with the provisions of Section 178 of the Companies Act and Regulation 19 of the SEBI (LODR) Regulations and RBI Directions.

#### Terms of reference:-

The role of the Nomination and Remuneration Committee inter alia, includes, Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal; Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees; Evaluate and approve the adequacy of the compensation plans, policies and programs for

Company's Executive Directors, KMP and Senior Management; Recommend appointment and removal of Directors, for approval at the general meeting of shareholders; Carry out evaluation of the performance of the Board and review the evaluation's implementation and compliance; Devise a policy on diversity of Board; Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company and monitor compliance with regard to the same. The role and responsibilities of the committee shall include such other items as may be prescribed by the Board in compliance with applicable law from time to time.

During the financial year 2021-22 the committee met on 05-08-2021 & 16-03-2022.

The details of composition and attendance at the Nomination and Remuneration Committee-

Directors	Number of Meetings attended
Mr. Ashok Kabra- Chairman	2
Mr. Vikas Gupta- Member*	1
Mrs. Seema Jain - Member	2
Mr. Suresh K. Porwal - Member*	1

\*Mr. Vikas Gupta has resigned from the post of member of NRC Committee with effect from 16.03.2022

\*Mr. Suresh K Porwal was appointed as the member of the NRC committee with effect from 16.03.2022

### C) Stakeholder's Relationship Committee:

The Stakeholders Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the SEBI (LODR) Regulations.

#### Terms of reference:-

Resolving the grievances of the security holders of the listed entity, redress investor grievances like non receipt of dividend warrants, non receipt of share certificates, etc. The terms of reference of the committee meet with the requirements of SEBI (LODR) Regulations, 2015 and provisions of the Companies Act, 2013.

The chairman of the committee was present at the 22<sup>nd</sup> AGM to answer shareholder queries.

#### Investor Grievance Redressal:

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had

commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. During the year company did not receive any complaints from investors

During the Financial year 2021-22, the committee met on 06-01-2022.

Ms Sunaina Nagar, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

The composition of the committee and details of attendance is as below:-

Directors	Number of Meetings attended
Mr. Suresh K. Porwal - Chairman	1
Mr. Ashok Kabra - Member	1
Mrs. Seema Jain - Member	1

\*Mr. Suresh K. Porwal was appointed as Chairman of Stakeholder Relationship Committee w.e.f 05.08.2021

\*Mr. Vikas Gupta has resigned as Chairman of Stakeholder Relationship Committee w.e.f 05.08.2021

There are no complaint received during the year and no complaint is pending as on March 31, 2022 from the Debenture Holders and Shareholders.

### D) Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Companies Act, 2013.

#### Terms of reference:-

The Committee is primarily responsible for formulating and recommending to the Board of Directors, a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects.

The Committee met two times during the year on 28-05-2021 & 07-02-2022. The details of attendance at the CSR Committee meeting are as under:



Directors	Number of Meetings attended
Mr. Nishant Badala - Chairman	2
Mr. Vinod K. Jain - Member	2
Mrs. Seema Jain - Member	2

#### E) Risk Management Committee:

The Committee's composition meets with the requirements of Regulation 21 SEBI (LODR) Regulations, 2015 and provisions of the Companies Act, 2013 and RBI Directions.

#### Terms of reference:-

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has also formulated a policy for Risk management of the Company.

During the financial year 2021-22 the Committee met 5 times during the year on, 07-05-2021, 01-06-2021, 15-11-2021, 24-12-2021 & 08-03-2022 the details of attendance at the Risk Management Committee meeting are as under:

Directors	Number of Meetings attended
Mr. Vinod K. Jain - Chairman	5
Mrs. Seema Jain - Member	5
Mr. Vikas Gupta - Member	3
Mr. Saurabh Rajawat - Member	2
Mr. Suresh K. Porwal - Member	2

\*Mr. Suresh K. Porwal was appointed as Member of Risk Management Committee w.e.f 24.12.2021

\*Mr. Saurabh Rajawat was appointed as Member of Risk Management Committee w.e.f 24.12.2021

\*Mr. Vikas Gupta has resigned from the membership of Risk Management Committee w.e.f 24.12.2021

The Board of Directors reviewed the risk profile of the Company and the efficacy of the measures in place to mitigate the risks. The board was of the opinion that there were no key risks immediately foreseeable that could threaten the existence of the Company.

During the Financial Year under review, recommendations made by all Committees were accepted by the Board.

#### Performance evaluation criteria for independent directors:

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board and in the evaluation process, the Directors who are subject to evaluation had not participated.

#### Remuneration Policy:

The remuneration policy, including the criteria for remuneration of non-executive directors is recommended by the Nomination and Remuneration Committee and approved by the board. The key objective of the remuneration policy is to ensure that it is aligned to the overall performance of the Company. The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically.

The remuneration policy is in consonance with the existing industry practice. A copy of the said policy is available at the link:

<https://www.srghousing.com/DataImages/download/POLICY.pdf>

The remuneration Paid to the directors is in line with the remuneration policy of the company.

#### Remuneration to Directors

##### Non-Executive Directors:

During the financial year 2021-22, except sitting fees no remuneration is paid to Non-executive directors

Details of Sitting fees paid to Non-Executive directors for attending board/committee meeting is as below:-

Name of Director	Fees for attending board/ committee meetings (₹ in lakhs)
Mr. Vinod K. Jain	-
Nishant Badala	0.40
Ashok Kabra	0.47
Vikas Gupta	0.25
Suresh K Porwal	0.41
Seema Jain	0.27
Garima Soni	0.25

**Executive Director:**

Detail of the remuneration paid to the executive director:-

(₹ in lakhs)

Particulars of Remuneration	Mr. Vinod K. Jain (Managing Director)
Salary	321.16

No sitting fees is paid to executive directors

- (i) **All elements of remuneration package of individual directors are summarized under major groups, such as salary, benefits, bonus, pension etc.**

Remuneration of Managing Director – Mr. Vinod K. Jain is totally comprises as Salary as disclosed above.

- (ii) **Details of fixed component and performance linked incentives, along with the performance criteria:**

The Remuneration of Managing Director includes Yearly remuneration of ₹ 180 Lakhs plus 5% of net profits of the Company for that financial year computed in the manner laid down in Section 198.

Annual General Meetings of the Company:

Venue	Financial Year	Date & Time
The Solitaire - Gardens and Banquets, Delhi Public School shobhagpura road, opposite Mahila police station, near Yois hotel, Bhuwana, Udaipur (Raj.),313001	2018-2019	September 30, 2019, at 12:15 p.m.
Via Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) Facility at the registered office of the Company at 321, S.M. Lodha Complex Near Shastri Circle Udaipur Rajasthan 313001	2019-2020	September 24, 2020 at 12:15 PM
Via Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) Facility at the registered office of the Company at 321, S.M. Lodha Complex Near Shastri Circle Udaipur Rajasthan 313001	2020-2021	September 3, 2021 at 12:15 PM

The details of special resolutions passed in AGM/EGM in the last 3 years are as follows:

AGM/EGM	Subject
20th Annual General Meeting held on 30/09/2019	<ul style="list-style-type: none"> <li>Approval for Issuance of Redeemable Non Convertible Debentures/ Unsecured Redeemable Subordinated Debt –Tier-II NCDs/Bonds.</li> <li>Approval for increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 upto ₹ 725 crores.</li> <li>Approval for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1) (a) of the Companies Act, 2013:</li> <li>Approval for Re-appointment of Mr. Vinod K. Jain, Managing Director</li> <li>Approval for Re-appointment of Mr. Ashok Kabra (DIN 00240618) as an Independent Director of the Company</li> <li>Approval for Re-appointment of Mr. Vikas Gupta (DIN 05280808) as an Independent Director of the Company</li> <li>Approval for Related Party Transactions/ Arrangements</li> <li>Issue of Equity Shares</li> </ul>

- (iii) **Service contracts, notice period, severance fee:**

Not applicable.

- (iv) **Stock option details, if any, and whether issued at a discount as well as the period over which accrued and over which exercisable:**

Not applicable.

**Transactions with Non-Executive Directors:**

There was no pecuniary relationship or transactions of the non-executive directors vis-à-vis the company during the Financial Year ended March 31, 2022 except sitting fees for attending board/committee meetings to the non-executive directors and the rent agreement entered into by the Company with Non- Executive Director, Mrs. Seema Jain for taking on rent the office premises of the Company.

**3) GENERAL MEETINGS / POSTAL BALLOTS:**

The details of the Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

AGM/EGM	Subject
21st Annual General Meeting held on 24/09/2020	<ul style="list-style-type: none"> <li>Approval for Issuance of Redeemable Non-Convertible Debentures/ Secured or Unsecured Redeemable Subordinated Debt -Tier-II NCDs Bonds</li> <li>Approval for increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 upto ₹ 850 crore.</li> <li>Approval for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1) (a) of the Companies Act, 2013.</li> <li>Approval for Re-appointment of Mr. Nishant Badala (DIN 06611795) as an Independent Director of the Company To consider and, if though.</li> <li>Approval for Further issue of Equity Shares.</li> </ul>
22nd Annual General Meeting held on 03/09/2021	<ul style="list-style-type: none"> <li>Approval for Issuance of Redeemable Non-Convertible Debentures/Secured or Unsecured Redeemable Subordinated Debt - Tier-II NCDs/Bonds.</li> <li>Approval for appointment of Mr. SureshKumar Kanhaiyalal Porwal (DIN 08966740) as an Independent Director of the company.</li> <li>Approval for Further Issue of Equity Shares.</li> </ul>

No Extra Ordinary General Meeting was held by the Company during the Financial Year 2021-22

#### Postal Ballot:

1. Details of Special Resolutions passed through Postal Ballot in the last year: NA
2. Person who conducted the postal ballot exercise: NA
3. Whether any Special Resolution is proposed to be conducted through postal ballot: No resolution is proposed to be conducted through Postal Ballot as on the date of AGM.
4. Procedure for Postal Ballot: Your Company follows the provisions of the Companies Act, 2013 and Listing Regulations 2015 for Postal Ballot, if any.

#### 4) MEANS OF COMMUNICATION TO SHAREHOLDERS:

The main source of information for the shareholders is the Annual Report that includes inter alia, the Board's Report, the shareholders' information and the audited financial results. SRGHFL recognizes the importance of regular dialogue with its shareholders to ensure that the Company's strategy is clearly understood. The Company had 1644 shareholders as on March 31, 2022.

During the year, in view of the COVID -19 pandemic, the AGM was held through a two-way audio-visual means, which enabled shareholders of the Company to participate at the meeting, irrespective of their location and interact with the board.

Quarterly performance and financial results of the Company are intimated to the Shareholders through the website of Bombay Stock Exchange (BSE) i.e. on [www.bseindia.com](http://www.bseindia.com), SRGHFL's website i.e. [www.srghousing.com](http://www.srghousing.com). The Company also publishes the abridged version of audited/ unaudited financial results on a quarterly/ annual basis, in the prescribed format, in English and Regional Language newspaper. Company normally publishes the abridged version of audited/ unaudited financial results in leading newspapers in English viz. Financial Express and in the Regional Language i.e. Jai Rajasthan or Nafa Nuksan or Business Remedies. Shareholders have an opportunity to attend the Annual General Meeting at which the business outlook is presented and relevant aspects of the Company's operations are discussed. In addition, the registered office as well as the Registrar's Office (RTA), serves as a contact point for shareholders on issues such as share transfers, dividends and announcements. 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. The Company complies with Regulation 30 read with Schedule III and Regulation 46 of SEBI (LODR) Regulations, 2015 in respect of presentation made to analysts or to Institutional Investor Further, the Company has also displayed official news releases which are available on company's website [www.srghousing.com](http://www.srghousing.com).

The annual report also contains a section on 'Shareholders' Information' which inter alia provides information as required under SEBI (LODR) Regulations, 2015. The company has designated the email-id info@srghousing.com to enable the shareholders to register their grievances.

## 5) SHAREHOLDERS' INFORMATION:

### Annual General Meeting:

Day, Date and Time:	Friday August 5, 2022 at 12:15 pm
Mode:	Through Video-Conference facility (VC)
Cut-Off date:	Friday July 29, 2022
E-Voting:	Starts Tuesday August 02, 2022 (09:00 a.m.) and ends on Thursday August 04, 2022 (5:00 p.m.).
Book Closure Date :	July 29, 2022 to August 05, 2022 (both days inclusive)
Financial Year	April 01 to March 31

Pursuant to Ministry of Corporate Affairs ('MCA') circulars dated April 8, 2020; April 13, 2020; May 5, 2020; January 13, 2021; May 05, 2022 read with SEBI Circulars dated May 12, 2020 and January 15, 2021 and May 13, 2022, the ensuing 23rd Annual General Meeting ('AGM') is being conducted through VC or OAVM.

In terms of the said circulars, the financial statements (including the Director's Report, Corporate Governance Report, Management Discussion Analysis, Auditors' Report and other documents required to be attached therewith) are being sent through only electronic mode to those shareholders whose email addresses are registered with the Company's Registrar and Share Transfer Agent as on Friday, July 1, 2022. The Company has also made arrangements for those shareholders who have not yet registered their email address to get the same registered by following the procedure prescribed in the Notice of AGM.

### Financial Calendar 2022-23 (tentative):

Financial Results will be announced as per the following tentative schedule:

Quarter ending June, 2022	During First/Second week of August 2022
Quarter/ Half Year ending September, 2022	During First/Second week of November 2022
Quarter ending December, 2022	During First/Second week of February 2023
Quarter/ Half Year/ Year ending March, 2023	During First/Second week of May 2023
Annual General Meeting	By September, 2023

### Particulars of Dividend for The Year Ended 31.03.2022:

No Dividend was declared or paid during the year 2021-22.

### Listing Of Equity Shares:

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	534680
ISIN allotted by Depositories (Company ID Number)	INE559N01010

(Note: Annual Listing fees for the year 2021-22 and 2022-23 was duly paid to the above stock exchange)

Bloomberg code: SRHO:IN

### Debt Securities:

SRGHFL's NCDs are listed on the wholesale debt market (WDM) of the Bombay Stock Exchange Limited (BSE).

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	956825
ISIN allotted by Depositories (Company ID Number)	INE559N07017
Bombay Stock Exchange Limited, Mumbai (BSE)	959686
ISIN allotted by Depositories (Company ID Number)	INE559N07025
Bombay Stock Exchange Limited, Mumbai (BSE)	959845
ISIN allotted by Depositories (Company ID Number)	INE559N07033
Bombay Stock Exchange Limited, Mumbai (BSE)	960299
ISIN allotted by Depositories (Company ID Number)	INE559N07041

(Note: Annual Listing fees for the year 2021-22 and 2022-23 were duly paid to the above stock exchange)

The Company is in compliance with the Regulation as set out in Chapter V of the SEBI (LODR) Regulation, 2015 with respect to its listed debt securities.

**Debenture Trustee:**

Catalyst Trusteeship Limited (Formerly known as GDA Trusteeship Limited)  
 Address: Office No. 6th Floor, Office No-604, C.S.T. Road, Kalina, Santacruz (East), Mumbai-400 098  
 Tel: +91 22 4922 0555. Fax: +91 22 4922 0505 Email: dt@ctltrustee.com,  
 Website: www.catalysttrustee.com

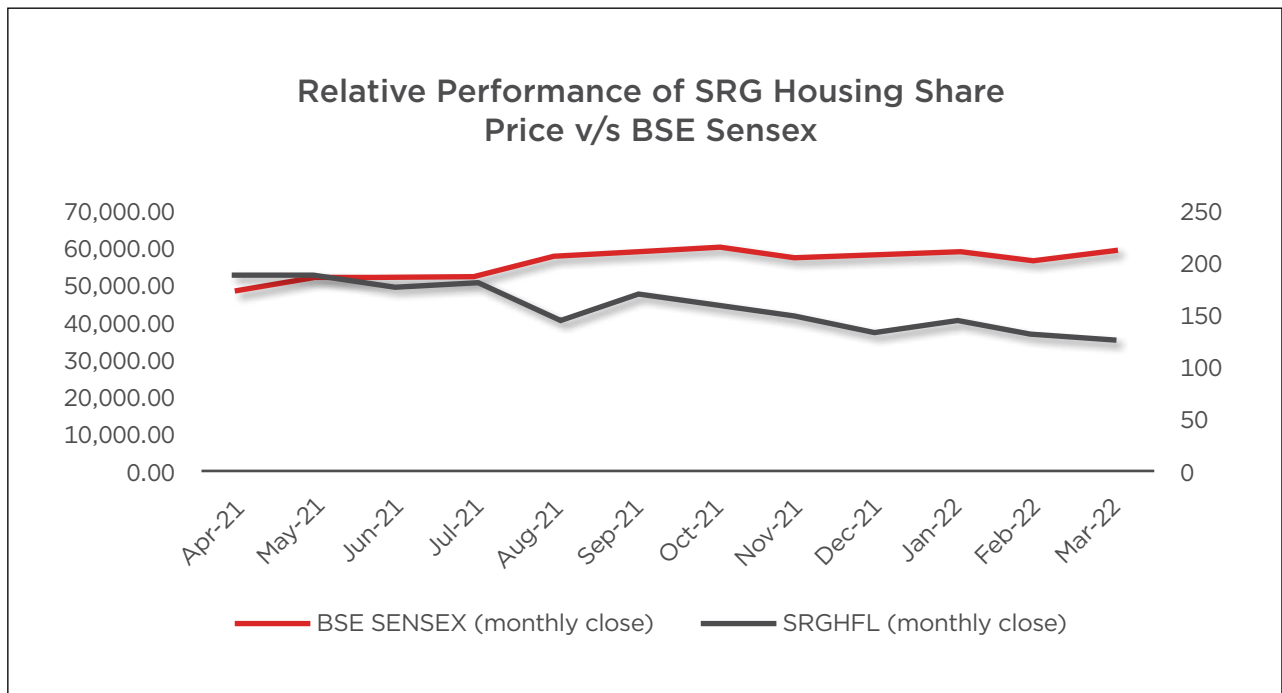
**Stock Market Data:**

**The Bombay Stock Exchange Limited**

Month	Open Price	High Price	Low Price	Close Price	Volume (No.)	BSE SENSEX (monthly close)
April-21	223.00	223.00	173.00	190.15	25,870	48,782.36
May-21	203.00	203.00	178.00	191.00	28,960	51,937.44
June-21	191.00	222.00	155.00	178.75	2,20,832	52,482.71
July-21	178.05	194.95	165.10	183.15	47,313	52,586.84
August-21	189.55	197.00	134.00	146.65	83,569	57,552.39
September-21	148.00	183.00	143.60	169.65	42,746	59,126.36
October-21	165.10	180.00	157.00	159.80	46,573	59,306.93
November-21	168.45	174.40	143.00	149.55	29,228	57,064.87
December-21	149.55	159.90	128.25	134.15	55,347	58,253.82
Jan-22	135.00	162.00	129.00	144.00	64,496	58,014.17
Feb-22	142.00	152.00	116.60	130.70	28,453	56,247.28
March 22	126.00	149.40	122.00	126.55	24,725	58,568.51

The listed NCDs did not trade during the financial year 2021-22

**Chart: Performance in comparison to BSE SENSEX**



**Distribution of shareholding:****Distribution of shareholding across categories-**

Categories	March 31, 2022		March 31, 2021	
	No. of shares	% to total Capital	No. of shares	% to total Capital
Promoter and Promoter Group	84,44,171	64.96	80,00,021	61.54
Foreign Portfolio Investors (FPIs)/ Foreign Institutional Investor	0	0	76264	0.59
Resident Individuals	4155579	31.97	4253005	32.72
Bodies Corporates	272937	2.1	162287	1.25
Non Resident Individuals	36738	0.28	25639	0.20
Alternate Investment Funds	0	0	0	0
Others*	90575	0.69	482784	3.71
<b>Total</b>	<b>13000000</b>	<b>100.00</b>	<b>13000000</b>	<b>100.00</b>

\*Includes (Clearing Members/HUF)

**Distribution of shareholding according to size class as on March 31, 2022-**

Number of Equity Shares held	Number of Share holders	(%) Of holders	Number of Shares held	% of Capital
UPTO TO 100	947	57.603	30104	0.232
101 TO 200	177	10.766	28328	0.218
201 TO 500	191	11.618	68165	0.524
501 TO 1000	95	5.779	71957	0.554
1001 TO 5000	109	6.630	241937	1.861
5001 TO 10000	52	3.163	413365	3.180
10001 TO 100000	49	2.981	1522066	11.708
100001 TO ABOVE	24	1.460	10624078	81.724
<b>Total</b>	<b>1477</b>	<b>100.00</b>	<b>13000000</b>	<b>100.00</b>

**Registrar and Share Transfer Agents & Share Transfer System:**

LINK INTIME INDIA PVT LTD, having its registered office at C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083, are the Registrars for the demat segment and also the share transfer agents of the company, to whom communications regarding share transfer and dematerialization requests must be addressed. All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent. Share transfers are processed within 15 days of lodgment.

**Corporate Benefits to Investors:****Dividend declared:**

Financial Year	Date of Declaration	Dividend Per Share	Type
2014-15	March 11, 2015	₹ 0.25	Interim Dividend

**Bonus Issue of Fully paid up Equity Shares:**

Financial Year	Ratio
2012-13	1:2
2014-15	2:5

**Information In Respect Of Unclaimed Dividends Due For Remittance Into Investor Education And Protection Fund (IEPF) is given below:**

In terms of section 124 and 125 of the Companies Act, 2013, the amounts (dividend, deposits etc., with interest) that remained unclaimed and unpaid for more than 7 years from the date they first became due for payment, should be transferred to IEPF. As an investor friendly measure, your Company has been intimating the respective shareholders / depositors / investors to encash their dividend warrant/renew matured deposits or lodge their claim for payment of due, if any, from time to time and claims made are settled. As per the statutory requirements, the details of such amounts are made available on the website of MCA-IEPF as well as on the Company's website.

**a) Unclaimed dividends**

As at March 31, 2022 dividends aggregating to ₹ 5025/- relating to dividends declared for the years FY14-15 had not been claimed by shareholders. As an investor friendly measure, your Company has intimated shareholders to lodge their claims and related particulars were provided in the annual reports each year as well as on the website of your Company. The dividend pertaining to 2014-15, which remained unclaimed/unpaid amounting to ₹ 5025/- was transferred to IEPF on April 9, 2022.

**b) Transfer of shares to IEPF Demat account**

In terms of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Rules, 2016, as amended from time to time, our Company is required to transfer all the shares, in respect of which dividend amounts have not been paid or claimed for 7 consecutive years, to 'IEPF Demat Account' opened with the Depository for the purpose by the Company.

Your Company has provided the IEPF Rules, the paper notifications issued and lists of shareholders, whose shares have been transferred to IEPF in the Investor Page of the website of the Company. Any shareholder can claim back his shares by filing the claim in the prescribed form (E-form IEPF-5).

In terms of the above Rules, reminder letters were sent to shareholders who have not

claimed their dividends for a consecutive period of 7 years, informing that their shares will be transferred to IEPF suspense account on the prescribed due dates, if they do not place their claim for unclaimed dividend amounts before the Company.

Pursuant to section 125 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, members who have either not received or have not encashed their dividend Cheques for the financial years 2014-2015 are being informed that your unclaimed dividend amount along with the shares thereof have been transferred to IEPF. You can claim the same by making an application directly to IEPF in the prescribed form under the IEPF Rules which is available on the website of IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in).

The Company on receipt of complete set of documents shall submit its e-verification report to IEPF Authority within the timeline prescribed under the IEPF Rules. Upon submission of e-verification report by the Company, the corresponding action shall solely be at the discretion of IEPF Authority.

The Company has appointed a nodal officer s for co-ordination with IEPF Authority the details of the same is available at the website of the Company at <https://www.srghousing.com/NodalOfficerIEPF>

Financial Year	No. of Members who have not claimed their dividend	Unclaimed Dividend as on March 31, 2022	Unclaimed Dividend as % to Total Dividend	Date of Declaration	Last date for claiming the dividend prior to its transfer to IEPF.	Due date for transfer
2014-15	24	5025	0.17	March 11, 2015	April 10, 2022	May 9 2022

The Company has also uploaded the details of unclaimed dividend, on its website at <https://www.srghousing.com/Divident>.

**Request to Investors:**

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company.

As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrants/Cheques etc. This would avoid wrong credits being obtained by unauthorized persons.

Shareholders holding shares in electronic form are requested to deal only with their

Depository Participant in respect of change of address, nomination facility and furnishing bank account number, etc.

#### Reconciliation of Share Capital:

A quarterly audit was conducted by a Practicing Company Secretary, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on March 31, 2022, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 13000000 equity shares representing 100% of the paid up equity capital have been dematerialized as on March 31, 2022.

#### Nomination Facility:

Since all the shares of the company are in demat form, shareholders are requested to contact their Depository Participants for availing nomination facility.

#### Address For Correspondence:

To contact Registrars & Share Transfer Agents for matters relating to shares	Link Intime India Pvt Ltd Address:- C 101, 247 Park, LBS Marg, Vikhroli West Mumbai-400083 Email Id:- <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Tel No:- 022-49186270 Fax: 022-49186060
For any other general matters or in case of any difficulties / grievance	Ms. Sunaina Nagar Company Secretary and Compliance Officer SRG Housing Finance Limited 321, SM Lodha Complex, Near Shastri Circle, Udaipur, Rajasthan-313001 Tel : 0294-2561882 E-mail : <a href="mailto:info@srghousing.com">info@srghousing.com</a>

#### Credit Ratings:

List of all credit ratings obtained by the Company for bank loans, non-convertible debentures is as below:-

Sr. No.	Instrument	Rating Agency	Rating
1	Bank Loan	Brickwork Ratings	BWR BBB; Stable
2	NCD	Brickwork Ratings	BWR BBB; Stable
2	NCD	ACUITE Ratings	ACUITE BBB; Stable

Further the CARE Rating Agency has also assigned CARE BBB; stable to long term bank facilities of the Company in May 2022.

Information with regards to credit ratings is available on the website of the Company i.e. at [www.srghousing.com](http://www.srghousing.com).

#### Dematerialisation of Shares and liquidity;

SRGHFL's shares are available for trading with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Limited (CDSL). The ISIN allotted to SRGHFL's equity shares is INE559N01010.

As at March 31, 2022, 100 % of equity shares of SRGHFL have been dematerialised by members through NSDL and CDSL.

#### Outstanding GDRS/ADRS/ WARRANTS

The Company does not have any GDRs/ ADRs/ Warrants or any convertible instruments.

#### Commodity Price Risk /Foreign Exchange Risk / Hedging Activities:

Company does not have any Commodity Price Risk or Foreign Exchange Risk and hedging activities.

#### Plant Locations:

Not Applicable being a Housing Finance Company.



**6) COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:**

Certificate from the Company's Secretarial Auditor Mr. Shiv Hari Jalan, Practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015, is attached to this Report.

**7) GOING CONCERN:**

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

**8) AUDIT QUALIFICATIONS:**

The Financial Statements of the Company are unqualified.

**9) SEPARATE POSTS OF CHAIRMAN AND MANAGING DIRECTOR:**

The Company has appointed only Managing Director of the Company.

**10) REPORTING OF INTERNAL AUDITOR:**

The Internal Auditor of the Company directly reports to the Audit Committee and/or Managing Director.

**11) DECLARATION BY BOARD:**

Board hereby confirms that company has devised proper systems to ensure compliance of all laws applicable to the Company.

**12) REAPPOINTMENT OF DIRECTOR:**

A brief resume of the directors reappointed together with the nature of experience and details of the other directorships held is annexed to the Notice convening the ensuing Annual General Meeting.

**13) ACCOUNTING STANDARDS/ TREATMENT:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as applicable read with Section 133 of the Companies Act, 2013 and directions issued by Reserve Bank of India.

**14) MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Master Directions issued by the Reserve Bank of India, the Management Discussion and Analysis Report (MD&A) forms part of this report.

**15) CERTIFICATION ON FINANCIAL REPORTING AND INTERNAL CONTROLS: (CEO/CFO CERTIFICATE)**

The Managing Director / Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI (LODR) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

**16) PREVENTION OF INSIDER TRADING**

The Company has adopted the Code of Conduct for Prevention of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information. This Code of Conduct is applicable to all the Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. Unpublished price sensitive information is shared confidentially and strictly on a need to know basis. The amended policy is available on our website at <https://www.srghousing.com/Policy-Insider-Trading#> Identified persons according to this code of conduct are prohibited from trading in the securities of the Company during the restricted trading periods notified by the Company.

**17) OTHER DISCLOSURES:**

**a) Related party transactions**

There were no 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 are included in the notes forming part of the financial statements and are also uploaded on the website of the Company, along with submission to stock exchanges on a half-yearly basis. The transactions in accordance with Regulation 23 of SEBI (LODR) Regulations, 2015 were entered with the related parties

pursuant to the shareholders' approval obtained at the 20th Annual General Meeting held on September 30, 2019 with the prior approval of Audit Committee and Board of Directors of the Company.

**b) Details of Non-Compliance:**

No penalties or strictures have been imposed on the Company by any stock exchange, SEBI or any other statutory authority on any matter relating to the capital markets.

**c) Vigil Mechanism/Whistle Blower:**

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and as per Regulation 22 of the SEBI (LODR) Regulations, 2015, Company has made a formal Vigil Mechanism Policy which provides detailed procedure to protect the interest of employees of the company. The Audit Committee oversees the vigil mechanism. No employee has been denied access to the Audit Committee.

The whistle blower policy/ Vigil Mechanism is placed on the website of the Company and can be accessed at

<https://www.srghousing.com/DataImages/download/Policy%20on%20Vigil%20Mechanism.pdf>

**d) Compliance:**

The company has complied with the mandatory requirements as stipulated under regulation 34(3) and 53 of SEBI (LODR) regulations, 2015. The company has submitted the quarterly compliance status report to the stock exchanges within the prescribed time limit.

Ms Sunaina Nagar, Company Secretary of the Company is the Compliance Officer for the purpose of the Listing Regulations and as per the Master Direction-Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021.

The Reserve Bank of India on April 11, 2022 issued a circular on Compliance Function and Role of Chief Compliance Officer which is applicable to the Company. The Company

would take necessary steps in order to ensure compliance with the said circular within the prescribed timelines.

**e) Non Mandatory Requirements**

There is no Audit qualification on the Company's financial statements during the year under review. Further, the Company is in the regime of unmodified opinions on financial statements. The Company shall endeavor to adopt the non-mandatory requirements, as and when necessary.

**f) Certificate under Regulation 34(3) of SEBI Listing Regulations:**

The Company has obtained a Certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, from Mr. Shiv Hari Jalan, Company Secretary in practice, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authority. The said certificate forms part of this report.

**g) Fees paid to Statutory Auditors:**

During the year, the total fees incurred by the Company, for services rendered by statutory auditors are given below:

Particulars	Amount (₹ in lakhs)
Audit Fees	1.75
Certification Fees & Limited Review	1.25
<b>Total</b>	<b>3.00</b>

**h) Declaration under Sexual Harassment of Women at Workplace**

As required under the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the Company has implemented a policy on Sexual Harassment of Women at Workplace. An internal complaint committee has been set up to receive complaints, investigate matter and report to the management. During FY21-22 no cases of sexual harassment were reported.

**i) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

During the year company has not raised funds through preferential allotment or qualified institutions placement.

**j) Disclosure with respect to Demat suspense account/ unclaimed suspense account**

The Company does not have any of its securities lying in demat/ unclaimed suspense account arising out of public/ bonus/ right issues as at March 31, 2022. Hence, the particulars relating to aggregate number of Shareholders and the outstanding securities in suspense account and other related matters does not arise.

## ANNEXURE - IV-A

# Policy on Related Party Transactions

## I. INTRODUCTION

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 (“Act”) read with the Rules framed there under, Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, Indian Accounting Standard and other applicable laws, SRG Housing Finance Limited (“SRGHFL” or “the Company”) has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions and a policy on materiality of related party transactions and also on dealing with Related Party Transactions including clear threshold limits duly approved by the board of directors.

In light of the above, SRGHFL has framed this Policy on Related Party Transactions (“Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board and the board of Directors shall review the policy at least once in every three years.

## II. GOVERNING LAWS

This policy shall be governed by provisions of the Companies Act, 2013 and Rules framed thereunder (as amended from time to time), the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, Indian Accounting Standard on Related Party Disclosures (IND AS 24), Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable laws.

In case any term or procedure is not defined in this policy or differs from those defined under the applicable laws; the provisions of the applicable laws shall prevail over and above the clauses of this

policy until such time this policy is amended/ updated to confirm to the applicable governing laws.

## III. DEFINITIONS

1. **“Arm’s length transaction (‘ALP’)”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
2. **“Related Party” means**
  - (i) As per regulation 2(1)(zb) of SEBI (LODR), 2015 related party means a related party as defined under section 2(76) of the Companies Act, 2013 or under the applicable accounting standards.

### Deemed Related Party:-

- any person or entity forming a part of the promoter or promoter group of the listed entity; or
- any person or any entity, holding equity shares: of twenty per cent or more; or of ten per cent or more, with effect from April 1, 2023; 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;

### Relative means:-

In terms of Section 2(77) of the Companies Act, 2013 read with the Companies (Specification of Definitions Details) Rules, 2014 a person is said to be a relative of another, if -

- a. They are members of a Hindu undivided family;
- b. They are husband and wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son’s wife;
- g. Daughter;
- h. Daughter’s husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

3. **“Related Party Transaction” (RPT) means -**
  - 3.1 Following types of the transactions considered as related party as per section 188 of Companies Act 2013:-

- (a) Sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company.

**a. Types of the transactions considered as related party as per Reg.2(1)(zc) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:-**

means a transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:

**4. Material Modifications:-**

shall mean a 10% or more increase in the original value/consideration of any Related Party Transaction which was approved by the Audit Committee/ Shareholders of the Company, as the case may be.

**IV. MATERIALITY THRESHOLDS**

Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 requires Company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of a resolution. The Company has fixed its materiality threshold at ten percent of the Annual Consolidated Turnover as per the last Audited Financial Statements of the Company for the transactions to be entered into individually or taken together with previous transactions during a financial year, for the purpose of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

Transactions involving payments made to a related party with respect to brand usage or royalty, if individually or taken together with the previous transactions during a financial year exceeds 2% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Material RPT as per Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 including amendment dated November 18, 2019:-

Nature of Transactions	Materiality Threshold for the Transactions
Sale, purchase, supply of any goods or materials, directly or through agent	Amounting to 10% or more of Turnover of the Company
Selling or otherwise disposal of or buying property of any kind directly or through agent	Amounting to 10% or more of Turnover of the Company
Leasing of property of any kind	Amounting to 10% or more of the Company
Availing or rendering of services directly or through agent	Amounting to 10% or more of Turnover of the Company
The limits specified above shall apply for transaction/ transactions individually or taken together with previous transactions during a financial year.	
Appointment to any office or place of profit in the Company, its subsidiary company or associate company	Monthly remuneration exceeding ₹ 2,50,000/-
Remuneration for underwriting the subscription of any securities or derivatives thereof of the Company.	Exceeding 1% of the Net worth

Note- The Turnover or Net worth referred above shall be computed on the basis of the audited financial statements of the preceding financial year.

Material Modifications to Related Party Transactions will require prior approval of the Audit Committee. Material Modifications to material Related Party Transactions will require prior approval of the Shareholders of the Company. Further, any other modifications to

transactions entered into by the Company with its related parties will require the approval of the Audit Committee notwithstanding that such modification is a Material Modification.

## V. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

### 1. Identification of Related Parties

SRGHFL has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 23 of the Regulations.

### 2. Identification of Related Party Transactions

SRGHFL has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and Regulation 23 of the Regulations. SRGHFL has also formulated guidelines for determining whether the transaction is in the ordinary course of business and at arm's length basis and for this purpose, the Company seeks external professional opinion, if necessary.

### 3. Procedure for approval of Related Party Transactions

#### a) Approval of the Audit Committee

- All related party transactions shall require prior approval of the **Audit Committee** irrespective of ordinary course of business or arm length basis.
- Each of SRGHFL directors and executive officers are instructed to inform the Company Secretary or Management of the Company of any potential Transaction with Related Party. All such transactions will be analysed by the Audit Committee in consultation with management to determine whether the transaction or relationship does, in fact, constitute a Related Party Transaction requiring compliance with this Policy. The Committee will be provided with the following details of each new, existing or proposed Related Party Transaction:
  - The Name of the Related Party and nature of relationship
  - The nature, duration and particulars of the contract or arrangement;
  - The material terms of the contract or arrangement including the value, if any

- Any advance paid or received for the contract or arrangement, if any;
- The manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of the contract
- Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.
  - If a Related Party Transaction is ongoing, the Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Party. Thereafter, the Committee shall periodically review and assess ongoing relationships with the Related Party.
  - A Related Party Transaction entered into without pre-approval of the Committee shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as the transaction is brought to the Committee as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this policy.
  - Any member of the Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Party Transaction. However, the Chairperson of the Committee may allow participation of such member in some or all of the Committee's discussions of the Related Party Transaction.
  - The Audit Committee may review any previously approved or ratified Related Party Transaction that is continuing and determine based on then-existing facts and circumstances, including the Company's existing contractual or other obligations, if it is in the best interests of the Company to continue, modify or terminate the transaction.

Only those members of the Audit Committee who are Independent Directors will approve RPTs. Any member of the Audit Committee having a potential interest in the proposed RPT will not participate in the discussions nor vote on the proposal for approval of the transaction.

**Omnibus approval:**

The Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliances with the following conditions:

- i. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with this Policy and such approval shall be applicable in respect of transactions which are repetitive in nature;
- ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- iii. The omnibus approval shall provide -
  - a) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
  - b) the indicative base price / current contracted price and the formula for variation in the price if any (for ex: +/- 5%) and
  - c) such other conditions as the Audit Committee may deem fit.

However, in case of Related Party Transactions which cannot be foreseen and where the above details are not available, Audit Committee may grant omnibus approval provided the value does not exceed ₹ 1 Crore per transaction;

- 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 approval given;
- v. Such omnibus approval shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

While assessing a proposal put up before the Audit Committee / Board for approval, the Audit Committee / Board may review the following documents / seek the following information from the management in order to determine if the transaction is in the ordinary course of business and at arm's length or not:

- i. Nature of the transaction i.e. details of goods or property to be acquired / transferred or services to be rendered / availed - including description of functions to be performed, risks to be assumed and assets to be employed under the proposed transaction;
- ii. Key terms (such as price and other commercial compensation contemplated under the arrangement) of the proposed transaction, including value and quantum;
- iii. Key covenants (non-commercial) as per the draft of the proposed agreement/ contract to be entered into for such transaction;
- iv. Special terms covered / to be covered in separate letters or undertakings or any other special or sub arrangement forming part of a composite transaction;

**b. Approval of the Board of Directors of the Company**

- As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business and at arm's length basis, shall be placed before the Board for its approval.
- In addition to the above, the following kinds of transactions with related parties shall also be placed before the Board for its approval:
  - i. Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
  - ii. Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;

- iii. Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval.
- iv. Transactions meeting the materiality thresholds laid down Clause 4 of the Policy, which are intended to be placed before the shareholders for approval.
  - o Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.
  - o Following minimum information would be placed before the Board for enabling the Board to consider and approve the Related Party Transaction:
    - o The Name of the Related Party and nature of relationship
    - o The nature, duration and particulars of the contract or arrangement;
    - o The material terms of the contract or arrangement including the value, if any;
    - o Any advance paid or received for the contract or arrangement, if any
    - o The manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of the contract;
    - o Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
    - o Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

### c) Approval of the Shareholders of the Company

- All the transactions with related parties meeting the materiality thresholds, laid down in Clause 4 of the Policy, shall be placed before the shareholders for approval.

- For this purpose, all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

Regulation 23(5) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 provides that the requirement for seeking shareholders' approval shall not be applicable to:

- i. Transactions between two government companies;
  - ii. Transactions between a holding company and its wholly owned subsidiary/ies (if any) whose accounts are consolidated with the holding company and placed before the shareholders at the general meeting for approval.
- In addition to the above, all kinds of transactions specified under Section 188 of the Act which:
    - (a) are not in the ordinary course of business and at arm's length basis; and
    - (b) exceeds the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 shall be placed before the shareholders for their approval.
  - The explanatory statement to be annexed to the notice of general meeting in this regards shall contain following particulars, inter-alia:
    - o name of the related party;
    - o name of the director or key managerial personnel who is related, if any;
    - o nature of relationship;
    - o nature, material terms, monetary value and particulars of the contract or arrangement;
    - o any other information relevant or important for the members to take a decision on the proposed resolution.

## VI. DISCLOSURES

Each director who is, directly or indirectly, concerned or interested in any way in any transaction with the Related Party shall disclose all material information and the nature of his



interest in the transaction to the Committee or Board of Directors.

SRGHFL shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or arm's length basis along with the justification for entering into such transaction.

SRGHFL shall also provide details of all related party transactions meeting the materiality threshold (laid down in Clause 4 of the Policy above) on a quarterly basis along with compliance report on Corporate Governance to the stock exchange.

Quarterly/periodical updates shall be provided to the Audit Committee members on the related party transactions entered by the Company.

This Policy shall be uploaded on the website of the Company and a web link thereto shall be provided in the Annual Report.

The particulars of all the Related Party Transaction entered into with the approval of the Audit Committee / Board of Directors / Shareholders shall be entered into the Register of Contracts or Arrangements in which Directors are interested, maintained by the Company as per the provisions of the Companies Act, 2013 and rules framed thereunder.

Material Transactions exceeding the threshold limits as prescribed under Rule 15 sub rule(3) of Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 shall be disclosed under "Details of material contracts or arrangements or transactions at arms' length" in Form no. AOC-2 as a part of the Directors Report, as prescribed under Companies Act, 2013.

The Company shall submit disclosure of Related Party Transactions on a consolidated basis in the format specified in the relevant accounting standards for annual results to the stock exchanges within 15 working days from the date of its publication of its standalone and consolidated financial results for the half year and with effect from April 1, 2023 on the date of publication of its standalone and consolidated financial results for the half year.

## **VII. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

All Related Party Transaction entered prior to the date of approval of this Policy and Procedures

shall be subject to review by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems, and shall take any such action it deems appropriate.

Not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review/ approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

## **VIII. EXCLUSION OF POLICY**

This policy shall not be applicable to following related party transactions:

- a) 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;
- b) Corporate actions as under as the same are uniformly applicable to all shareholders:
  - Payment / receipt of dividend
  - Issue of securities as rights or bonus
  - Sub-division or consolidation of securities
  - Buy-back of securities

ANNEXURE - IV-B

# Declaration by Managing Director on Code of Conduct under para D of Schedule V of SEBI (LODR) Regulations, 2015

To  
The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2022.

**Vinod K. Jain**  
Managing Director  
DIN: 00248843

Date: 24-06-2022  
Place: Udaipur

## ANNEXURE - IV-C

# Certification by Managing Director (MD) and Chief Financial Officer (CFO) to the Board

We, Vinod K. Jain, Managing Director and Ashok Kumar, Chief Financial Officer of SRG Housing Finance Limited, certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief;
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and that we have disclosed to the statutory auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

Place : Udaipur  
Date : 24-06-2022

**Vinod K. Jain**  
Managing Director  
DIN: 00248843

**Ashok Kumar**  
Chief Financial Officer

## ANNEXURE - IV-E

# 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**  
**SRG Housing Finance Limited**  
 321, S.M. Lodha Complex,  
 Near Shastri Circle,  
 Udaipur - 313001.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SRG Housing Finance Limited** having CIN L65922RJ1999PLC015440 and having registered office at 321, S.M. Lodha Complex, Near Shastri Circle, Udaipur - 313001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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 such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1	Ashok Kabra	00240618	07/05/2012
2	Seema Jain	00248706	10/03/1999
3	Vinod Kumar Jain	00248843	10/03/1999
4	Vikas Gupta	05280808	26/04/2012
5	Nishant Badala	06611795	14/05/2015
6	Garima Soni	08336081	23/02/2019
7	Sureshkumar Porwal	08966740	01/12/2020

\*The date of appointment is as per the MCA Portal

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 the management has conducted the affairs of the Company.

Place: Mumbai  
 Date: 24.06.2022  
 UDIN: F005703D000526179

For **Shiv Hari Jalan & Co.**  
 Company Secretaries  
 FRN: S2016MH382700

**(Shiv Hari Jalan)**  
 Proprietor  
 FCS No: 5703  
 C.P.NO: 4226  
 PR No. 1576/2021

## ANNEXURE - V

# Certificate on Corporate Governance

To,

**The Members of SRG Housing Finance Limited**

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co ., have examined the compliance of conditions of Corporate Governance by **SRG Housing Finance Limited** ('the Company') for the year ended March 31, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

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

### Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place: Mumbai  
Date: 24.06.2022  
UDIN: F005703D000526168

For **Shiv Hari Jalan & Co.**  
Company Secretaries  
FRN: S2016MH382700

**(Shiv Hari Jalan)**  
Proprietor  
FCS No: 5703  
C.P.NO: 4226  
PR No. 1576/2021

# Independent Auditor's Report

To  
The Members  
SRG Housing Finance Limited

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

We have audited the accompanying Financial Statements of SRG Housing Finance Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and the notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information ("hereinafter referred to as the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the accounting principles generally accepted in India,

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2022.
- In the case of the Statement of Profit and Loss, of the profit including comprehensive income for the year ended on that date; and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- In the case of Statement of Changes in Equity, change in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We

are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's report including the Annexures to Director's report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive

income, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- i. As required by the Companies (Auditors' Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- ii. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books

of accounts maintained for the purpose or preparation of the financial statements;

- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022, from being appointed as a Director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind



of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 56 to the financial statements.

v. (b) The Management has represented, that, to the best of it’s knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 56 to the financial statements.

vi. (c) Based on the audit procedures that has been consider reasonable and

appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

vii. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

h. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013 and the remuneration limit is in accordance with the first proviso of Section 197(1) and Schedule V of Companies Act, 2013.

For **PKJ & Co.**  
Chartered Accountants  
FRN: 124115W

**Padam Jain**  
Partner

**Place:** Mumbai

Membership No. 071026

**Date:** May 23, 2022

UDIN:- 22071026AJKTWA1159

# Annexure A to the Independent Auditors' Report

(Referred to in para 1 under "Report on other Legal and Regulatory Requirement" of our report of even date on the accounts for the year ended March 31, 2022).

- i. According to the information and explanations given to us, in respect of the property, plant and equipment:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment. The Company has maintained proper records showing full particulars of intangible assets
  - (b) Property, plant and equipment have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
  - (c) We report that the title deed of the immovable property is held in the name of the Company as at the balance sheet date. Immovable property of land whose title deed has been pledged as security for non-convertible debentures is held in the name of the Company.
  - (d) We report that the Company has not revalued any of its Property, Plant and Equipment including Right of Use Assets and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The Company does not have any inventory and hence reporting under clause (ii) of paragraph 3 of the Order is not applicable.
  - (b) According to the explanations and information given to us, the Company has not been sanctioned working capital limits in excess of ₹ 5 Crores, hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us, the Company has made investments in, and granted any loans or advances in the nature of loans, secured to Companies, Firms, Limited Liability Partnerships or other parties. The Company has not provided any guarantee or security to any other entity during the year. With respect to such investments and loans and advances:
  - a) The Company's principal business is to give loans, and hence reporting under clause 3(iii) (a) of the Order is not applicable.
  - b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note no. 2 to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2022, aggregating ₹ 840.16 Lacs were categorized as credit impaired ("Stage 3") and ₹ 1216.23 Lacs were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 4 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 31,944.98 Lacs, where credit risk has not significantly increased since initial recognition (categorized as "Stage 1"), overdues in the repayment interest and/or principal for Stage 1 & Stage 2 aggregating ₹ 231.12 Lacs were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 621.82 Lacs. Reasonable steps are been taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan Agreement.
- e) The Company's principal business is to give loans and hence reporting under clause 3(iii) (e) of the Order is not applicable.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable
- iv. According to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided or securities to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under section 186.
- v. As per the Ministry of Corporate Affairs notification dated March 31, 2014 the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. According to information and explanations given to us, the Company has not accepted any deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Sub-Section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.
- vii. According to the information and explanations given to us:
- a. The Company is generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess and any other statutory dues applicable to the Company to the appropriate authorities.
- b) There are no undisputed statutory dues payable in respect of GST, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- c) There were no dues referred in sub clause (a) above which have not been deposited on account of disputes as at March 31, 2022.
- viii. According to the information and explanations given to us, no transactions relating to previously unrecorded income were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- ix. According to the information and explanations given to us, in respect of borrowings:
- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable
- (f) The Company does not have any subsidiary or associate or joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) According to the information and explanations given to us the Company has not raised moneys by way of Public Offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company; hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of The Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes on Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2022.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him under provisions of Section 192 of The Companies Act, 2013. Therefore, provision of clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of The Reserve Bank of India Act, 1934. Thus, paragraph 3 (xvi) a, b and c of the Order is not applicable to the Company.
- The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company. Hence, reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of section 135(6) of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. According to the information and explanations given to us, the Company does not have subsidiary, associate and joint venture. Accordingly, reporting under clause 3(xxii) of the Order is not applicable.

For **PKJ & Co.**  
Chartered Accountants  
FRN: 124115W

**Padam Jain**  
Partner

**Place:** Mumbai  
**Date:** May 23, 2022

Membership No. 071026  
UDIN:- 22071026AJKTWA1159

# Annexure B to the Independent Auditors' Report

(Referred to in para 2(f) under “Report on other Legal and Regulatory Requirement” of our report of even date on the accounts for the year ended March 31, 2022)

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Controls over financial reporting of SRG Housing Finance Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

## MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

## AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under Section 143(10) of the Act, 2013 to the extent applicable, to an audit of internal financial controls both issued by The Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal

financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the Financial Statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls

system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India”.

For **PKJ & Co.**  
Chartered Accountants  
FRN: 124115W

**Padam Jain**  
Partner

**Place:** Mumbai

**Date:** May 23, 2022

Membership No. 071026  
UDIN:- 22071026AJKTWA1159

# Balance Sheet

as at March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars	Notes to Accounts	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	3 (a)	510.64	1,035.07
Bank Balance other than Cash and Cash Equivalent	3 (b)	1,976.35	1,666.13
Loans	4	33,192.05	31,765.69
Investments	5	2,691.32	2,571.67
Other Financial Assets	6	754.33	539.28
<b>Total Financial Assets</b>		<b>39,124.69</b>	<b>37,577.84</b>
<b>Non-Financial Assets</b>			
Current Tax Assets	7	512.23	513.35
Deferred Tax Assets (net)	8	289.83	270.39
Investment Property	9	4.34	4.34
Property, Plant and Equipment	9 (a)	735.77	261.22
Capital Work-in-progress	9 (b)	521.16	209.49
Other Intangible assets	9 (c)	2.32	0.82
Intangible Asset under Development	9 (c)	2.78	-
Other Non-Financial Assets	10	611.68	495.88
<b>Total Non-Financial Assets</b>		<b>2,680.11</b>	<b>1,755.49</b>
<b>Total Assets</b>		<b>41,804.80</b>	<b>39,333.33</b>
<b>Liabilities and Equity</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
<b>Payables</b>			
- <b>Trade Payable</b>	11	<b>89.13</b>	<b>100.65</b>
(i) Total outstanding dues of micro enterprises and small enterprises		0.03	0.06
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		89.10	100.59
- <b>Other Payable</b>		<b>239.41</b>	<b>205.95</b>
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		239.41	205.95
Debt Securities	12 (a)	5,169.52	6,530.33
Borrowings (other than debt securities)	12 (b)	23,493.86	22,047.19
Other Financial Liabilities	13	877.08	519.75
<b>Total Financial Liabilities</b>		<b>29,869.00</b>	<b>29,403.87</b>
<b>Non-Financial Liabilities</b>			
Provisions	14	561.84	568.39
Deferred Tax Liabilities (Net)	8	-	-
Other Non- Financial Liabilities		-	-
<b>Total Non-Financial Liabilities</b>		<b>561.84</b>	<b>568.39</b>
<b>Total Liabilities</b>		<b>30,430.84</b>	<b>29,972.26</b>
Equity	15	1,300.00	1,300.00
Other Equity	16	10,073.96	8,061.07
<b>Total Equity</b>		<b>11,373.96</b>	<b>9,361.07</b>
<b>Total Liabilities and Equity</b>		<b>41,804.80</b>	<b>39,333.33</b>

The accompanying notes are an integral part of these financial statements

As per our Report of even date attached

For & on Behalf of the Board

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

**Vinod K. Jain**

Managing Director

(DIN:00248843)

Place: Udaipur

**Seema Jain**

Director

(DIN:00248706)

Place: Udaipur

**Padam Jain**

Partner

Membership No. 071026

**Sunaina Nagar**

Company Secretary

(M.No. A40754)

Place: Udaipur

**Ashok Kumar**

Chief Financial Officer

Place: Udaipur

Place : Mumbai

Date : May 23, 2022

# Statement of Profit and Loss

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars	Notes to Accounts	As at March 31, 2022	As at March 31, 2021
<b>REVENUE FROM OPERATIONS</b>			
Interest Income	17	7,190.13	6,593.84
Fees and Commission Income	18 (a)	130.90	136.34
Interest on FDR	18 (b)	104.77	109.48
Other Income from Operation	18 (c)	477.45	503.18
Net Gain on Derecognition of Financial Instruments	19	15.90	7.70
Net Gain on Fair value changes	20	-	9.73
<b>Total Revenue From Operations</b>		<b>7,919.15</b>	<b>7,360.27</b>
Other Income	21	126.43	306.53
<b>Total Income</b>		<b>8,045.58</b>	<b>7,666.80</b>
<b>EXPENSES</b>			
Finance Costs	22	3,055.03	3,086.25
Net loss on fair value changes	20	1.90	-
Impairment of Financial Instruments (Expected Credit Loss)	23	34.72	166.07
Employee Benefits Expenses	24	1,387.80	1,136.73
Depreciation and Amortization Expenses	25	217.14	202.16
Others Expenses	26	796.01	698.15
<b>Total Expenses</b>		<b>5,492.60</b>	<b>5,289.36</b>
<b>Profit Before Tax</b>		<b>2,552.98</b>	<b>2,377.44</b>
Less : Tax Expense			
Current Tax		533.68	545.44
Deferred Tax (Net)	8	(12.89)	(51.40)
<b>Net Profit After Tax</b>		<b>2,032.19</b>	<b>1,883.40</b>
<b>Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
Remeasurement of Post Employment Benefit Obligations		1.49	1.85
Net Gain on equity instrument designated at FVOCI for the year		(27.53)	(13.20)
Income tax relating to items that will not be reclassified to profit or loss		6.55	2.85
<b>B. Items that will be reclassified to profit or loss</b>			
<b>Other Comprehensive Income (A + B)</b>		<b>(19.49)</b>	<b>(8.50)</b>
<b>Total Comprehensive Income</b>		<b>2,012.70</b>	<b>1,874.90</b>
<b>Earnings Per Equity Share (Face value of ₹ 10 per Share)</b>			
Basic (₹)		15.63	14.49
Diluted (₹)		15.63	14.49

The accompanying notes are an integral part of these financial statements

As per our Report of even date attached

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

**Padam Jain**

Partner

Membership No. 071026

Place : Mumbai

Date : May 23, 2022

For & on Behalf of the Board

**Vinod K. Jain**

Managing Director

(DIN:00248843)

Place: Udaipur

**Sunaina Nagar**

Company Secretary

(M.No. A40754)

Place: Udaipur

**Seema Jain**

Director

(DIN:00248706)

Place: Udaipur

**Ashok Kumar**

Chief Financial Officer

Place: Udaipur



# Statement of Cash Flow

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	2,552.98	2,377.44
Adjustments For :		
Depreciation and Amortization Expenses	217.14	202.16
Impairment of Financial Instruments (Expected Credit Loss)	34.72	166.07
<b>INDAS Adjustments</b>		
Interest Income	(42.49)	(73.82)
Fees and Commission Income	121.25	99.12
Other Income	(5.50)	8.62
Gain on Derecognition of Financial Instruments	(15.90)	(7.70)
Finance Costs	10.21	28.92
Employee Benefits Expenses	1.49	1.85
Gain on change in FV	1.90	(9.73)
Others Expenses	(211.08)	(166.72)
<b>Operating cash flow before working capital changes</b>	<b>2,664.72</b>	<b>2,626.21</b>
(Increase)/Decrease in other financials assets	(240.36)	(8.29)
(Increase)/Decrease in other non-financials assets	(115.79)	(113.43)
Increase/(Decrease) in Trade Payables & Other Payables	21.95	138.28
Increase/(Decrease) in Other financial liabilities	26.51	311.87
Increase/(Decrease) in Provisions	5.21	3.83
(Increase)/Decrease in Loans	(1,473.47)	(5,114.58)
<b>Cash From/(used) for Operations</b>	<b>888.78</b>	<b>(2,156.11)</b>
Direct Taxes Paid (net)	(544.13)	(530.43)
<b>Net Cash Generated From Operating Activity</b>	<b>344.65</b>	<b>(2,686.54)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(488.15)	(246.31)
Investment in Mutal Funds	(850.22)	0.10
Investment in Debt Instruments	691.41	(1,665.63)
Increase/decrease in Fixed deposit	-	-
<b>Net cash flow from investing activities (b)</b>	<b>(646.96)</b>	<b>(1,911.84)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings (net)	88.10	4,010.67
<b>Net cash flow from financing activities (c)</b>	<b>88.10</b>	<b>4,010.67</b>
Net increase in cash and cash equivalents (a+b+c)	(214.21)	(587.71)
Cash and cash equivalents as at beginning of the year	2,701.20	3,288.91
<b>Cash and cash equivalents</b>	<b>2,486.99</b>	<b>2,701.20</b>
<b>Components of Cash &amp; Cash Equivalents</b>		
Cash on hand	18.44	30.96
Balance with Banks		
- Current Accounts	492.20	1,004.11
- Unpaid Dividend Account	0.05	0.05
- Original Maturity for more than 3 months	1,976.30	1,666.08
<b>Total</b>	<b>2,486.99</b>	<b>2,701.20</b>

a) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard ("Ind AS 7") Statement of Cash Flows.

b) Figures in brackets indicate outflow.

The accompanying notes are an integral part of these financial statements

As per our Report of even date attached

For & on Behalf of the Board

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

**Vinod K. Jain**

Managing Director

(DIN:00248843)

Place: Udaipur

**Seema Jain**

Director

(DIN:00248706)

Place: Udaipur

**Padam Jain**

Partner

Membership No. 071026

**Sunaina Nagar**

Company Secretary

(M.No. A40754)

Place: Udaipur

**Ashok Kumar**

Chief Financial Officer

Place: Udaipur

Place : Mumbai

Date : May 23, 2022

# Statement for Change in Equity

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars	Equity Share Capital	Share Application Money	Reserves and Surplus				Total
			Special Reserve	General Reserve	Securities Premium	Retained Earnings	
<b>Balance as at April 01, 2021</b>	<b>1,300.00</b>	-	<b>1,456.88</b>	-	<b>1,377.02</b>	<b>5,227.17</b>	<b>8,061.07</b>
Changes in equity share capital due to prior period errors	-	-	-	-	-	-	-
<b>Restated Balance as at April 01, 2021</b>	<b>1,300.00</b>	-	<b>1,456.88</b>	-	<b>1,377.02</b>	<b>5,227.17</b>	<b>8,061.07</b>
Equity shares issued during the years	-	-	-	-	-	-	-
Equity shares forfeited	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	2,032.18	2,032.18
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
<b>Total Comprehensive income for the year</b>	-	-	-	-	-	-	-
Remeasurement of Post Employment Benefit Obligations	-	-	-	-	-	1.49	1.49
Net Gain on equity instrument designated at FVOCI for the year	-	-	-	-	-	(27.53)	(27.53)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	6.54	6.54
Dividends	-	-	-	-	-	-	-
Transfer to special reserve in terms of Sec 29C of NHB Act,1987	-	-	412.50	-	-	(412.50)	-
Dividends (Including tax thereon)	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.19	0.19
<b>Balance as at March 31, 2022</b>	<b>1,300.00</b>	-	<b>1,869.38</b>	-	<b>1,377.02</b>	<b>6,827.56</b>	<b>10,073.96</b>

All amount are in Lacs unless otherwise stated

Particulars	Equity Share Capital	Share Application Money	Reserves and Surplus				Total
			Special Reserve	General Reserve	Securities Premium	Retained Earnings	
<b>Balance as at April 01, 2020</b>	<b>1,300.00</b>	-	<b>1,076.88</b>	-	<b>1,377.02</b>	<b>3,731.69</b>	<b>6,185.59</b>
Changes in equity share capital due to prior period errors	-	-	-	-	-	-	-
<b>Restated Balance as at April 01, 2020</b>	<b>1,300.00</b>	-	<b>1,076.88</b>	-	<b>1,377.02</b>	<b>3,731.69</b>	<b>6,185.59</b>
Equity shares issued during the years	-	-	-	-	-	-	-
Equity shares forfeited	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	1,883.40	1,883.40
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
<b>Total Comprehensive income for the year</b>	-	-	-	-	-	-	-
Remeasurement of Post Employment Benefit Obligations	-	-	-	-	-	1.85	1.85
Net Gain on equity instrument designated at FVOCI for the year	-	-	-	-	-	(13.20)	(13.20)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	2.84	2.84
Dividends	-	-	-	-	-	-	-
Transfer to special reserve in terms of Sec 29C of NHB Act,1987	-	-	380.00	-	-	(380.00)	-
Dividends (Including tax thereon)	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.59	0.59
<b>Balance as at March 31, 2021</b>	<b>1,300.00</b>	-	<b>1,456.88</b>	-	<b>1,377.02</b>	<b>5,227.17</b>	<b>8,061.07</b>

The accompanying notes are an integral part of these financial statements

As per our Report of even date attached

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

**Padam Jain**

Partner

Membership No. 071026

Place : Mumbai

Date : May 23, 2022

For & on Behalf of the Board

**Vinod K. Jain**

Managing Director

(DIN:00248843)

Place: Udaipur

**Sunaina Nagar**

Company Secretary

(M.No. A40754)

Place: Udaipur

**Seema Jain**

Director

(DIN:00248706)

Place: Udaipur

**Ashok Kumar**

Chief Financial Officer

Place: Udaipur

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## CORPORATE INFORMATION

1. SRG Housing Finance Limited (“the Company”) is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956 and has been carrying on, as its main business of providing loans to Retail customers for construction, repair, renovation or purchase of residential property and loans against property. The company is registered with National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. The shares of the Company are listed on the Bombay Stock Exchange.

The Company’s Registered Office is at Udaipur and Corporate Office is at Mumbai with its branches in the states of Rajasthan, Gujarat, Maharashtra and Madhya Pradesh.

## 1.1 BASIS OF PREPARATION AND PRESENTATION

### a. Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the “Act”) along with the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank (“NHB”) to the extent applicable.

For all periods up to and including the financial year ended March 31, 2019, the Company had prepared its Financial Statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”). The company has adopted IND AS from April 01, 2019 with effective transition date as April 01, 2018.

### b. Basis of Presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Change in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. Amounts in the financial statements are presented in Indian

Rupees which is also functional currency of the Company. All values are rounded to the **nearest Lacs** with two decimals, except when otherwise indicated. The per share data are presented in Indian Rupee to two decimal places. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in **Note 39**.

### c. Basis of Measurement

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for the following:

- Certain Financial Assets and Liabilities are measured at fair value.
- Assets held for sale are measured at the lower of carrying value and fair value less costs to sell.
- Defined benefit plans where plan assets are measured at fair value.

A historical cost is a measure of value used for accounting in which the price of an asset on the balance sheet is based on its historical cost, it is generally fair value of consideration given in exchange for goods and services at the time of transaction or original cost when acquired by the Company.

Fair value is the price that likely to be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 Leases.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

Fair value measurements under Ind AS are categorized into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement date.
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

#### d. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Accounting estimates could change from period to period. The estimates and judgments used are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Revisions to accounting estimates are recognized prospectively. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. The management believes that the estimates used in the preparation of Financial Statements are prudent and reasonable. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are as below:-

#### 1) Assessment of Business Model

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company considers all relevant information available when making the business model assessment.

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models each reporting period to determine whether the business model/(s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

- a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortized cost;
- b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.

- c) All other financial assets (e.g. managed on a fair value basis or held for sale) and equity investments are measured at FVTPL.

## 2) Development of ECL model and its stages

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk has been detailed in Note to accounts on impairment.

## 3) Fair Value Measurement of Investments

Company's investments are measured at fair value. Fair value is the price that would be received on sale of an investment at the measurement date, regardless of whether that price is directly observable or estimated using another technique.

In determining the fair value of such Investments, the company uses quoted prices (unadjusted) in active markets for identical assets or based on inputs which are observable either directly or indirectly. However in certain cases, the company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation

techniques and inputs to the valuation model. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## 4) Provision for Taxes

The company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

## 5) Defined Benefit Plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All PPE are stated at cost of acquisition, less accumulated depreciation and impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include freight, duties, taxes and expenses incidental to acquisition and installation. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

Subsequent expenditures related to an item of PPE are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognized in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the Written Down Value method ('WDV') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

### The estimated useful lives of Property, Plant and Equipment are as below:

Office Equipment	5 Years
Furniture and fixtures	10 Years
Vehicle (Motor Car)	8 Years
Vehicle (Two Wheeler)	10 Years
Computer Hardware and software*	3 years

\*For the above class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013

## 2.2 INTANGIBLE ASSETS

Intangible Assets comprising application software are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets.

Intangible assets are amortized on Written Down Value basis over the estimated useful life of 3 years. The method of amortization and useful life are reviewed at the end of each accounting year

with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

## 2.3 FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities. Financial assets and financial liabilities are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial Assets and Financial Liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit or Loss Account.

### 1) Financial Assets

Financial Assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## a. Recognition and Initial measurement

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognized immediately in profit or loss. All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

## b. Classification of Financial Assets

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are Solely Payments of principal and Interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset by-asset basis:

- The Company may irrevocably designate a debt instrument that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

## c. Subsequent Measurement

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost
- Fair Value through Other Comprehensive Income ("FVOCI")
- Fair Value through Profit and Loss ("FVTPL")

## d. Debt instruments at Amortized Cost

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset individually and the Company's business model for managing the asset. For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

Assets that are held for collection of contractual cash flows where those cash

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

The expected credit loss (ECL) calculation for debt instruments at amortized cost is explained in subsequent notes in this section

### e. Debt instruments at FVTPL

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the balance sheet at fair value. Interest and dividend income is recorded in interest income and dividend income respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognized on net basis through profit or loss.

The Company's investments into mutual funds and bonds for trading.

### f. Investment in Equity Instruments at FVTOCI

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company measures its equity investments at fair value through Other Comprehensive Income.

### g. Derecognition of Financial Assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognized in Statement of Profit and Loss.

### h. Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Value of collaterals considered for loan loss allowance.
3. The criteria for assessing if there has been a significant increase in credit risk.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months. The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The Company uses expected credit loss (“ECL”) allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset’s expected cash flows using the asset’s original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument’s credit risk has increased

significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Performing assets with zero to sixty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 and Stage 3
- Stage 2- Under-performing assets having 61 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3 - Non-performing assets with overdue more than 90 DPD.

Being a housing finance company, the company has to follow the applicable guidelines given by the Reserve Bank of India and NHB on Prudential norms on Asset Classification and provisioning requirement. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI/NHB whichever is higher.

## i. Write-offs

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company’s internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case-by-case basis. A write-off constitutes a derecognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

### 2) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments few examples of financial liabilities are trade payables, debt securities and other borrowings.

#### a) Recognition and Initial Measurement

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

#### b) Subsequent Measurement

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at FVTPL.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

#### c) Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

#### d) Collateral Valuation and Repossession

The Company provides fully secured, loans to individuals and Corporates to mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI")

### 2.4. EMPLOYEE BENEFITS

#### a. Short Term Employee Benefits:

Short Term Employee Benefits are recognized during the period when the services are rendered. These short term benefits include Bonus, Incentive and other benefits which fall due within twelve months after the end of the period in which services are rendered.

#### b. Post-Employment Benefits

##### 1) Defined Contribution Plan

###### Provident Fund:-

The Company contributes to a Government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees.

###### Employee state Insurance

The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

##### 2) Defined Benefit Plan

The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated by

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognition of the asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. Measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

### 2.5 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

### Commitments

Commitments are future contractual liabilities, classified and disclosed as follows:

The estimated amount of contracts remaining to be executed on capital account and not provided for

- Uncalled liability on shares;
- Undisbursed commitment relating to loans; and
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
- Pending Capital Commitment.

### 2.6 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

#### a) Interest Income

The main source of revenue for the Company is Income from Housing and Other property loans. Repayment of housing and property loan is generally by way of Equated Monthly

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

Installments (EMIs) comprising of principal and interest. EMIs generally commence once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month on the loan that has been disbursed. Interest is calculated on monthly rest on the basis of agreed terms with the borrowers.

Interest income on housing and property loans and other financial instruments carried at amortized cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at Fair Value through Profit or Loss (FVTPL), transaction costs are recognized in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets [i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)].

Delayed payment interest (penal interest) levied on customers for delay in repayments/nonpayment of contractual cash flows is recognized on realization.

## b) Fee and other charges

Processing fees and other loan related charges are recognized when it is reasonable to expect ultimate collection which is generally at the time of Login/ disbursement of the loan. Fees on delayed EMI/Pre-EMI Interest are recognized on receipt basis, when the ultimate collection is made.

## c) Investment Income

Income from interest on deposits and interest bearing securities is recognized on the time proportionate method taking into account the amount outstanding and the rate applicable. The gains/losses on sale of investments are recognized in the Statement of Profit and Loss on trade date.

## d) Dividend Income

Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably).

## e) Other Income

Other Income represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

## f) Finance Cost

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method (EIR).

## g) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

The company does not have any items of income and expense which categorized as exceptional items during the year 2021-22.

### 2.7 LEASES

With effect from April 01, 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

#### a) Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate and directly attributable cost. Subsequently, the lease liability is

- (i) increased by interest on lease liability;
- (ii) reduce by lease payment made; and
- (iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

### 2.8 TAXES

#### a) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

##### i. Current Tax

The tax currently payable is based on the estimated taxable profit for the year for the Company and is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable

or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

##### ii. Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

#### b) Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilizing the credits.

### 2.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, balance in current account and Balances with banks in deposits accounts with original maturity of less than 3 months. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

### 2.10 SEGMENT REPORTING

The Company is engaged mainly in the business of Housing finance. This in the context of Ind AS 108 – operating segments reporting is considered to constitute one reportable segment.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## 2.11 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.12 SECURITIES PREMIUM

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

## 2.13 STATEMENT OF CASH FLOW

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet

## 2.14 STANDARD ISSUED BUT NOT YET EFFECTIVE

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 3

### (a) Cash and Cash Equivalents

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Cash on hand	18.44	30.96
(ii) Balances with bank	-	-
- On Current Account	492.20	1,004.11
- Remittances in transit	-	-
<b>Total</b>	<b>510.64</b>	<b>1,035.07</b>

### (b) Bank Balance other than Cash and Cash Equivalents

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
(i) In Other Deposit Accounts	-	-
- Original Maturity for more than 3 months but upto 12 months	-	-
- Original Maturity for more than 12 months	1,976.30	1,666.08
(ii) Earmarked balances with banks	-	-
- Unclaimed Dividend Accounts	0.05	0.05
<b>Total</b>	<b>1,976.35</b>	<b>1,666.13</b>

\* Other Bank Balance in deposit accounts includes deposits under lien against borrowings from Banks and Financial institutions and lien for bank guarantee.

## NOTE 4 LOANS

### At Amortized Cost

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(A) Loans</b>		
Loans repayable on Demand		
Housing Loans	22,837.49	22,060.29
Property Loans	11,163.88	10,480.00
<b>Total Gross (A)</b>	<b>34,001.37</b>	<b>32,540.29</b>
Less: Impairment Loss Allowance (Expected Credit Loss)	809.32	774.61
<b>Total Net (A)</b>	<b>33,192.05</b>	<b>31,765.69</b>
<b>(B) (i) Secured by tangible assets</b>	<b>34,001.37</b>	<b>32,540.29</b>
(ii) Unsecured	-	-
<b>Total Gross (B)</b>	<b>34,001.37</b>	<b>32,540.29</b>
Less: Impairment Loss Allowance (Expected Credit Loss)	809.32	774.61
<b>Total Net (B)</b>	<b>33,192.05</b>	<b>31,765.69</b>
<b>(C) (I) Loans in India</b>		
(i) Public Sector	-	-
(ii) Others	34,001.37	32,540.29
<b>Total Gross (C) (I)</b>	<b>34,001.37</b>	<b>32,540.29</b>
Less: Impairment Loss Allowance (Expected Credit Loss)	809.32	774.61
<b>Total Net (C) (I)</b>	<b>33,192.05</b>	<b>31,765.69</b>
(II) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
<b>Total Net (C) (II)</b>	<b>-</b>	<b>-</b>
<b>Total Net (C) (I) and (II)</b>	<b>33,192.05</b>	<b>31,765.69</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## IMPAIRMENT ALLOWANCE

(a) An analysis of changes in the gross carrying amount and the corresponding ECL allowances is as follows:

Particulars	As at March 31, 2022			As at March 31, 2021			
	Stage 1	Stage 2	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	30,782.00	995.83	32,540.29	26,221.55	597.22	605.22	27,423.99
New assets originated	8,489.44	-	8,489.44	8,986.62	3.00	-	8,989.62
Assets derecognized or repaid	(6,894.45)	(23.57)	(7,028.00)	(3,947.63)	105.70	(31.39)	(3,873.32)
Amounts written off	-	-	(0.36)	-	-	-	-
Transfers from Stage 1*	(1,342.92)	1,084.93	-	(994.77)	793.61	201.16	-
Transfers from Stage 2*	840.96	(840.96)	-	500.00	(503.70)	3.70	-
Transfers from Stage 3*	69.95	-	-	16.23	-	(16.23)	-
<b>Gross carrying amount - closing balance</b>	<b>31,944.98</b>	<b>1,216.23</b>	<b>34,001.37</b>	<b>30,782.00</b>	<b>995.83</b>	<b>762.46</b>	<b>32,540.29</b>

All amount are in Lacs unless otherwise stated

The gross carrying value includes Housing Loan and other Loan & Advances

\*Represents the balance outstanding as at beginning of the year.

(b) Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2022			As at March 31, 2021			
	Stage 1	Stage 2	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	130.34	17.18	774.61	125.73	14.32	468.49	608.54
Addition during the year	-	-	71.73	4.61	2.86	158.60	166.07
Reversal during the year	(24.77)	(12.25)	(37.02)	-	-	-	-
Write Off	-	-	-	-	-	-	-
<b>ECL allowance - closing balance</b>	<b>105.57</b>	<b>4.93</b>	<b>809.33</b>	<b>130.34</b>	<b>17.18</b>	<b>627.09</b>	<b>774.61</b>

All amount are in Lacs unless otherwise stated

**4.1** Loans and instalments due from borrowers are secured by mortgage of property and/or personal guarantees.

**4.2** For movement of Loans & Provision, refer RBI/NHB notes enclosed hereinafter in the notes to financial statements

**4.3** No loan & Advances given to KMP, Promoters, Directors and other related parties.

**4.4** The company is not granting any loans against gold jewellery as collateral.

**4.5** The company is not granting any Loans against security of shares as collateral.



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 5: INVESTMENTS

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortized Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account	Amortized Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account
Equity instruments	-	25.28	-	-	52.80	-
Debt Instruments	-	-	1,813.70	-	-	2,518.87
Mutual Funds	-	-	852.34	-	-	-
<b>Total Gross (A)</b>	-	<b>25.28</b>	<b>2,666.04</b>	-	<b>52.80</b>	<b>2,518.87</b>
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	-	25.28	2,666.04	-	52.80	2,518.87
<b>Total (B)</b>	-	<b>25.28</b>	<b>2,666.04</b>	-	<b>52.80</b>	<b>2,518.87</b>
Less: Impairment Loss Allowance (Expected Credit Loss) (C)	-	-	-	-	-	-
<b>Total - Net (D) = (A)-(C)</b>	-	<b>25.28</b>	<b>2,666.04</b>	-	<b>52.80</b>	<b>2,518.87</b>

\* The Company has not recognized any provision under Expected Credit Loss on Investments made in Debt Securities.

## NOTE 5.1: DETAILS OF INVESTMENT HELD IN DEBT SECURITIES CARRIED AT FVTPL

All amount are in Lacs unless otherwise stated

	As at March 31, 2022	As at March 31, 2021
<b>Debt Securities</b>		
7.90% Mahindra Rural Housing Bonds 2030	-	513.57
8.44% INDIAN BANK PERP BONDS 2025	-	1,504.59
8.50% CANARA BANK PERP 2025	-	500.71
8.25% BOB PERPETUAL 2025 BONDS	307.77	-
8.70% BOB PERPETUAL BONDS	304.83	-
7.74% SBI PERPETUAL BOND 2025	704.33	-
9.50% PIRAMAL CAPITAL AND HOUSING FINANCE LIMITED 2022	496.77	-
<b>Total</b>	<b>1,813.70</b>	<b>2,518.87</b>

## NOTE 5.2: DETAIL OF EQUITY INSTRUMENT CARRIED AT FVTOCI

All amount are in Lacs unless otherwise stated

	As at March 31, 2022	As at March 31, 2021
<b>Equity Fully Paid up</b>		
SRG Security Finance Limited (1500000 Shares, Face Value ₹ 10/- each)	25.28	52.80
<b>Total</b>	<b>25.28</b>	<b>52.80</b>

## NOTE 5.3: DETAIL OF MUTUAL FUND CARRIED AT FVTPL

All amount are in Lacs unless otherwise stated

	As at March 31, 2022	As at March 31, 2021
<b>Equity Fully Paid up</b>		
Hdfc Money Market Fund Direct Growth	200.34	-
Sbi Savings Fund (Direct)	100.27	-
Sbi Magnum Low Duration Fund - Regular Growth	100.00	-
Nippon India Ultra Short Duration Fund	451.73	-
<b>Total</b>	<b>852.34</b>	<b>-</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 6 OTHER FINANCIAL ASSETS

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit - Unsecured; considered good	165.69	182.06
Advances recoverable in cash or in kind or for value to be received	16.64	15.29
Capital Advances	92.82	-
Interest Accrued but not due	386.40	332.11
Interest Accrued but not due - Others	92.78	9.82
<b>Total</b>	<b>754.33</b>	<b>539.28</b>

## NOTE 7 CURRENT TAX ASSETS

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax and TDS	512.23	513.35
<b>Total</b>	<b>512.23</b>	<b>513.35</b>

## NOTE 8 DEFERRED TAX ASSET

Deferred tax assets/(liabilities) recorded in Balance Sheet

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening Balance of Deferred Tax Asset</b>	<b>270.39</b>	<b>216.15</b>
Changes in deferred tax assets/(liabilities) recorded in profit or Loss	12.89	51.39
Changes in deferred tax recorded in other comprehensive income	6.55	2.85
Changes in deferred tax recorded in Retained Earning	-	-
<b>Closing Balance of Deferred Tax Asset</b>	<b>289.83</b>	<b>270.39</b>

Changes in deferred tax assets/liabilities recorded in profit or Loss

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax relates to the following</b>		
Disallowance u/s 43B of the Income Tax Act, 1961	-	-
Impairment on financial instruments	(8.74)	(41.80)
Depreciation and amortization expenses	(38.45)	(39.16)
Financial instruments measured at EIR	(2.55)	(1.87)
Lease liability impact	37.29	32.12
Unrealized net gain/(loss) on fair value changes	(2.93)	(3.35)
Others	2.49	2.66
<b>Deferred Tax Liabilities/ Assets</b>	<b>(12.89)</b>	<b>(51.39)</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## Changes in deferred tax recorded in other comprehensive income

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Deferred tax relates to the following</b>		
Disallowance u/s 43B of the Income Tax Act, 1961	-	-
Remeasurement of Post Employment Benefit Obligations	0.38	0.47
Net Gain on equity instrument designated at FVOCI for the year	(6.93)	(3.32)
<b>Deferred Tax Liabilities</b>	<b>(6.55)</b>	<b>(2.85)</b>

## Changes in deferred tax recorded in Retained Earning

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Deferred tax relates to the following</b>		
Disallowance u/s 43B of the Income Tax Act, 1961	-	-
Lease liability impact	-	-
<b>Deferred Tax Liabilities</b>	<b>-</b>	<b>-</b>

**NOTE 8.1** The evaluation of uncertain tax positions involves an interpretation of relevant tax laws which could be subject to challenge by the tax authorities and an assessment of whether the tax authorities will accept the position taken. The Company does not currently consider that assumptions or judgements made in assessing tax liabilities have a significant risk resulting in a material adjustment within the next financial year.

**NOTE 8.2** Ind AS does not require the creation of deferred tax liability on the amount transferred to Special Reserve. Accordingly, DTL created on special reserves is reversed.

## NOTE 9 INVESTMENT PROPERTIES

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Cost	4.34	4.34
Less: Accumulated Depreciation and Impairment	-	-
<b>Net Carrying Amount</b>	<b>4.34</b>	<b>4.34</b>

## Previous Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2020	Addition	Deduction/Sale	As at March 31, 2021	As at April 01, 2020	Deduction/Sale	For the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Land	4.34	-	-	4.34	-	-	-	-	4.34	4.34

\*Land is mortgaged by pari passu charge under Redeemable Non -Convertible Debentures (NCD 10.90%-21-8-22) and treated as investment property.

## Current Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2021	Addition	Deduction/Sale	As at March 31, 2022	As at April 01, 2021	Deduction/Sale	For the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Land	4.34	-	-	4.34	-	-	-	-	4.34	4.34

\*Land is mortgaged by pari passu charge under Redeemable Non -Convertible Debentures (NCD 10.90%-21-8-22) and treated as investment property.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 9 (A) PROPERTY, PLANT AND EQUIPMENT (INCLUDING ROU ASSETS) AND CAPITAL WORK-IN-PROGRESS

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Property, Plant and Equipment - Cost	570.32	454.65
Less: Accumulated Depreciation and Impairment	326.53	309.49
Net Carrying amount of Property, Plant and Equipment	243.79	145.16
Right of Use (ROU) Assets	519.50	393.30
Less: Accumulated Depreciation and Impairment	27.52	277.24
Net Carrying amount of Right of Use Assets	491.98	116.06
Net Carrying amount of Property, Plant and Equipment (including ROU Assets)	735.77	261.22
Capital Work-in-Progress	521.16	209.49
<b>Total Net Carrying Amount</b>	<b>1,256.93</b>	<b>470.71</b>

### Previous Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2020	Addition	Deduction/Sale	As at March 31, 2021	As at April 01, 2020	Deduction/Sale	For the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>TANGIBLE ASSETS</b>										
Computers	77.28	14.66	0.98	90.96	55.87	0.93	16.16	71.11	19.86	21.41
Office Equipments	77.38	10.49	-	87.87	43.42	-	17.87	61.29	26.57	33.96
Motor Cars**	139.26	40.34	-	179.60	100.87	-	16.38	117.25	62.35	38.39
Motor Cycles	1.03	-	-	1.03	0.75	-	0.07	0.82	0.21	0.28
Franking Machine	1.80	-	-	1.80	1.71	-	0.09	1.80	0.00	0.09
Furniture & Fixture	91.15	2.24	-	93.39	44.95	-	12.27	57.22	36.17	46.20
Right to use*	393.30	-	-	393.30	138.81	-	138.43	277.24	116.06	254.49
<b>Sub Total</b>	<b>781.20</b>	<b>67.73</b>	<b>0.98</b>	<b>847.95</b>	<b>386.38</b>	<b>0.93</b>	<b>201.28</b>	<b>586.73</b>	<b>261.22</b>	<b>394.82</b>

\*Right of Use Assets are combined with all other tangible assets and presented through a single line item 'Property, Plant and Equipment' under Non-Financial Assets on the face of the Balance Sheet.

\*\*Specific Motor Car hypothecated under Term Loan from Banks.

### Current Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2021	Addition	Deduction/Sale	As at March 31, 2022	As at April 01, 2021	Deduction/Sale	For the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>TANGIBLE ASSETS</b>										
Computers	90.96	32.58	35.76	87.78	71.11	35.76	20.57	55.91	31.86	19.86
Office Equipments	87.87	113.89	19.08	182.68	61.29	17.90	21.49	64.88	117.80	26.57
Motor Cars**	179.60	6.04	-	185.64	117.25	-	20.18	137.42	48.22	62.35
Motor Cycles	1.03	-	-	1.03	0.82	-	0.05	0.88	0.16	0.21
Furniture & Fixture	93.39	19.94	0.14	113.19	57.22	0.14	10.35	67.44	45.75	36.17
Right to use*	393.30	519.50	393.30	519.50	277.24	393.30	143.57	27.52	491.98	116.06
<b>Sub Total</b>	<b>846.15</b>	<b>691.95</b>	<b>448.28</b>	<b>1,089.82</b>	<b>584.93</b>	<b>447.10</b>	<b>216.21</b>	<b>354.05</b>	<b>735.77</b>	<b>261.22</b>

\*Right of Use Assets are combined with all other tangible assets and presented through a single line item 'Property, Plant and Equipment' under Non-Financial Assets on the face of the Balance Sheet.

\*\*Specific Motor Car hypothecated under Term Loan from Banks.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

Items of Property, Plant and Equipment, Other Intangible Assets Investment Property	Useful Life (Years)
Computers	3
Office Equipment	5
Motor Car	8
Motor Cycles	10
Furniture & Fixture	10
Software	3
Land	Infinite

## NOTE 9 (B) CAPITAL WORK IN PROGRESS

### Previous Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2020	Addition	Deduction/ Sale	As at March 31, 2021	As at April 01, 2020	Deduction/ Sale	For the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Capital Work In progress</b>										
Furniture & Fixture & Other WIP	31.04	178.45	-	209.49	-	-	-	-	209.49	31.04
<b>Sub Total</b>	<b>31.04</b>	<b>178.45</b>	<b>-</b>	<b>209.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>209.49</b>	<b>31.04</b>

### Current Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2021	Addition	Deduction/ Sale	As at March 31, 2022	As at April 01, 2021	Deduction/ Sale	For the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>Capital Work In progress</b>										
Furniture & Fixture & Other WIP	209.49	311.67	-	521.16	-	-	-	-	521.16	209.49
<b>Sub Total</b>	<b>209.49</b>	<b>311.67</b>	<b>-</b>	<b>521.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>521.16</b>	<b>209.49</b>

The capital work-in-progress ageing schedule for the years ended March 31, 2022 and March 31, 2021 is as follows :

All amount are in Lacs unless otherwise stated

Particulars	Amount in capital work- in- progress for a period of				Total
	Upto 1 Year	Over 1 Year to 2 Years	Over 2 Year to 3 Years	More than 3 years	
<b>As at March 31, 2022</b>					
Project in Progress	311.67	178.45	23.06	7.98	<b>521.16</b>
<b>As at March 31, 2021</b>					
Project in Progress	178.45	23.06	7.98	-	<b>209.49</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 9 (C) OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSET UNDER DEVELOPMENT

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Cost	7.14	11.59
Less: Accumulated Depreciation and Impairment	4.82	10.77
<b>Net Carrying Amount</b>	<b>2.32</b>	<b>0.82</b>
<b>Intangible Asset Under Development</b>	<b>2.78</b>	<b>-</b>

### Previous Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2020	Addition	Deduction/Sale	As at March 31, 2021	As at April 01, 2020	Deduction/Sale	For the year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Other Intangible Asset & Intangible Asset under Development										
Software	11.41	0.18	-	11.59	9.89	-	0.88	10.77	0.82	1.52
Intangible Asset Under Development	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>11.41</b>	<b>0.18</b>	<b>-</b>	<b>11.59</b>	<b>9.89</b>	<b>-</b>	<b>0.88</b>	<b>10.77</b>	<b>0.82</b>	<b>1.52</b>

### Current Year

All amount are in Lacs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortization				Net Block		
	As at April 01, 2021	Addition	Deduction/Sale	As at March 31, 2022	As at April 01, 2021	Deduction/Sale	For the year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Other Intangible Asset & Intangible Asset under Development										
Software	11.59	2.43	6.88	7.14	10.77	6.88	0.93	4.82	2.32	0.82
Intangible Asset Under Development	-	2.78	-	2.78	-	-	-	-	2.78	-
<b>Sub Total</b>	<b>11.59</b>	<b>5.21</b>	<b>6.88</b>	<b>9.92</b>	<b>10.77</b>	<b>6.88</b>	<b>0.93</b>	<b>4.82</b>	<b>5.10</b>	<b>0.82</b>

The intangible asset under development ageing schedule for the years ended March 31, 2022 and March 31, 2021 is as follows :

All amount are in Lacs unless otherwise stated

Particulars	Amount in capital work- in- progress for a period of				Total
	Upto 1 Year	Over 1 Year to 2 Years	Over 2 Year to 3 Years	More than 3 years	
<b>As at March 31, 2022</b>					
Project in Progress		2.78	-	-	2.78
<b>As at March 31, 2021</b>					
Project in Progress		-	-	-	-

\* There have been no acquisition through business combinations and no change of amount due to revaluation of Property, Plant & Equipment And Other Intangible Assets during the year ended 31-03-2022 & 31-03-2021

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 10 OTHER NON FINANCIAL ASSETS

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses - Unsecured ; Considered Good	476.28	464.70
Other Advance	105.76	31.18
GST Input Receivable	29.63	0.00
<b>Total</b>	<b>611.67</b>	<b>495.88</b>

## NOTE 11 PAYABLES

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Payables</b>		
Total Outstanding dues of micro enterprises and small enterprises	0.03	0.06
Total Outstanding dues of creditors other than micro enterprise and small enterprises	89.10	100.59
<b>Other Payables</b>		
Total Outstanding dues of micro enterprises and small enterprises - other payable	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprises - other payable	239.41	205.95
<b>Total</b>	<b>328.54</b>	<b>306.60</b>

**NOTE 11.1** Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows;

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.03	0.06
b) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
<b>Total</b>	<b>0.03</b>	<b>0.06</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 11.2

All amount are in Lacs unless otherwise stated

Particulars	Upto 1 Year	Over 1 Year to 2 Years	Over 2 Year to 3 Years	Over 3 Year	Total
<b>Trade Payables &amp; Other Payables</b>					
<b>As at March 31, 2022</b>					
1. MSME	0.03	-	-	-	0.03
2. Others	328.51	-	-	-	328.51
3. Disputed Dues - MSME	-	-	-	-	-
4. Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>328.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>328.54</b>
<b>As at March 31, 2021</b>					
1. MSME	0.06	-	-	-	0.03
2. Others	306.54	-	-	-	306.54
3. Disputed Dues - MSME	-	-	-	-	-
4. Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>306.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>306.57</b>

## NOTE 12 DEBT SECURITIES & BORROWINGS

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>12(a) Debt Securities</b>		
<b>Secured</b>		
<b>At Amortized Cost</b>		
Non-Convertible Debentures	5,169.52	6,530.33
Less: Discount	-	-
<b>Net</b>	5,169.52	6,530.33
<b>Unsecured</b>	-	-
<b>Total</b>	<b>5,169.52</b>	<b>6,530.33</b>
<b>12(b) Borrowings (other than debt securities)</b>		
<b>Secured</b>		
<b>At Amortized Cost</b>		
<b>Term Loans:</b>		
- From Banks	11,618.32	10,225.97
- From NHB	2,600.40	4,098.36
- From FI	9,275.14	7,722.86
<b>Others:</b>		
- Loan Repayable on Demand	-	-
<b>Unsecured</b>	-	-
<b>Total</b>	<b>23,493.86</b>	<b>22,047.19</b>
	<b>28,663.38</b>	<b>28,577.52</b>



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 12.1 NATURE OF SECURITY

- i) Refinance from National Housing Bank(NHB) and other Term Loans from banks and Financial Institutions are secured by first and exclusively charge on the specific book debts/receivables of the company and irrevocable power of attorney given by the company in favour of Banks/FI's/NHB for recovery of dues, Lien on specific FDR's and Personal Guarantee of specific Directors and Third party guarantee.
- ii) Redeemable Non convertible debentures are secured by first and exclusive charge on specific assets by way of hypothecation of book debts and (NCD 10.90%-21-8-22) secured with hypothecation of book debts and pari passu charge of specific immovable property in favour of debenture trustee.
- iii) Car loans secured against hypothecation of Specific Motor Cars of Company and personal guarantee of specified directors and third party guarantee
- iv) The company has not made any default in repayment of instalments due over the reporting period.
- v) The Repayment of the borrowing is done in monthly, quarterly, half yearly & annual Instalment as per the sanctioned terms.

## NOTE 12.2 TERMS OF REPAYMENT OF TERM LOANS AND DEBENTURES

All amount are in Lacs unless otherwise stated

Particulars	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Year to 5 Years	Over 5 Year	Total
<b>As at March 31, 2022</b>					
<b>Secured</b>					
Term Loans					
From Banks					
ROI 9.73% - 10.73%	4487.57	4792.34	1779.14	559.27	11,618.32
From National Housing Bank					
ROI 5.15% - 6.40%	775.74	1,401.98	408.41	11.00	2,597.13
From Financial Institutions					
ROI 9.40% -12.50%	2718.97	4261.28	2082.31	179.26	9,241.82
Non- convertible Debentures					
ROI 9.90% - 11.35%	1,055.52	4,110.00	-	-	5,165.52
Total	9,037.80	14,565.60	4,269.86	749.53	28,622.79
EIR Impact					40.59
<b>Total</b>					<b>28,663.38</b>
Particulars	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Year to 5 Years	Over 5 Year	Total
<b>As at March 31, 2021</b>					
<b>Secured</b>					
Term Loans					
From Banks					
ROI 9.73% - 10.73%	3,299.39	5,605.99	1,047.92	272.67	10,225.97
From National Housing Bank					
ROI 5.15% - 8.90%	1,557.94	1,401.98	1,059.49	76.20	4,095.61
From Financial Institutions					
ROI 9.40% -12.50%	2,140.64	3,955.30	1,488.57	105.84	7,690.35
Non- convertible Debentures					
ROI 9.90% - 11.35%	1,357.24	5,165.52	-	-	6,522.76
Total	8,355.21	16,128.79	3,595.98	454.71	28,534.69
EIR Impact					42.83
<b>Total</b>					<b>28,577.52</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## 12.3 DETAILS OF REDEMABLE NON CONVERTIBLE DEBENTURES

All amount are in Lacs unless otherwise stated

Particulars	Redemption Date	ROI (p.a.)	Original Maturity	As at March 31, 2022 (Secured)	As at March 31, 2021 (Secured)
INE559N07017	August 31, 2022	9.90%	5 Years	215.52	732.76
INE559N07041	December 31, 2023	10.45%	3 Years	1,450.00	2,290.00
INE559N07033	July 31, 2023	11.00%	3 Years	2,500.00	2,500.00
INE559N07025	June 30, 2023	11.35%	3 Years	1,000.00	1,000.00
<b>Total Debt Security</b>				<b>5,165.52</b>	<b>6,522.76</b>
Adjustment of unamortized porcessing fee (EIR)				4.00	7.57
<b>Total Adjusted Debt Security</b>				<b>5,169.52</b>	<b>6,530.33</b>

## NOTE 13 OTHER FINANCIAL LIABILITIES

All amount are in Lacs unless otherwise stated

Loans	As at March 31, 2022	As at March 31, 2021
Interest Accrued But Not Due on Deb.	277.90	269.66
Interest Accrued But Not Due on Borrowings	16.20	33.73
Unpaid Dividends (Note 13.1)	0.05	0.05
Others	-	-
- Statutory Dues	125.25	89.45
Lease Liability* (Refer Note 36)	457.68	126.86
<b>Total</b>	<b>877.08</b>	<b>519.75</b>

\*Disclosures as required by Ind AS 116 - Leases are stated below:

### a. Lease Liability Movement

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balance as at the beginning of the year</b>	<b>126.86</b>	<b>254.49</b>
Add :		
Addition during the year	478.97	-
Interest on Lease Liability	12.45	19.77
Lease modification/ adjustments	-	-
Less :		
Derecognized during the year	-	-
Lease rental payments	160.60	147.40
<b>Balance as at the end of the year</b>	<b>457.68</b>	<b>126.86</b>

- b. Lease rentals of ₹ 116.19 Lacs (Previous year 105.38 Lacs) pertaining to short-term leases has been charged to statement of profit and loss.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

c. Maturity Analysis of Lease Liability as at March 31, 2022:

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	
	Within 12 months	After 12 months
Lease Liability	135.34	322.34

d. Maturity Analysis of Lease Liability as at March 31, 2021:

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	
	Within 12 months	After 12 months
Lease Liability	126.86	-

## NOTE 14 PROVISIONS

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Employee Benefits		
- Gratuity (Funded)	25.66	20.32
Provision for Tax	533.68	545.44
Other Provisions	2.50	2.63
<b>Total</b>	<b>561.84</b>	<b>568.39</b>

## NOTE 15 EQUITY SHARE CAPITAL

### Equity Share Capital

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>AUTHORIZED CAPITAL :</b>		
<b>Equity Shares</b>	1,600	1,600
1,60,00,000 Equity shares of ₹ 10 each (PY: 1,60,00,000 Equity shares of ₹ 10 each)		
	<b>1,600</b>	<b>1,600</b>
<b>ISSUED,SUBSCRIBED &amp; PAID UP:</b>		
1,30,00,000 Equity shares of ₹ 10 each (PY : 1,30,00,000 Equity Shares of ₹ 10 each)	1,300	1,300
<b>Total</b>	<b>1,300</b>	<b>1,300</b>

## NOTE 15.1

### Reconciliation of the number of shares outstanding

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	1,30,00,000	1,300	1,30,00,000	1,300
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,30,00,000</b>	<b>1,300</b>	<b>1,30,00,000</b>	<b>1,300</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 15.2

### Terms/ Rights attached to equity shares

The company has only one class of Equity shares having par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

In the event of Liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.

However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

## NOTE 15.3

### Details of Shareholders holding more than 5% shares in Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vinod Kumar Jain	29,16,387	22.43%	16,81,041	12.93%
Archis Jain	13,56,392	10.43%	1,83,500	1.41%
Ambitious Associates Pvt Ltd	7,56,060	5.82%	7,56,060	5.82%
Seema Jain	7,46,401	5.74%	5,43,751	4.18%
Vinod Jain HUF	6,61,876	5.09%	6,61,876	5.09%

## NOTE 15.4

### For the period of five years immediately preceding the FY 2021-22

- (A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash is NIL
- (B) During the year 2014-15, pursuant to approval of shareholders at the Extra-Ordinary General Meeting (EOGM) of SRG Housing Finance Limited held on May 12, 2014, the Company allotted 3,232,200 Bonus Equity Shares of ₹ 10/- each fully paid up shares in the proportion of 2:5 i.e. two shares for every five shares held.
- (C) Aggregate number and class of shares bought back is NIL

## NOTE 15.5

### The Company has not:

- A) Issued any securities convertible into equity/preference shares.
- B) Issued any shares where calls are unpaid.
- C) Forfeited any shares.
- D) Issued any shares reserved for issue under options and contracts or commitments for sale of shares or divestment.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 15.6

### Shareholding of Promoters in the Company

Equity Shares	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Vinod Kumar Jain	29,16,387	22.43%	16,81,041	12.93%	9.50%
Seema Jain	7,46,401	5.74%	5,43,751	4.18%	1.56%
Rajesh Jain	0	0.00	5,60,721	4.31%	(4.31%)

### Shareholding of Promoters Group in the Company

Equity Shares	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Jikisha Jain	1,65,600	1.27%	1,65,600	1.27%	
Rajesh Jain Huf	2,04,960	1.58%	2,04,960	1.58%	
Vinod Jain Huf	6,61,876	5.09%	6,61,876	5.09%	
Archis Jain	13,56,392	10.43%	1,83,500	1.41%	9.02%
Binoy Biz Private Limited	52,500	4.00%	52,500	4.00%	
SRG Global Builders Private Limited	2,26,799	1.74%	2,26,799	1.74%	
SRG Securities Finance Limited	3,66,276	2.82%	3,66,276	2.82%	
Rhythm Consultants Private Limited	4,65,920	3.58%	4,65,920	3.58%	
SRG Global Solutions Private Limited	5,25,000	4.04%	5,25,000	4.04%	
Ambitious Associates Pvt Ltd	7,56,060	5.82%	7,56,060	5.82%	
Genda Lal Jain	0	0	1,68,021	1.29%	(1.29%)
Pushpa Jain	0	0	6,12,381	4.71%	(4.71%)
Meenakshi Jain	0	0	2,23,965	1.72%	(1.72%)
Manorma Jain	0	0	0	0	0

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 16 OTHER EQUITY

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Other Equity</b>		
Special Reserves	1,869.38	1,456.88
Securities Premium	1,377.02	1,377.02
General Reserve	-	-
Retained Earnings	6,827.56	5,227.17
<b>Total</b>	<b>10,073.96</b>	<b>8,061.07</b>
<b>Special Reserve</b>		
1. In terms of Section 29C(1) of the National Housing Bank Act,1987		
<b>Balance at the beginning of the year</b>	<b>178.75</b>	<b>106.99</b>
Add : Transferred during the year	96.07	71.76
<b>Balance at the end of the year</b>	<b>274.82</b>	<b>178.75</b>
In terms of Section 36(1)(viii) of the Income tax Act, 1961)		
<b>Balance at the beginning of the year</b>	<b>1,278.13</b>	<b>969.89</b>
Add : Transferred during the year	316.43	308.24
<b>Balance at the end of the year</b>	<b>1,594.56</b>	<b>1,278.13</b>
<b>Total</b>	<b>1,869.38</b>	<b>1,456.88</b>
<b>Securities Premium</b>		
<b>Balance at the beginning of the year</b>	<b>1,377.02</b>	<b>1,377.02</b>
Add : Transferred during the year	-	-
<b>Balance at the end of the year</b>	<b>1,377.02</b>	<b>1,377.02</b>
<b>General Reserve</b>		
<b>Balance at the beginning of the year</b>	-	-
Add : Transferred during the year	-	-
Add: DTL created on Special Reserve - reversed	-	-
<b>Balance at the end of the year</b>	-	-
<b>Surplus In Statement Of Profit And Loss</b>		
Balance at the beginning of the year	5,227.17	3,731.69
Profit for the Year	2,032.18	1,883.40
Item of other comprehensive income recognized directly in retained earnings	(19.48)	(8.51)
<b>Amount available for Appropriations</b>	<b>7,239.87</b>	<b>5,606.58</b>
<b>Appropriations</b>		
Transferred to General Reserve	-	-
Transferred to Special Reserve	412.50	380.00
Excess Prov for Tax	(0.19)	(0.59)
<b>Balance at the end of the year</b>	<b>6,827.56</b>	<b>5,227.17</b>
Add/ (Less):- Adjustment to retained earnings due to adoption of Ind AS	-	-
<b>Balance at the end of the year</b>	<b>6,827.56</b>	<b>5,227.17</b>
<b>Total</b>	<b>10,073.96</b>	<b>8,061.07</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 16.1

### Nature and purpose of reserve

#### Securities premium

Securities premium is used to record the premium on issue of shares. It can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

#### Special Reserve

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The Company has transferred an amount of ₹ 4.13 Crores (Previous year ₹ 3.80 Crores) to Special Reserve in terms of Section 36(1) (viii) of the Income Tax Act, 1961.

#### General reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

#### Retained earnings

Retained earnings represents the amount of accumulated earnings of the Company.

## NOTE 17 INTEREST INCOME

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>On financial assets measured at amortized cost</b>		
Interest on Housing and Property Loans*	7,190.13	6,593.84
<b>Total</b>	<b>7,190.13</b>	<b>6,593.84</b>

As per Effective Interest Rate (EIR).

## NOTE 18 (A) FEES AND COMMISSION INCOME

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Fees and Other Charges	130.90	136.34
<b>Total</b>	<b>130.90</b>	<b>136.34</b>

## NOTE 18 (B) INTEREST ON FDR

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Interest on FDR	104.77	109.48
<b>Total</b>	<b>104.77</b>	<b>109.48</b>

## NOTE 18 (C) OTHER INCOME FROM OPERATION

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Other Income from Operation	477.45	503.18
<b>Total</b>	<b>477.45</b>	<b>503.18</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 19 GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Loans	15.90	7.70
<b>Total</b>	<b>15.90</b>	<b>7.70</b>

## NOTE 20 NET GAIN/LOSS ON FAIR VALUE CHANGES

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Total net gain on fair value changes on financial instruments measured at fair value through profit and loss investment in units of mutual funds	(1.90)	9.73
<b>Total</b>	<b>(1.90)</b>	<b>9.73</b>

\*Fair value changes in this schedule are other than those arising on account of accrued interest income/expense

## NOTE 21 OTHER INCOME

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Income From Mutual Fund & Bonds	104.29	285.13
Others	6.92	6.99
Provision for Investment	-	-
Interest on Deposit	15.22	14.41
<b>Total</b>	<b>126.43</b>	<b>306.53</b>

## NOTE 22 FINANCE COST

On Financial liabilities measured at Amortized Cost

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on Loans from Banks & FI's, on Refinance from NHB and on NCD	2,950.73	2,957.41
Bank Charges and other borrowing cost	87.41	109.06
Interest on Lease Liability (Refer Note 36)	12.45	19.77
Other Interest	4.44	-
<b>Total</b>	<b>3,055.03</b>	<b>3,086.25</b>

## NOTE 23 IMPAIRMENT ON FINANCIAL INSTRUMENTS

All amount are in Lacs unless otherwise stated

Particulars	For The period Ended March 31,2022	For The Year Ended March 31,2021
	On Financial Instruments measured	On Financial Instruments measured
	At Amortized Cost	At Amortized Cost
Loans	34.72	166.07
<b>Total</b>	<b>34.72</b>	<b>166.07</b>

The details relating to movement in Impairment on Loans (Expected credit loss) is disclosed in RBI/NHB notes enclosed hereinafter in the notes to financial statements.



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 24 EMPLOYEE BENEFIT EXPENSES

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Salaries and Bonus	1,326.81	1,060.37
Company's Contribution to Provident and Other Funds	51.78	48.80
Staff Welfare Expenses	9.21	27.56
<b>Total</b>	<b>1,387.80</b>	<b>1,136.73</b>

## NOTE 25 DEPRECIATION AND AMORTIZATION EXPENSES

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation on Property, Plant and Equipment (Refer Note 9, 9(a), 9(b), 9(c))	217.14	202.16
<b>Total</b>	<b>217.14</b>	<b>202.16</b>

## NOTE 26 OTHER EXPENSES

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Advertisement	35.41	32.24
Auditors Remuneration	3.01	1.89
Bad Debts	35.85	-
Business Promotion Exp.	28.15	53.22
CIBIL EXP.	15.79	11.21
Commission	-33.28	52.41
Communication Expenses	20.17	17.41
Computer Maintenance	9.93	3.64
CSR Expenses	44.62	55.21
Electricity	12.68	10.56
Insurance	11.70	7.85
Lease Expense	116.19	105.38
Legal & Professional Fees	257.74	147.23
Office Expenses	70.41	44.97
Other Expenses	21.81	30.41
Postage and Telegramme	13.71	10.66
Printing and Stationery	13.68	10.28
Rates & Taxes	0.58	0.30
Recovery and Inspection	2.05	7.41
Sitting Fees	2.23	0.67
Software License and Maintenance	42.14	45.44
Traveling and Conveyance	68.49	45.11
Vehicle Running & Maintenance	2.95	4.65
<b>Total</b>	<b>796.01</b>	<b>698.15</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 27 AUDITOR'S REMUNERATION INCLUDES:

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
Audit Fees	1.75	1.50
Certification Fees & Limited Review	1.25	0.39
<b>Total</b>	<b>3.00</b>	<b>1.89</b>

**Note:** Above figures are excluding GST impact.

## NOTE 28 SPECIAL RESERVE:

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. Refer note 16.1.

## NOTE 29 DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES U/S 135 OF THE COMPANIES ACT, 2013:-

Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under:

All amount are in Lacs unless otherwise stated

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Total amount required to be spent during the year	44.52	55.21
(b) Total amount of expenditure incurred during the year	44.62	55.21
(c) Shortfall at the end of the year	0.00	0.00
(d) Total amount of previous years shortfall	0.00	0.00
(e) Reason for shortfall	NA	NA

### Nature of CSR activities

Promotion of health care, including preventive health care and sanitation, Eradication of hunger and malnutrition, promoting education, Protection of national heritage, art and culture, Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and COVID-19 relief.

### Details of related party transactions, e.g. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard:-

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
SRG Foundation	15.61	0.00

Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision:-

Current Year	Previous Year
NA	NA

No amount has been spent by the Company for the construction/ acquisition of any new asset during the year ended March 31, 2022 and March 31, 2021.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 30 TAX EXPENSE:

### a. Income Tax recognized in Profit or Loss

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
Current Tax		
In respect of the current year	533.68	545.44
Deferred Tax (Net)		
In respect of the current year	-12.89	-51.40
<b>Total Tax Expense recognized in the current year relating to Continuing Operations</b>	<b>520.79</b>	<b>494.04</b>

\*The Company opted for income tax rate under section 115BAA of the Income Tax Act, 1961; the effective tax rate is at 25.168%.

Reconciliation of Income Tax Expense of the year can be reconciled to the accounting Profit as follows:

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
<b>Profit Before Tax</b>	2,552.98	2,377.44
Income Tax Expense	642.53	598.35
Effect of Expenses for which deduction under tax laws is allowed	-108.85	-52.91
Others	-12.89	-51.40
<b>Income Tax Expense recognized in Statement of Profit and Loss</b>	<b>520.79</b>	<b>494.04</b>

The tax rate used for the reconciliations above is the corporate tax rate of 25.168% (Previous year 25.168%) for the financial year ended March 31, 2022 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

## NOTE 31 EARNING PER SHARE (EPS):

In accordance with the Indian Accounting Standard (Ind AS) 33 on 'Earnings Per Share':

The following is the computation of earnings per share on basic and diluted earnings per equity share:

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous year
Net profit after tax	2,032.19	1,883.40
Weighted Average Number of Equity Shares (No's)	1,30,00,000	1,30,00,000
Earnings Per Share- Basic and Diluted (₹)	15.63	14.49

## NOTE 32 EMPLOYEE BENEFIT EXPENSE:

The Company provides for gratuity, a defined benefit plan, to its employees. The Plan provides a lump sum payment to eligible employees, an amount based on the respective employee's last drawn salary and years of employment with the Company. The Company has employees' gratuity fund managed by the Life Insurance Corporation of India.

### a. Defined Contribution Plan

The company makes contributions to provident fund for qualifying employees to Regional Provident Fund Commissioner under defined contribution plan under the Provident Fund Act.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

The company's contribution to provident fund aggregating ₹ 45.61 Lacs (Previous year ₹ 31.74 Lacs) has been recognized as an expense and included under the head "Contribution to Provident and Other Funds" of Statement of Profit and Loss.

### b. Defined Obligation Benefit:

The company provides gratuity to its employees which are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The details of post-retirement benefits for the employees (including Key Management Personnel) as mentioned hereunder are based on the report as provided by Independent Actuary as mentioned above and relied upon by the Auditors.

### Gratuity (Funded)

All amount are in Lacs unless otherwise stated

Table Showing Change in the Present Value of Projected Benefit Obligation	Current Year	Previous year
Present Value of Benefit Obligation	20.31	16.48
Interest Cost	1.31	0.99
Current Service Cost	5.83	5.27
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.04)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(2.09)	(1.30)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.34	(1.13)
Present Value of Benefit Obligation at the End of the Period	25.66	20.31

All amount are in Lacs unless otherwise stated

Table Showing Change in the Fair Value of Plan Assets	Current Year	Previous Year
Fair Value of Plan Assets	11.79	4.66
Expected Return on Plan Assets	0.76	0.28
Contributions by the Employer	4.17	7.44
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.30)	(0.59)
Fair Value of Plan Assets at the End of the Period	16.42	11.79

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Amount Recognized in the Balance Sheet	Current Year	Previous year
(Present Value of Benefit Obligation at the end of the Period)	(25.66)	(20.31)
Fair Value of Plan Assets at the end of the Period	16.42	11.79
Funded Status (Surplus/ (Deficit))	(9.24)	(8.52)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(9.24)</b>	<b>(8.52)</b>

All amount are in Lacs unless otherwise stated

Net Interest Cost for Current Period	Current Year	Previous Year
Present Value of Benefit Obligation at the Beginning of the Period	20.31	16.48
(Fair Value of Plan Assets at the Beginning of the Period)	(11.79)	(4.66)
<b>Net Liability/(Asset) at the Beginning</b>	<b>8.52</b>	<b>11.82</b>
Interest Cost	1.31	1.00
(Interest Income)	(0.76)	(0.29)
<b>Net Interest Cost for Current Period</b>	<b>0.55</b>	<b>0.71</b>

All amount are in Lacs unless otherwise stated

Expenses Recognized in the Statement of Profit or Loss	Current Year	Previous Year
Current Service Cost	5.83	5.27
Net Interest Cost	0.55	0.71
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	6.38	5.98

All amount are in Lacs unless otherwise stated

Expenses Recognized in Other Comprehensive Income (OCI)	Current Year	Previous Year
Actuarial (Gains)/Losses on Obligation For the Period	(1.79)	(2.44)
Return on Plan Assets, Excluding Interest Income	0.30	0.59
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(1.49)	(1.85)

All amount are in Lacs unless otherwise stated

Balance Sheet Reconciliation	Current Year	Previous Year
Opening Net Liability	8.52	11.82
Expense Recognized in Statement of Profit or Loss	6.38	5.99
Expenses Recognized in OCI	(1.49)	(1.85)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(4.17)	(7.44)
Net Liability/(Asset) Recognized in the Balance Sheet	9.24	8.52

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## Maturity Analysis

All amount are in Lacs unless otherwise stated

Projected Benefits Payable in Future Year	Current Year	Previous Year
1 <sup>st</sup> Following Year	3.67	1.46
2 <sup>nd</sup> Following Year	0.58	2.00
3 <sup>rd</sup> Following Year	0.68	0.47
4 <sup>th</sup> Following Year	0.76	0.55
5 <sup>th</sup> Following Year	0.84	0.61
Sum of Years 6 to 10	8.99	6.54
Sum of Years 11 to above	88.14	66.21

All amount are in Lacs unless otherwise stated

Sensitivity Analysis	Current Year	Previous Year
<b>Projected Benefit Obligation on Current Assumptions</b>	25.66	20.31
Delta Effect of +1% Change in Rate of Discounting	(3.21)	(2.73)
Delta Effect of -1% Change in Rate of Discounting	4.11	3.53
Delta Effect of +1% Change in Rate of Salary Increase	3.83	3.30
Delta Effect of -1% Change in Rate of Salary Increase	(3.19)	(2.78)
Delta Effect of +1% Change in Rate of Employee Turnover	0.87	0.40
Delta Effect of -1% Change in Rate of Employee Turnover	(1.12)	(0.54)

## Assumptions (Current Period)

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Expected Return on Plan Assets	6.98%	6.44%
Rate of Discounting	6.98%	6.44%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	For service 4 years and below 25.00% p.a.	For service 4 years and below 25.00% p.a.
	For service 5 years and above 2.00% p.a.	For service 5 years and above 2.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

## Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

### Notes-

- Gratuity is payable as per entity's scheme as detailed in the report.
- Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI).
- All above reported figures of OCI are gross of taxation.
- Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.
- Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.
- Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.
- Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.
- Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.
- In absence of specific communication as regards contribution by the entity, Expected Contribution in the Next Year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

### Characteristics of defined benefit plan:

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy

### Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines which mitigate risk.

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

### NOTE 33 CONTINGENT LIABILITIES AND COMMITMENTS:

There are no Contingent Liabilities as on March 31, 2022 (March 31, 2021: Nil).

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
Commitments		
i. Claims against the Company not acknowledged as debts	-	-
ii. Disputed Income tax Liability	-	-
iii. Commitment towards sanction pending disbursement including part disbursement	1379.80	1098.11
iv. Pending Capital Commitment	178.84	490.51

### NOTE 34 RELATED PARTY DISCLOSURES:

As per IND AS 24 on "Related Party Disclosure" details of transactions with related parties as defined therein are given below:

#### A. List of Related Parties (in accordance with IND AS 24 "Related Party Disclosures")

Name of Related Party	Nature of Relationship
Vinod Kumar Jain	Managing Director (KMP)
Seema Jain	Non-Executive Director & Relative of KMP
Ashok Kabra	Non-Executive Independent Director
Vikas Gupta	Non-Executive Independent Director
Nishant Badala	Non-Executive Independent Director
Garima Soni	Non-Executive Director
Suresh K Porwal	Non-Executive Independent Director
Vinod Jain HUF	HUF of Vinod Kumar Jain, Managing Director
Archis Jain	Relative of KMP
Rajesh Jain	Relative of KMP
Ashok Kumar	Chief Financial Officer (KMP)
Sunaina Nagar	Company Secretary (KMP)
S R G Securities Finance Limited	Related Party Entity
SRG Foundation	Related Party Entity
SRG Housing Finance Limited	Related party entity
Employee Group Gratuity Trust Fund	



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## Transactions with key management personnel of the Company

The Company enters into transactions, arrangements and agreements involving directors, senior management or close family members, in the ordinary course of business under the same commercial and market terms that apply to non-related parties.

### B. Transactions carried out with the Related Parties in the ordinary course of business during the year are as follows:

All amount are in Lacs unless otherwise stated

Short Term Employee Benefits	Current Year	Previous Year
Vinod Kumar Jain	321.16	314.60
Archis Jain	20.47	18.00
Ashok Kumar	17.09	15.00
Sunaina Nagar	14.50	11.20
<b>Post-employment Benefits</b>		
Ashok Kumar	0.22	0.21
Sunaina Nagar	0.22	0.21
<b>Sitting Fee</b>		
Nishant Badala	0.40	0.12
Ashok Kabra	0.47	0.18
Vikas Gupta	0.25	0.11
Suresh K Porwal	0.41	0.05
Seema Jain	0.27	0.11
Garima Soni	0.25	0.10
<b>Lease/ Rent Expenses</b>		
Vinod Kumar Jain	171.67	157.99
Seema Jain	15.50	15.50
Vinod Jain HUF	10.73	10.54
Rajesh Jain	1.27	1.21
SRG Foundation Contribution as Settler (CSR)	15.61	0.00
SRG Foundation (Corpus)	0.11	0.00

### C. Details of balances with Related Parties

All amount are in Lacs unless otherwise stated

Rent Deposit	As at March 31, 2022	As at March 31, 2021
Vinod Kumar Jain	160.00	160.00
Seema Jain	14.00	14.00
Vinod Jain HUF	10.00	10.00
<b>Investment (Shares)</b>		
S R G Securities Finance Limited	41.95	41.95

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## D. Amount due to related parties

All amount are in Lacs unless otherwise stated

Particulars	Nature	As at March, 2022	As at March, 2021
Vikas Gupta	Payable	0.02	-
Ashok Kabra	Payable	0.02	-
Nishant Badala	Payable	0.01	-
Seema Jain	Payable	1.17	1.19
Vinod Kumar Jain	Payable	103.66	99.46
Vinod Jain HUF	Payable	0.80	0.83
Rajesh Jain	Payable	0.11	0.11
Archis Jain	Payable	1.38	1.14
Ashok Kumar	Payable	1.41	1.07
Sunaina Nagar	Payable	1.13	0.88

### Notes-

- All the Related party transactions are in ordinary course of business and at arm's length basis.
- Expenses towards gratuity are determined actuarially on overall Company basis at the end of the year and, accordingly have not been considered in the above information.
- The transactions disclosed above are excluding GST.
- During the Financial Year 2021-22, no payment is made to Non-Executive Directors and Independent Directors except Rent to Mrs. Seema Jain & Sitting Fee Amount to Non-Executive Director/ Independent Director as disclosed above.

### NOTE 35 SEGMENT REPORTING:

**NOTE 35.1 Operating Segment:** The Company's main business is to provide loans for purchase, construction, repairs and renovation etc. of residential house. All other activities of the company revolve around the main business. As such, there are no separate reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

**NOTE 35.2 Entity Wide Disclosures:** No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in the year ended March 31, 2022 and March 31, 2021.

The Company operates in **single geography** i.e. India and therefore geographical information is not required to be disclosed separately.

### NOTE 36 LEASE DISCLOSURE:

#### Where the Company is the lessee:

The Company has entered into agreements for taking its office premises under lease and license arrangements. These agreements are for tenures between 11 months and 3 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms, lease rentals have an escalation upto 10%. Leases for which the lease term is less than 12 months have been accounted as short term leases.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Contractual cash maturities of lease liabilities on an undiscounted basis	As at	As at
	March 31, 2022	March 31, 2021
Not later than one year	173.80	132.00
Later than one year and not later than five years	352.00	0.00
Later than five years	0.00	0.00
<b>Total undiscounted lease liabilities</b>	<b>525.80</b>	<b>132.00</b>
<b>Lease liabilities included in the balance sheet</b>		
<b>Total Lease Liability</b>	<b>457.68</b>	<b>126.86</b>

All amount are in Lacs unless otherwise stated

Amount recognized in the statement of profit and loss account	As at	As at
	March 31, 2022	March 31, 2021
Interest on lease liabilities	12.45	19.77
Depreciation charge for the year	143.57	138.43
Expenses relating to short term leases	116.19	105.38

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTE 37 FAIR VALUE MEASUREMENT:

### Financial Instruments by Category

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
<b>Financial Assets</b>						
Investments	2,666.04	25.28	0.00	2,518.87	52.80	0.00
Loans (Net of ECL)	0.00	0.00	33,192.05	0.00	0.00	31,765.69
Cash and Cash Equivalents	0.00	0.00	510.64	0.00	0.00	1,035.07
Bank Balance other than above	0.00	0.00	1,976.35	0.00	0.00	1,666.13
Other Financial Assets	0.00	0.00	754.33	0.00	0.00	539.28
<b>Total Financial Assets</b>	<b>2,666.04</b>	<b>25.28</b>	<b>36,433.37</b>	<b>2,518.87</b>	<b>52.80</b>	<b>35,006.17</b>
<b>Financial Liabilities</b>						
Trade Payables	0.00	0.00	89.13	0.00	0.00	100.65
Other Payables	0.00	0.00	239.41	0.00	0.00	205.95
Debt Securities	0.00	0.00	5,169.52	0.00	0.00	6,530.33
Borrowings (Other than Debt Securities)	0.00	0.00	23,493.86	0.00	0.00	22,047.19
Other Financial Liabilities	0.00	0.00	877.08	0.00	0.00	519.75
<b>Total Financial Liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>29,869.00</b>	<b>0.00</b>	<b>0.00</b>	<b>29,403.87</b>

The Company had acquired equity instrument for the purpose of holding for a longer duration and not for the purpose of selling in near term for short term profit. Such instruments have been categorized as FVTOCI.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## a. Fair Value Hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

All amount are in Lacs unless otherwise stated

As at March 31, 2022	Carrying Amount	Routed through P/L	Routed through OCI				Carried at Amortized cost			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>										
Cash and Cash Equivalents	510.64	-	-	-	-	-	-	-	510.64	510.64
Bank Balance other than Cash and Cash Equivalent	1,976.35	-	-	-	-	-	-	-	1,976.35	1,976.35
Loans	33,192.05	-	-	-	-	-	-	-	33,192.05	33,192.05
Investments	2,691.32	2,666.04	25.28	-	-	25.28	-	-	-	-
Other Financial Assets	754.33	-	-	-	-	-	-	-	754.33	754.33
<b>Total Financial Assets</b>	<b>39,124.69</b>	<b>2,666.04</b>	<b>25.28</b>	<b>-</b>	<b>-</b>	<b>25.28</b>	<b>-</b>	<b>-</b>	<b>36,433.37</b>	<b>36,433.37</b>
<b>Financial Liabilities</b>										
Trade Payable	89.13	-	-	-	-	-	-	-	89.13	89.13
Other Payable	239.41	-	-	-	-	-	-	-	239.41	239.41
Debt securities	5,169.52	-	-	-	-	-	-	-	5,169.52	5,169.52
Borrowings (other than debt securities)	23,493.86	-	-	-	-	-	-	-	23,493.86	23,493.86
Other Financial Liabilities	877.08	-	-	-	-	-	-	-	877.08	877.08
<b>Total Financial Liabilities</b>	<b>29,869.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,869.00</b>	<b>29,869.00</b>

All amount are in Lacs unless otherwise stated

As at March 31, 2021	Carrying Amount	Routed through P/L	Routed through OCI				Carried at Amortized cost			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>										
Cash and Cash Equivalents	1,035.07	-	-	-	-	-	-	-	1,035.07	1,035.07
Bank Balance other than Cash and Cash Equivalent	1,666.13	-	-	-	-	-	-	-	1,666.13	1,666.13
Loans	31,765.69	-	-	-	-	-	-	-	31,765.69	31,765.69
Investments	2,571.67	2,518.87	52.80	-	-	52.80	-	-	-	-
Other Financial Assets	539.28	-	-	-	-	-	-	-	539.28	539.28

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

As at March 31, 2021	Carrying Amount	Routed through P/L	Routed through OCI				Carried at Amortized cost			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Total Financial Assets</b>	<b>37,577.84</b>	<b>2,518.87</b>	<b>52.80</b>	<b>-</b>	<b>-</b>	<b>52.80</b>	<b>-</b>	<b>-</b>	<b>35,006.17</b>	<b>35,006.17</b>
<b>Financial Liabilities</b>										<b>-</b>
Trade Payable	100.65	-	-	-	-	-	-	-	100.65	100.65
Other Payable	205.95	-	-	-	-	-	-	-	205.95	205.95
Debt securities	6,530.33	-	-	-	-	-	-	-	6,530.33	6,530.33
Borrowings (other than debt securities)	22,047.19	-	-	-	-	-	-	-	22,047.19	22,047.19
Other financial liabilities	519.75	-	-	-	-	-	-	-	519.75	519.75
<b>Total Financial Liabilities</b>	<b>29,403.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,403.87</b>	<b>29,403.87</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1, 2 and 3 during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

## b. Valuation technique used to determine fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted prices and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Company and other valuation models. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Fair Value of the financial assets and financial liabilities are considered at the amount, at which the instrument could be exchanged in current transaction between willing parties, other than in forced or liquidation sale.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

### Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents (Refer Note 3 (a) and (b)), Other Financial Assets (Refer Note 6), Trade Payables (Refer Note 11) and Other Financial Liabilities (Refer Note 13), the carrying value approximates the fair value.

### NOTE 38 FINANCIAL RISK MANAGEMENT:

The Company is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest risk, foreign currency risk and price risk. The Company's primary focus is to achieve better predictability of financial markets and minimise potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The principal objective in Company's risk management processes is to measure and monitor the various risks associated with the Company and to follow policies and procedures to address such risks. The Company's risk management framework is driven by its Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, valuation of collateral, technical and legal verifications, conservative loan to value, and required term cover for insurance

#### a. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities - borrowing, trade payables and other financial liabilities.

The Company's Asset Liability Committee (ALCO) monitors asset liability mismatches to ensure there are no imbalances or excessive concentrations on either side of the balance sheet.

The Company continuously monitors liquidity in the market; and as a part of its ALCO strategy, it maintains a liquidity buffer managed by an active treasury desk to reduce this risk.

The Company maintains a judicious mix of borrowings from banks and other Financial Institutions, including NHB. The Company continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings, which generally matches with the different types of Loan Facilities offered by the company. This strategy of balancing varied sources of funds and long tenor borrowings has helped the Company maintain a healthy asset liability position.

The tables below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities (Refer Note 43 f)

#### As at March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars	Within 1 year	1 - 5 years	Beyond 5 Years	Total
Trade & Other Payables	328.54	0.00	0.00	328.54
Debt Securities	1,055.52	4,110.00	0.00	5165.52
Borrowings (other than debt securities)	7,982.28	14,725.46	749.53	23,457.27
Other Financial Liabilities	554.74	322.34	0.00	877.08

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

As at March 31, 2021

All amount are in Lacs unless otherwise stated

Particulars	Within 1 year	1 - 5 years	Beyond 5 Years	Total
Trade & Other Payables	306.60	0.00	0.00	306.60
Debt Securities	1,357.24	5,165.52	0.00	6,522.76
Borrowings (other than debt securities)	6,997.97	14,559.25	454.71	22,011.93
Other Financial Liabilities	519.75	0.00	0.00	519.75

**Notes:** (i) Debt securities and borrowings (other than debt securities) do not carry adjustment of unamortized processing fee (EIR).

(ii) Amounts repayable on demand are included in 'within 1 year'

## b. Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company does not have any exposure to foreign exchange rate and equity price risk

(i) **Foreign currency risk** - Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates.

There were no foreign currency exposure as at March 31, 2022 and March 31, 2021.

(ii) **Interest Rate Risk Exposure-** The Company is subject to interest rate risk, since the rates of loans and borrowings might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seeks to optimize borrowing profile between short-term and long term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks

The exposure of the Company's borrowing (including debt securities and term loans) face value to interest rate changes at the end of the reporting period are as follows:

All amount are in Lacs unless otherwise stated

Particulars	March 31, 22 (Amount)	%	March 31, 21 (Amount)	%
<b>Borrowings</b>				
Variable rate Instruments	15,407.12	54%	13,255.36	46%
Fixed rate Instruments	13,256.26	46%	15,322.16	54%
<b>Total borrowings</b>	<b>28,663.38</b>	<b>100%</b>	<b>28,577.52</b>	<b>100%</b>
<b>Loans (Gross)</b>				
Variable rate Instruments	0.00	-	0.00	-
Fixed rate Instruments	34,001.37	100%	32,540.29	100%
<b>Total Loans (Gross)</b>	<b>34,001.37</b>	<b>100%</b>	<b>32,540.29</b>	<b>100%</b>

## Sensitivity

100% of the Company's Loan Assets are at fixed rate of interest, and 46% of the borrowings are at fixed rate interest. Company is not in a position to pass on increase in cost of borrowings/benefit on reduction of cost of borrowings to its customers. Thus an impact on profit is as under:

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars	Impact on Profit Before Tax	
	Current Year	Previous Year
Interest rates – increase by 25 basis points (25 bps)*	(33.72)	(37.59)
Interest rates – decrease by 25 basis points (25 bps)*	33.72	37.59

(iii) **Price Risk Exposure-** The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. The Company's exposure to Mutual Funds is not significant and hence the Company's exposure to price risk is insignificant.

## c. Credit Risk Management

Credit risk is the risk that the Company will incur a loss because the counterparty might fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on number of days past due.

The credit risk is governed by the Credit Policy approved by the Board of Directors. The Policy outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.

The Company measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for other borrowers. The credit risk for retail borrowers is being managed at portfolio level for both Home loans and Mortgage Loans. The Company has a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the Credit risk. The policy is amended periodically to ensure compliance with the guidelines of the RBI as well as other regulatory bodies

### Credit Risk Methodology

#### Housing and Other Property Loans:

Company's customers for retail loans are primarily low and middle income segment, salaried and self-employed individuals.

The Company's credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income & obligations, the loan-to-value ratio, fixed obligation to income ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as KYC check, Credit Bureau Report analysis are undertaken. In addition to due diligence process including visits to offices and homes in the case of loans made to retail borrowers done by External agencies such as field investigation agencies, company's staff also performs comprehensive due diligence process including visits to customer's business and residence premises.

Company analyses the portfolio performance of each product segment regularly, and use these as inputs in revising the product programs, target market definitions and credit assessment criteria to meet the twin objectives of combining volume growth and maintenance of asset quality.

The loans are secured by the mortgage of the borrowers' property and third party guarantee.



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

Portfolio quality, credit limits, collateral quality and credit exposure limits are regularly monitored at various levels.

The Company considers a financial instrument as defaulted and considers it as Stage 3 (credit-impaired) for expected credit loss (ECL) calculations, when the assets become equal to or more than 90 days past due on its contractual payments. These assets continue to be classified as Stage 3 till they become standard, in accordance with RBI guidelines and the Board approved ECL Policy.

The following table sets out information about credit quality of loans measured at amortized cost based on days past due information. The amount represents gross carrying amount.

All amount are in Lacs unless otherwise stated

Loans	As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Housing Loan	20,705.97	886.45	544.40	22,136.82
Property Loans	11,239.01	329.78	295.76	11,864.55
<b>Total</b>	<b>31,944.98</b>	<b>1,216.23</b>	<b>840.16</b>	<b>34,001.37</b>

All amount are in Lacs unless otherwise stated

Loans	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
Housing Loan	20,648.13	896.60	515.56	22,060.29
Property Loans	10,133.87	99.23	246.90	10,480.00
<b>Total</b>	<b>30,782.00</b>	<b>995.83</b>	<b>762.46</b>	<b>32,540.29</b>

All amount are in Lacs unless otherwise stated

Customer Type	As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Self Employed	24,830.14	1,037.59	730.02	26,597.75
Salaried	7,114.84	178.64	110.14	7,403.62
<b>Total</b>	<b>31,944.98</b>	<b>1,216.23</b>	<b>840.16</b>	<b>34,001.37</b>

All amount are in Lacs unless otherwise stated

Customer Type	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
Self Employed	24,915.20	760.56	702.22	26,377.98
Salaried	5,866.80	235.27	60.24	6,162.31
<b>Total</b>	<b>30,782.00</b>	<b>995.83</b>	<b>762.46</b>	<b>32,540.29</b>

## Risk Management and Portfolio Review

The Company ensures effective monitoring of credit facilities through a risk-based asset review framework under which the frequency of asset review is determined depending on the risk associated with the product.

For both Housing and other borrowers, the company staff verifies adherence to the terms of the credit approval prior to the commitment and disbursement of credit facilities.

It also reviews the completeness of documentation, creation of security and compliance with regulatory guidelines.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

The Company regularly reviews the credit quality of the portfolio. A summary of the reviews carried out is submitted to the concern teams.

**Collateral and other credit enhancements-** The Company holds collateral and other credit enhancements to cover its credit risk associated with its Loans, credit risk associated are mitigated because the same are secured against the collateral.

### Expected Credit Loss (ECL)

The Company considers a financial instrument as defaulted and considers it as Stage 3 (credit-impaired) for expected credit loss (ECL) calculations, when the assets become equal to or more than 90 days past due on its contractual payments. These assets continue to be classified as Stage 3 till the assets become standard, in accordance with RBI guidelines and the ECL Policy. The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

### The key components of Credit Risk assessment are:

- **Probability of Default (PD)** represents the likelihood of default over a defined time horizon.
- **Exposure at Default (EAD)** The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too. To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.
- **Loss Given Default (LGD)** LGD has been calculated by taking into account the recovery experience across the Company's loan accounts post default. The recoveries are tracked and discounted to the date of default using the interest rate.

Delinquency buckets have been considered as the basis for the staging of all loans with:

- 0-60 days past due loans classified as Stage 1
- 61- 89 days past due loans classified as Stage 2
- 90 days or above past due loans classified as Stage 3.

For individual and other loans vintage analysis has been used to create PD terms structure which incorporates both 12 months PD for Stage 1 loans and life time PD for stage 2 and 3 loans. The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/default rate is then used to build the PD term structure. This methodology has been used to create the LGD vintage which takes into account the recovery experience across accounts of a particular portfolio post default. The recoveries are tracked and discounted to the date of default using the interest rate.

**Significant increase in credit risk:** The Company continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or Lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due. When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

**Grouping financial assets measured on a collective basis:** As explained above, the Company calculates ECL on a collective basis on the following asset classes:

- Housing Loan
- Property Loan

**Macro-economic Variables:** The measurement of ECL should be forward looking in nature. In order to incorporate forward looking macroeconomic characteristics into ECL, relationships with macroeconomic variables such as Gross Domestic Product, Inflation, Total investments, National Savings, etc. (relevant variables to the underlying loan portfolio) are analyzed and modelled into estimates of Probability of Default (PD). Forecasted 12-months and Lifetime PDs are driven by IMF macroeconomic forecasts for India released as part of World Economic Outlook, October 2020.

## Reconciliation of Loss Allowance

All amount are in Lacs unless otherwise stated

Particulars	Loss Allowance measured at life-time expected losses		
	Loss Allowance measured at 12 month expected losses (Stage 1)	Financial Assets for which credit risk has increased significantly and not credit-impaired (Stage 2)	Financial Assets for which credit risk has increased significantly and credit impaired (Stage 3)
Loss allowance on April 01, 2020	125.73	14.32	468.49
Add (Less) : Changes in loss allowances	4.61	2.86	158.60
Loss allowance on March 31, 2021	130.34	17.18	627.09
Add (Less) : Changes in loss allowances	(24.77)	(12.25)	71.73
<b>Loss allowance on March 31, 2022</b>	<b>105.57</b>	<b>4.93</b>	<b>698.82</b>

## d. Regulatory Risk

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

## NOTE 39 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behavior as used for estimating the EIR. Issued debt reflects the contractual coupon amortizations.

All amount are in Lacs unless otherwise stated

ASSETS	As At March 31, 2022			As At March 31, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Financial Assets</b>						
Cash and Cash Equivalents	510.64	0.00	510.64	1035.07	0.00	1035.07
Bank Balances other than above	910.46	1,065.89	1,976.35	883.33	782.8	1,666.13
Loans	6,353.18	26,838.87	33,192.05	5,715.86	26,049.83	31,765.69
Investments	2,666.04	25.28	2,691.32	2518.87	52.8	2571.67

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

ASSETS	As At March 31, 2022			As At March 31, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Other Financial Assets	588.64	165.69	754.33	357.22	182.06	539.28
<b>Non-Financial Assets</b>						
Current Tax Assets (Net)	512.23	0.00	512.23	513.35	0.00	513.35
Deferred Tax Assets (Net)	0.00	289.83	289.83	0.00	270.39	270.39
Investments Property	0.00	4.34	4.34	0.00	4.34	4.34
Property, Plant and Equipment	0.00	735.77	735.77	0.00	261.22	261.22
Capital Work-in-progress	0.00	521.16	521.16	0.00	209.49	209.49
Other Intangible Assets	0.00	2.32	2.32	0.00	0.82	0.82
Intangible Assets under Development	0.00	2.78	2.78	0.00	0.00	0.00
Other Non-Financial Assets	135.39	476.29	611.68	31.18	464.70	495.88
<b>Total Assets</b>	<b>11,676.58</b>	<b>30,128.22</b>	<b>41,804.80</b>	<b>11,054.88</b>	<b>28,278.45</b>	<b>39,333.33</b>

All amount are in Lacs unless otherwise stated

LIABILITIES	As at March 31, 2022			As at March 31, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Financial Liabilities</b>						
<b>Trade Payables</b>	0.03	0.00	0.03	0.06	0.00	0.06
(i) total Outstanding dues of micro enterprises and small enterprises						
(ii) total outstanding dues of creditors other than micro enterprises and small enterprise	89.10	0.00	89.10	100.59	0.00	100.59
<b>Other Payables</b>	0.00	0.00	0.00	0.00	0.00	0.00
(i) total Outstanding dues of micro enterprises and small enterprises						
(ii) total outstanding dues of creditors other than micro enterprises and small enterprise	239.41	0.00	239.41	205.95	0.00	205.95
Debt Securities	1,055.52	4,114.00	5,169.52	1,357.24	5,173.09	6,530.33
Borrowings (Other than Debt Securities)	7,982.71	15,511.15	23,493.86	6997.98	15,049.20	22,047.18
Other Financial Liabilities	554.74	322.34	877.08	519.76	0.00	519.76
<b>Non-Financial Liabilities</b>						
Provisions	536.18	25.66	561.84	548.07	20.32	568.39
Other Non Financial Liabilities	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>10,457.69</b>	<b>19,973.15</b>	<b>30,430.84</b>	<b>9,729.65</b>	<b>20,242.61</b>	<b>29,972.26</b>

**Note:** The Company has undrawn facilities amounting to ₹ 7,440 Lacs as at March 31, 2022 (March 31, 2021 ₹ 4,000 Lacs)

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## NOTE 40 CAPITAL MANAGEMENT

The Company's capital management strategy is to effectively determine, raise and deploy capital to cover risk inherent in business and meeting the capital adequacy requirements of the Reserve Bank of India (RBI). The same is done through a mix of either equity and / or combination of short term / long term debt as may be appropriate. The Company determines the amount of capital required on the basis of operations and capital expenditure. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by the RBI. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio. The Company's policy is in line with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 which currently permits HFCs to borrow up to 12 times of their net owned funds ("NOF"). Refer Note 43 (a) for Capital to risk-weighted assets ratio (CRAR).

The Company has complied in full with all its externally imposed capital requirements over the reported periods.

### a. Risk management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Company's strategy is to maintain a gearing ratio within stipulated by RBI. The gearing ratios were as follows:

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
Gross Debt	28,663.38	28,577.52
Less:		
Cash and cash equivalent	510.64	1,035.07
Other Bank deposits	1,976.35	1,666.13
<b>Adjusted Net Debt (A)</b>	<b>26,176.39</b>	<b>25,876.32</b>
<b>Total Equity (B)</b>	<b>11,373.96</b>	<b>9,361.07</b>
<b>Adjusted Net Debt to Equity Ratio (in times) (A/B)</b>	<b>2.30</b>	<b>2.76</b>

### Loan covenants

Under the terms of the borrowing facilities, the Company has complied with the covenants throughout the reporting period.

**NOTE 41** There are no indications which reflects that any of the assets of the company had got impaired from its potential use and therefore no impairment loss was required to be accounted in the current year as per Indian Accounting Standard on 'Impairment of Assets' (Ind AS 36).

**NOTE 42** The Company does not have any exposure in foreign currency at the year end.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

**NOTE 43** The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant volatility in the financial markets and slowdown in the economic activities. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional restrictions continued to be implemented in areas as India witnessed 2 more waves of the COVID-19 pandemic during the year ended March 31, 2022. Currently, the Government of India has withdrawn most of the COVID-19 related restrictions. The Company has taken a write off (including unrecoverable partial loan balances) amounting to ₹ 35.85 Lacs during the year ended March 31, 2022 on which corresponding opening provisions reversed amounted to ₹ 35.85 Lacs. As at March 31, 2022, the Company holds an aggregate provision of ₹ 809.32 Lacs against advances.

**NOTE 44** The Company has not invoked or implemented resolution plan under the “Resolution Framework for COVID-19 related Stress” as per RBI circular dated August 6, 2020 for any of its borrower accounts.

**NOTE 45** The Company has not invoked or implemented resolution plan under the “RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated May 05, 2021 with reference to disclosures stated under Format-B prescribed in the Resolution Framework - 1.0.

**NOTE 46** Pursuant to the RBI circular dated November 12, 2021 - “ Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances – Clarifications”, on February 15, 2022, the RBI allowed deferment pertaining to the up gradation of Non Performing accounts till September 30, 2022. Hence, the Company has opted for such deferment. There is no material impact on Financial Results for period ended March 31, 2022 due to such revised classification.

**NOTE 47** The Company hold any immovable property which is mortgaged by pari passu charge under Redeemable Non -Convertible Debentures (NCD 10.90%-21-8-22) and treated as investment property (Refer Note 9) as on March 31, 2022 and March 31, 2021. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

**NOTE 48** No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2022 and March 31, 2021.

**NOTE 49** The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2022 and March 31, 2021.

**NOTE 50** The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2022 and March 31, 2021.

**NOTE 51** There has been no delay in registration or satisfaction of charges with Registrar of Companies (ROC) beyond statutory limit.

### NOTE 52 ANALYTICAL RATIOS

All amount are in Lacs unless otherwise stated

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
(a) Current Ratio			Not Applicable	
(b) Debt-Equity Ratio	28,663.38	11,373.96	2.52	3.05
(c) Debt Service Coverage Ratio	5,339.07	13,769.17	0.39	0.55
(d) Return on Average Equity Ratio	2,032.19	10,367.50	19.60%	22.35%

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
(e) Inventory turnover ratio			Not Applicable	
(f) Trade Receivables turnover ratio			Not Applicable	
(g) Trade payables turnover ratio			Not Applicable	
(h) Net capital turnover ratio			Not Applicable	
(i) Net profit ratio	2,032.19	8,045.58	25.26%	24.57%

\* The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as at March 31, 2022 and March 31, 2021.

**NOTE 53** The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly returns filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

**NOTE 54** The Company has taken borrowings from banks and financial institutions and utilized them for the specific purpose for which they were taken as at the Balance sheet date. Unutilized funds as at March 31, 2022 are held by the Company in the form of short term fund till the time the utilization is made subsequently.

**NOTE 55** There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2022 and March 31, 2021.

**NOTE 56** As a part of normal lending business, the company grants loans and advances on the basis of security / guarantee provided by the Borrower/ co-borrower. These transactions are conducted after exercising proper due diligence. Other than the transactions described above-

- No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies) including foreign entities (“Intermediaries”) with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries);
- No funds have been received by the Company from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE 57** The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

## **NOTE 58 DISCLOSURES REQUIRED BY THE RBI CIRCULAR ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS DATED MARCH 13, 2020**

The following disclosures are in accordance with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India.

Regulatory ratios, limits and disclosures are based on Ind AS figures in accordance with RBI circular dated October 22, 2020 read with RBI circular dated March 13, 2020 relating to Implementation of Ind AS.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

### Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as Note 2 to the Standalone Financial Statement for the year ended March 31, 2022.

#### a. CAPITAL TO RISK ASSETS RATIO (CRAR):

The following table sets forth, for the years indicated, the details of capital to risk assets ratio under RBI Guidelines

All amount are in Lacs unless otherwise stated

Items	Current Year	Previous Year
i) CRAR (%)	38.30	38.06
ii) CRAR - Tier I Capital (%)	37.91	37.43
ii) CRAR - Tier II Capital (%)	0.39	0.63
iv) Amount of Subordinated Debt Raised as Tier-II Capital	0.00	0.00
v) Amount Raised by Issue of Perpetual Debt Instruments	0.00	0.00

#### b. RESERVE FUND UNDER SECTION 29C OF THE NHB ACT,1987:

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
<b>Balance at the beginning of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act,1987;	178.75	106.99
b) Amount of Special Reserve u/s 36 (1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	1,278.13	969.89
c) Total	1,456.88	1,076.88
<b>Addition/Appropriation/Withdrawal during the year</b>		
Add:	96.07	71.76
a) Amount transferred u/s 29C of the NHB Act,1987;		
b) Amount of special reserve u/s 36 (1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987;	316.43	308.24
Less:	0.00	0.00
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act,1987;		
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act,1987	0.00	0.00
<b>Balance at the end of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	274.82	178.75
b) Amount of Special Reserve u/s 36 (1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of NHB Act,1987	1,594.56	1,278.13
<b>c) Total</b>	<b>1,869.38</b>	<b>1,456.88</b>

As Per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## c. INVESTMENTS

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
<b>(A) Value of Investments</b>		
<b>(i) Gross Value of Investments</b>		
(a) In India	2,691.32	2,571.67
(b) Outside India	0.00	0.00
<b>(ii) Provision for Depreciation</b>		
(a) In India	0.00	0.00
(b) Outside India	0.00	0.00
<b>(iii) Net Value of Investments</b>		
(c) In India	2,691.32	2,571.67
(d) Outside India	0.00	0.00
<b>(B) Movement of Provisions held towards depreciation on investments</b>		
(i) Opening Balance	0.00	0.00
(ii) Add: Provisions made during the year	0.00	0.00
(iii) Less: Write-off/Written-back of excess provisions during the year	0.00	0.00
(iv) Closing Balance	0.00	0.00

## d. Derivatives

There are no derivative instruments in the Company for the year ended March 31, 2022 and March 31, 2021

### d.1 Forward Rate Agreement (FRA)/ Interest Rate Swap (IRS)

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
i) The notional principal of swap agreements	-	-
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
iii) Collateral required by the HFC upon entering into swaps	-	-
iv) Concentration of credit risk arising from the swaps	-	-
v) The fair value of the swap book	-	-

### d.2 Exchange traded interest rate (IR) derivative

All amount are in Lacs unless otherwise stated

Particulars	As at March 31, 2022	As at March 31, 2021
i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-	-
ii) Notional principal amount of exchange traded IR derivatives outstanding (instrument-wise)	-	-
iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## d.3 Disclosures on Risk Exposure in Derivatives : Not applicable

A. **Qualitative Disclosure**- Since the Company has not involved in derivatives transactions, risk management policy of the Company does not cover any such disclosure.

## B. Quantitative Disclosure

Particulars	As at	As at
	March 31, 2022	March 31, 2021
i) Derivatives (Notional Principal Amount)	-	-
ii) Marked to Market Positions	-	-
(a) Assets (+)	-	-
(b) Liability (-)	-	-
iii) Credit Exposure	-	-
iv) Unhedged Exposures	-	-

## e. Securitization:

(a) The Company has not entered into any transactions of securitization / assignment during the current year or previous year.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
1. No. of SPVs sponsored by the HFC for securitization transactions	-	-
2. Total amount of securitized assets as per books of the SPVs sponsored	-	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	-	-
(I) Off-balance sheet exposures towards credit enhancements	-	-
(II) On-balance sheet exposures towards credit enhancements	-	-
4. Amount of exposures to securitization transactions other than MRR	-	-
(I) Off-balance sheet exposures towards credit enhancements	-	-
(a) Exposure to own securitization	-	-
(b) Exposure to third party securitization	-	-
(II) On-balance sheet exposures towards credit enhancements	-	-
(a) Exposure to own securitization	-	-
(b) Exposure to third party securitization	-	-

(b) Details of Financial Assets sold to Securitization/Reconstruction Company for Asset Reconstruction:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
i. No. of accounts		
ii. Aggregate value (net of provisions) of accounts sold to SC / RC		
iii. Aggregate consideration	Not Applicable	Not Applicable
iv. Additional consideration realized in respect of accounts transferred in earlier years		
v. Aggregate gain / loss over net book value		

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

(c) Details of Assignment transactions undertaken by HFCs:

Particulars	As at March 31, 2022	As at March 31, 2021
i. No. of accounts		
ii. Aggregate value (net of provisions) of accounts assigned		
iii. Aggregate consideration	Not Applicable	Not Applicable
iv. Additional consideration realized in respect of accounts transferred in earlier years		
v. Aggregate gain / loss over net book value		

(d) Details of non-performing financial assets purchased / sold:

i) Details of non-performing financial assets purchased

Particulars	As at March 31, 2022	As at March 31, 2021
1. (a) No. of accounts purchased during the year		
(b) Aggregate outstanding		
2. (a) Of these, number of accounts restructured during the year	Not Applicable	Not Applicable
(b) Aggregate outstanding		

ii) Details of Non-performing Financial Assets sold

Particulars	As at March 31, 2022	As at March 31, 2021
1. No. of accounts sold		
2. Aggregate outstanding	Not Applicable	Not Applicable
3. Aggregate consideration received		

### f. Gold Loan

The Company does not provide any loans on collateral of gold and gold jewelleryes.

g. During the year no Non Performing Financial Assets were purchased/ sold from other HFCs.

### h. Asset Liability Management:

(Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2022):

All amount are in Lacs unless otherwise stated

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years & Above	Total
<b>Liabilities:</b>											
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowing from Banks	257.29	70.00	308.00	672.09	982.57	2,359.40	4,388.88	14,569.96	4,274.59	780.60	28663.38
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Assets:</b>											
Advances	181.64	13.66	166.88	485.54	493.51	1,446.51	3,565.44	13,593.32	8,365.31	5,689.56	34001.37
Investments	510.69	66.05	200.00	500.00	900.00	1000.00	976.30	1025.28	0.00	0.00	5178.32
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

(Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2021):

All amount are in Lacs unless otherwise stated

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years & Above	Total
<b>Liabilities:</b>											
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowing from Banks	266.85	70.00	263.00	1,493.33	544.33	1,901.99	3,825.10	16,158.00	3,604.52	450.40	28577.52
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Assets:</b>											
Advances	125.40	12.93	159.21	617.66	477.55	1,412.13	2,911.59	13,057.65	8,216.06	5,550.11	32540.29
Investments	145.00	122.50	143.37	912.45	144.90	604.65	1100.00	2100.00	0.00	0.00	5272.87
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\*Classification of assets and liabilities under different maturity buckets is based on the estimates and assumptions as used by the Company.

\*\* Investments includes cash and cash equivalents, investment and fixed deposit.

Note: The Company does not have deposits, foreign currency liabilities, foreign currency assets as at March 31, 2022 and March 31, 2021.

## i. EXPOSURE TO REAL ESTATE SECTOR:

All amount are in Lacs unless otherwise stated

Category	As at March 31, 2022	As at March 31, 2021
a) <b>Direct exposure</b>		
(I) <b>Residential Mortgages:</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	32,756.01	30,882.28
(i) Out of the above Individual Housing Loans up to ₹ 15.00 Lacs	19,053.27	18,508.56
(II) <b>Commercial Real Estate:</b>		
Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	1,245.36	1,658.01
(III) <b>Investment in Mortgage Backed Securities (MBS) and other securitized exposures:</b>		
a. Residential	0.00	0.00
b. Commercial Real Estate	0.00	0.00
b) <b>Indirect Exposure</b>		
Fund based and non-fund based exposure on national Housing Bank (NHB) and Housing Finance Companies (HFCs)	0.00	0.00
<b>Total Exposure to real estate sector</b>	<b>34,001.37</b>	<b>32,540.29</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## j. Exposure to Capital Market

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	0.00	0.00
(ii) Advance against shares/bonds/debentures or other securities or on clean basis to individual for investment in shares (including IPOs/ESOPs), Convertible bonds, convertible debentures, and units of equity -oriented mutual funds;	0.00	0.00
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	0.00	0.00
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	0.00	0.00
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	0.00	0.00
(vi) Loans sanctioned to corporate against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	0.00	0.00
(vii) Bridge loans to companies against expected equity flows/issues;	0.00	0.00
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	0.00	0.00
<b>Total Exposure to Capital Market</b>	<b>0.00</b>	<b>0.00</b>

## k. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company-

The Company has not exceeded limit prescribed by RBI for Single Borrower Limit (SGL) and Group Borrower Limit (GBL) during the year ended March 31, 2022 and March 31, 2021.

## l. Details of financing of parent company products

Not applicable.

## m. The Company has not obtained any unsecured loans during the year.

## n. Unsecured advances-

There are no unsecured advances against intangible securities such as rights, licenses, authorizations as collateral security during the year ended March 31, 2022 and March 31, 2021.

## o. No Funds raised through Preferential allotment of shares (March 31, 2021 -NIL)

## p. Value of Imports on CIF basis- NIL (March 31, 2021-NIL).

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## q. Exposure to group companies engaged in real estate business

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount (₹ in Lacs)	% of owned Fund	Amount (₹ in Lacs)	% of owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

## r. Registration obtained from other financial sector regulators-

The Company is registered with RBI and has all its operations in India, it has not obtained registration from any other financial sector regulators during the year.

## s. Disclosure of penalties imposed by NHB/ RBI and other regulators-

No penalties have been imposed by NHB or any other regulator on the company during the year March 31, 2022 & March 31, 2021.

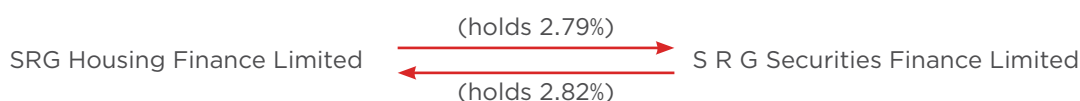
## t. Related party Transactions

Details of all material transactions with related parties are disclosed in **Note 34**.

## u. Group Structure-

The Company does not have any holding, subsidiary or associate company.

Diagrammatic representation of group structure given below:



Apart from above, the Company has following promoter group Companies; Ambitious Associates private limited (holds 5.82%), SRG Global Solutions Private Limited (holds 4.04%), Rhythm Consultants Private Limited (holds 3.58%), SRG Global Builders Private Limited (holds 1.74%), Binoy Biz Private Limited (holds 0.40%).

\*shareholding is as of March 31, 2022.

## v. ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATING DURING THE YEAR:

Sr. No.	Instrument	Rating Agency	Rating as at March 31, 2022	Rating as at March 31, 2021
1	Bank Loan	Brickwork Ratings	BWR BBB; Stable	BWR BBB; Stable
2	NCD	Brickwork Ratings	BWR BBB; Stable	BWR BBB; Stable
3	NCD	Acuité Rating	ACUITE BBB; Stable	ACUITE BBB; Stable

## w. Net Profit or Loss for the period, prior period items and changes in accounting policies

The Company does not have any prior period items / change in accounting policies during the current year other than disclosed in financials.

## x. Revenue Recognition

There have been no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## y. Consolidated Financial Statements (CFS)

The Company does not have any subsidiary, associate or joint venture accordingly CFS is not applicable.

## z. During the year:

- i. Company has not accepted public deposits,
- ii. The company do not have an exposure to teaser rate loans.

## aa. PROVISIONS:

All amount are in Lacs unless otherwise stated

Break up of Provisions shown under the head Expenditure in Profit and Loss Account and Reserves	Current Year	Previous Year
1. Provisions for depreciation on Investment	0.00	0.00
2. Provisions made towards income tax	533.68	545.44
3. Provision towards Non Performing Assets	71.73	158.60
4. Provision for Standard Assets	(37.02)	7.48
5. Other Provision and Contingencies – Provision for gratuity	25.66	20.32

All amount are in Lacs unless otherwise stated

Break up Loan & Advances and Provisions thereon	Housing		Non-Housing	
	Current Year	Previous Year	Current Year	Previous Year
<b>Standard Assets</b>				
a) Total Outstanding Amount*	21,844.50	21,769.94	11,703.10	10,340.00
b) Provisions Made	76.83	96.22	33.67	51.29
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	120.57	79.71	114.99	121.83
b) Provisions Made	48.22	29.38	46.00	36.76
<b>Doubtful Assets-Category-I</b>				
a) Total Outstanding Amount	72.36	22.87	85.49	43.40
b) Provisions Made	72.36	22.87	85.49	43.40
<b>Doubtful Assets-Category-II</b>				
a) Total Outstanding Amount	224.74	305.36	95.29	76.80
b) Provisions Made	224.74	305.36	95.29	76.80
<b>Doubtful Assets-Category-III</b>				
a) Total Outstanding Amount	126.72	107.61	0.00	4.87
b) Provisions Made	126.72	107.61	0.00	4.87
<b>Loss Assets</b>				
a) Total Outstanding Amount	0.00	0.00	0.00	0.00
b) Provisions Made	0.00	0.00	0.00	0.00
<b>TOTAL</b>				
a) Total Outstanding Amount	22,388.89	22,285.49	11,998.87	10,586.90
b) Provisions Made	548.87	561.44	260.45	213.12

\*Standard Assets and Total Outstanding amount include interest accrued but not due and provision thereon.

The Category of Doubtful Assets will be as under :

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

Period for which the assets has been considered as doubtful	Category
Up to one year	Category-I
One to three years	Category-II
More than three years	Category-III

## DETAILS OF MOVEMENT IN PROVISIONS:

All amount are in Lacs unless otherwise stated

Particulars	Opening as on April 01, 2021	Provisions made during the year	Provisions reversed/adjusted	Closing as on March 31, 2022
Bad & Doubtful Debts	627.09	698.82	627.09	698.82
Taxation	545.44	533.68	545.44	533.68
Standard Assets	147.51	110.50	147.51	110.50
Investment	0.00	0.00	0.00	0.00

### bb. Draw down reserves

The Company has not made any draw down from reserves during the year ended March 31, 2022 and March 31, 2021.

### cc. Concentration of public deposits, advances, exposures and NPA's

#### cc1. Concentration of public deposits (for public Deposit taking/holding HFCs)

The Company does not accept any public deposits and hence the same is not applicable.

Particulars	Current Year	Previous Year
Total Deposits of twenty largest depositors		
Percentage of Deposits of twenty largest depositors to total deposits of the deposit taking HFC	Not Applicable	

#### cc2. Concentration of loans and advances

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
Total Loans & Advances to Twenty largest borrowers	2,856.30	3,137.99
Percentage of Loans & Advances to Twenty largest borrowers to Total Advances of the HFC	8.40%	9.64%

#### cc3. Concentration of all exposures (including off - balance sheet exposure)

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
Total Exposures to Twenty largest Borrowers/Customers	2,856.30	3,137.99
Percentage of Exposures to Twenty largest Borrowers/Customers to Total Exposure of the HFC on Borrowers/Customers	8.40%	9.64%

#### cc4. Concentration of Non performing assets (NPA)

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
Total Exposure to Top Ten NPA Accounts	254.46	266.62

\* The exposure is disclosed at customer level.



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## dd. SECTOR-WISE NPAs:

All amount are in Lacs unless otherwise stated

S.No.	Sector	Percentage of NPAs to Total Advances in that Sector	
		Current Year	Previous Year
<b>A. Housing Loans:</b>			
1.	Individuals	2.46%	2.34%
2.	Builders/Project Loans	0.00	0.00
3.	Corporates	0.00	0.00
4.	Other (Specify)	0.00	0.00
<b>B. Non-Housing Loans:</b>			
1.	Individuals	2.49%	2.36%
2.	Builders/Project Loans	0.00	0.00
3.	Corporates	0.00	0.00
4.	Others (Specify)	0.00	0.00

## ee. MOVEMENT OF NPAs

All amount are in Lacs unless otherwise stated

Particulars	Current Year	Previous Year
(I) Net NPAs to Net Advances (%)	0.42%	0.42%
(II) Movement of NPAs (Gross)		
(a) Opening Balance	762.45	605.22
(b) Additions during the year	231.68	201.54
(c) Reductions during the year	153.97	44.31
(d) Closing Balance	840.16	762.45
(III) Movement of Net NPAs		
(a) Opening Balance	135.36	136.73
(b) Additions during the year	141.34	135.36
(c) Reductions during the year	135.36	136.73
(d) Closing balance	141.34	135.36
(IV) Movement of Provisions for NPAs (excluding provisions on standard assets)		
(a) Opening Balance	627.09	468.49
(b) Provisions made during the year	698.82	627.09
(c) Write-off/reversed/write-back of excess provisions	627.09	468.49
(d) Closing Balance	698.82	627.09

## ff. Overseas Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Nil	-	-

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

## gg. Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Name of SPV sponsored	As at March 31, 2022		As at March 31, 2021	
	Domestic	Overseas	Domestic	Overseas
Nil	-	-	-	-

## hh. DISCLOSURE OF COMPLAINTS

### CUSTOMERS COMPLAINTS:

Particulars	As at March 31, 2022	As at March 31, 2021
a) No. of Complaints pending at the beginning of the year	1	0.00
b) No. of Complaints received during the year	94	21.00
c) No. of Complaints redressed during the year	95	20.00
d) No. of Complaints pending at the end of the year	0	1.00

**NOTE 59** Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated March 13, 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.

All amount are in Lacs unless otherwise stated

	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms	-1	-2	-3	-4	(5)=(3)-(4)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	31,944.98	105.57	31,839.41	104.30	1.27
	Stage 2	1,216.23	4.93	1,211.30	3.56	1.37
<b>Subtotal</b>		<b>33,161.21</b>	<b>110.50</b>	<b>33,050.71</b>	<b>107.86</b>	<b>2.64</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	235.57	94.23	141.34	35.33	58.89
Doubtful - up to 1 year	Stage 3	157.85	157.85	0.00	39.46	118.39
1 to 3 years	Stage 3	320.02	320.02	0.00	128.01	192.01
More than 3 years	Stage 3	126.72	126.72	0.00	126.72	0.00
<b>Subtotal for doubtful</b>		<b>604.59</b>	<b>604.59</b>	<b>141.34</b>	<b>294.19</b>	<b>310.40</b>
Loss	Stage 3	0.00	0.00	0.00	0.00	0.00
<b>Subtotal for NPA</b>		<b>840.16</b>	<b>698.82</b>	<b>141.34</b>	<b>329.52</b>	<b>369.29</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	0.00	0.00	0.00	0.00	0.00
	Stage 2	0.00	0.00	0.00	0.00	0.00
	Stage 3	0.00	0.00	0.00	0.00	0.00
Subtotal		0.00	0.00	0.00	0.00	0.00
	<b>Stage 1</b>	31,944.98	105.57	31,839.41	104.30	1.27
	<b>Stage 2</b>	1,216.23	4.93	1,211.30	3.56	1.37
	<b>Stage 3</b>	840.16	698.82	141.34	329.52	369.29
<b>Total</b>	<b>Total</b>	<b>34,001.37</b>	<b>809.32</b>	<b>33,192.05</b>	<b>437.38</b>	<b>386.43</b>

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Housing Finance Companies (HFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2022 and accordingly, no amount is required to be transferred to impairment reserve.

Provisions required as per IRACP norms amount to ₹ 437.38 Lacs as stated in the above table.

The company has not invoked or implemented resolution plan under the “Resolution Framework for COVID-19 related stress” as per RBI circular dated August 6, 2020 for any of its borrower accounts.

**NOTE 60** Disclosure in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India read with para 15A on Guidelines on Liquidity Risk Management Framework in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Public disclosure on liquidity risk in terms of Guidelines on Liquidity Risk Management Framework.

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

All amount are in Lacs unless otherwise stated

Type of Instrument	Number of Significant Counterparties	Amount* (Lacs)	% of Total deposits	% of Total Liabilities**
Borrowings	1	3,133.58	NA	10.30%

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

#Significant counterparty is defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/ 03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies. Accordingly, Company has considered lender with more than 10% of total outstanding borrowing as significant counterparties.

\*Borrowings amount excludes the interest accrued but not due.

\*\*Total liabilities has been computed as sum of all liabilities (balance Sheet figure) less equities and other equities.

(ii) Top 20 large deposits (amount in ₹ Lacs and % of total deposits)- Not applicable. The Company is registered with National Housing Bank to carry on the business of housing finance institution without accepting public deposits.

(iii) Top 10 borrowings

All amount are in Lacs unless otherwise stated

Sl. No.	Amount (₹ in Lacs)	% of Total Borrowings
1	21,436.80	74.79%

\* Borrowings amount excludes the interest accrued but not due Top 10 borrowings have been identified considering the type of facility availed.

(iv) Funding Concentration based on significant instrument/product

All amount are in Lacs unless otherwise stated

Sr. No.	Name of the instrument/product*	Amount (₹ Lacs)	% of Total Liabilities**
1	Term Loans	20,893.46	68.66%
2	Non-Convertible Debentures	5,169.52	16.99%
3	NHB Refinance/Other	2600.40	8.55%

\* Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/ 03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for NBFC.

\*\*Total liabilities does not include equities and other equities of the Company.

v) Stock Ratios:

Sl. No.	Stock Ratio	Percentage (%)
1	Commercial papers as a % of total liabilities	Nil
2	Commercial papers as a % of total assets	Nil
3	Non-convertible debentures (original maturity of less than one year) as a % of, total liabilities *	Nil
4	Non-convertible debentures (original maturity of less than one year) as a % of, total assets	Nil
5	Other short-term liabilities, if any as a % of total liabilities	4.66%
6	Other short-term liabilities as a % of total assets	3.40%
7	Other short-term liabilities as a % of public funds	Nil

\*Total liabilities has been computed as sum of all liabilities (balance Sheet figure) less equities and other equities.

# Notes Forming Part of Financial Statements

## for the year ended March 31, 2022

### vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk.

The Board of Directors of the Company has constituted an Asset Liability Committee (ALCO). The main objective of ALCO is to assist the Board and Risk Management Committee in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds.

The Risk Management Committee constituted by the Board of Directors is primarily responsible for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company.

**NOTE 61** Disclosure in terms of in accordance with Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India read with RBI Circular No. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016- 17 on Monitoring of frauds in NBFCs

There were no cases of frauds reported during the Current year & Previous Year.

**NOTE 62** Balance Sheet disclosures as required under Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India.

### Schedule to the Balance Sheet

All amount are in Lacs unless otherwise stated

Particulars Liability Side	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
a. Debentures : Secured	5,169.52	0.00	6,530.33	0.00
: Unsecured	-	-	-	-
b. Deferred Credits	-	-	-	-
c. Term Loans	23,475.22	0.00	22,024.32	0.00
d. Inter-corporate loans and borrowing	-	-	-	-
e. Commercial Paper	-	-	-	-
f. Public Deposits	-	-	-	-
g. Other Loans (Car Loan)	18.64	0.00	22.87	0.00

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Particulars Liability Side	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
2 <b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
a. In the form of Unsecured debentures	-	-	-	-
b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
c. Other public deposits	-	-	-	-

All amount are in Lacs unless otherwise stated

Assets Side	As at March 31, 2022	As at March 31, 2021
	Amount Outstanding	Amount Outstanding
3 <b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
a. Secured	33,192.05	31,765.69
b. Unsecured	-	-
4 <b>Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>		
(i) Lease assets including lease rentals under sundry debtors		
a. Financial lease	-	-
b. Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
a. Assets on hire	-	-
b. Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities		
a. Loans where assets have been repossessed	-	-
b. Loans other than (a) above	-	-
5 <b>Break-up of Investments</b>		
<b>Current Investments</b>		
1. Quoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debenture & Bonds	1,813.70	2,518.87
(iii) Units of mutual funds	852.34	-
(iv) Government Securities	-	-
(v) Others - Venture Fund and AIF	-	-

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

All amount are in Lacs unless otherwise stated

Assets Side		As at				
		March 31, 2022	March 31, 2021			
		Amount Outstanding	Amount Outstanding			
2	Unquoted					
	(i) Shares	-	-			
	(a) Equity	-	-			
	(b) Preference	-	-			
	(ii) Debenture & Bonds	-	-			
	(iii) Units of mutual funds	-	-			
	(iv) Government Securities	-	-			
	(v) Others - Venture Fund and AIF	-	-			
	<b>Long Term investments</b>					
1.	Quoted					
	(i) Shares	-	-			
	(a) Equity	25.28	52.80			
	(b) Preference	-	-			
	(ii) Debenture & Bonds	-	-			
	(iii) Units of mutual funds	-	-			
	(iv) Government Securities	-	-			
	(v) Others - Real Estate Investment Trust	-	-			
	(vi) Others - Security Receipts	-	-			
2.	Unquoted					
	(i) Shares					
	(a) Equity	-	-			
	(b) Preference	-	-			
	(ii) Debenture & Bonds	-	-			
	(iii) Units of mutual funds	-	-			
	(iv) Government Securities	-	-			
	(v) Others - Pass Through Certificates	-	-			
	(vi) Others - Security Receipts	-	-			
	(vii) Others - Venture Funds & Other Funds	-	-			
6	<b>Borrower group-wise classification of assets financed as in (3) and (4) above:</b>					
Category	As at March 31, 2022			As at March 31, 2021		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1.	Related Parties					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2.	Other than related parties					
			33,192.05	-	33,192.05	31,765.69
						31,765.69
	<b>Total</b>		<b>33,192.05</b>	<b>-</b>	<b>33,192.05</b>	<b>31,765.69</b>

# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
Category	As at March 31, 2022		As at March 31, 2021	
	Market Value / Break up or fair value or NAV	Book Value	Market Value / Break up or fair value or NAV	Book Value
1. Related Parties				
(a) Subsidiaries				
(b) Companies in the same group	25.28	41.95	52.80	41.95
(c) Other related parties				
	-	-	-	-
2. Other than related parties	2,666.04	2,667.95	2,518.87	2,509.14
<b>Total</b>	<b>2,691.32</b>	<b>2,709.90</b>	<b>2,571.67</b>	<b>2,551.09</b>

## 8 Other information

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	Amount	Amount
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	840.16	762.46
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	141.34	135.36
(iii) Assets acquired in satisfaction of debt	-	-

Note: Loan Portfolio includes gross loans amounting to ₹ 74.05 Lacs (March 31, 2021: ₹ 50.23 Lacs) against which the Company has taken possession of the properties under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal. The value of assets possessed against these loans is ₹ 173.38 Lacs. (March 31, 2021: ₹ 154.54 Lacs).

\*\*Current investment means an investment which is by its nature readily realizable and is intended to be held for not more than one year from the date on which such investment is made.

**NOTE 63** There are no Micro, Small and Medium Enterprises (MSME) to whom the Company owes dues, which are outstanding for more than 45 days as at 31-03-2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis at information available with the Company. **(Refer Note 11)**

**NOTE 64** There are no amounts to be reflected under payable to Investor Protection Fund.

**NOTE 65** In the opinion of management the Financial Assets are approximately of the value as stated if realized in the ordinary course of business unless otherwise stated. The provisions for all liabilities are adequate and not in excess / shortage of the amount reasonably necessary.

**NOTE 66** During the year, there was one employee, Mr. Vinod K. Jain, Managing Director employed throughout the year who was in receipt of remuneration of ₹ 321.16 Lacs (PY ₹ 314.60 lacs) per annum.



# Notes Forming Part of Financial Statements

for the year ended March 31, 2022

**NOTE 67** Figures for the previous year have been regrouped/ re-arranged wherever considered necessary to confirm to the figures presented in the current year. There have been no events after the reporting date that requires disclosure in these financial statements.

**NOTE 68** The Company has complied with all the prudential norms prescribed by Reserve bank of India on income recognition, accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.

## NOTE 69 PRINCIPAL BUSINESS CRITERIA

All amount are in Lacs unless otherwise stated

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Housing Loan (₹ in Lacs)	22,136.81	22,060.28
Housing Loan for individual (₹ in Lacs)	21,026.06	20,561.76
Housing Loan* (%)	53.93%	57.13%
Housing Loan for individual (%)	51.22%	53.25%

\* Minimum regulatory percentage to be complied as per the roadmap approved by Board of Directors of the Company pursuant to RBI Directions.

**NOTE 70** Notes on Financial statements 1 to 70 are annexed and forming part of the Balance Sheet and Statement of Profit & Loss.

For & on Behalf of the Board

For **PKJ & CO.**  
Chartered Accountants  
FRN : 124115W

**Padam Jain**  
Partner  
Membership No. 071026

Place : Mumbai  
Date : May 23, 2022

**Vinod K. Jain**  
Managing Director  
(DIN:00248843)  
Place: Udaipur

**Sunaina Nagar**  
Company Secretary  
(M.No. A40754)  
Place: Udaipur

**Seema Jain**  
Director  
(DIN:00248706)  
Place: Udaipur

**Ashok Kumar**  
Chief Financial Officer  
Place: Udaipur



**SRG Housing Finance Limited**

321, S. M. Lodha Complex, Near Shastri Circle,  
Udaipur, Rajasthan - 313 001  
CIN: L65922RJ1999PLC015440