GIC HOUSING FINANCE LTD.

गृहे सौख्यम् विराजते

GICHFL/SEC/2022 **25th August, 2022**

To
The Listing Department,
The BSE Limited,
P.J. Towers,
Dalal Street,
Fort, Mumbai – 400 001

Scrip Code:

Equity – 511676
NCDs – 973005, 973115, 973854, 973866
CPs –722416, 723003, 723258, INE289B14IB3

Dear Sir,

Sub.: Intimation under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. - Submission of Annual Report for F.Y. 2021-22.

We hereby submit the Annual Report of our Company for F.Y. 2021-22 under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our AGM is scheduled to be held on 23rd September, 2022 through VC / OAVM.

This is for your information and record purpose.

Thanking you,

Yours faithfully,

Nutan Singh

Nutan Singh
Group Head & Company Secretary

Encl. a/a.

Regd. Office : National Insurance Building, 6th Floor, 14, Jamshedji Tata Road, Churchgate, Mumbai - 400 020
CIN No. : L65922MH1989PLC054583 • Tel.: (022) 4304 1900
Email : corporate@gichfindia.com • Web : www.gichfindia.com

गृहे सौख्यम् विराजते

GIC HOUSING FINANCE LTD.

YOUR ROAD TO A DREAM HOME

ANNUAL REPORT
2021-22

GICHF CSR AT A GLANCE

INSTALLATION OF TUBE WELLS - AT WEST BENGAL

DONATION OF SCHOOL BUS TO CHINMAYA VIDYALAYA - AT ANDHRA PRADESH

CONSTRUCTION OF SULABH COMPLEXES (ONGOING CSR PROJECT SITES) - AT AYODHYA (U.P.), WARANGAL & LINGAMPALLY (TELANGANA)

CORPORATE INFORMATION

BOARD OF DIRECTORS

1)	Shri Devesh Srivastava	Chairman
2)	Shri Anjan Dey	Director
3)	Smt. Suchita Gupta	Director
4)	Shri Satyajit Tripathy	Director
5)	Shri Hitesh Joshi	Director
6)	Shri NSR Chandra Prasad	Director
7)	Shri A. K. Saxena	Director
8)	Smt. Vijayalakshmi Iyer	Director
9)	Smt. Rani Singh Nair	Director
10)	Shri Vaijinath M. Gavarshetty	Director
11)	Shri S. J. Krishnan	Director
12)	Shri Kishore Garimella	Director
13)	Smt. G. Shobha Reddy	Managing Director & CEO

KEY MANAGERIAL PERSONNEL

1)	Smt. Varsha Godbole	Senior Vice President & Chief Financial Officer
2)	Smt. Nutan Singh	Group Head & Company Secretary

STATUTORY AUDITORS (F.Y. 2021-22)

M/s. M. P. Chitale & Co. (Firm Reg. No. 101851W),
Chartered Accountants

PRINCIPAL BANKERS

Axis Bank Ltd., Bank of Baroda, Bank of India, Bank of Maharashtra, Canara Bank, Catholic Syrian Bank Ltd., Central Bank of India, Corporation Bank, Federal Bank, HDFC Bank Ltd., Indian Bank, The Hongkong and Shanghai Banking Corporation Ltd., ICICI Bank Ltd., Indian Overseas Bank, The Jammu & Kashmir Bank Ltd., Karnataka Bank Ltd., Kotak Mahindra Bank Ltd., Punjab National Bank, UCO Bank, Union Bank of India.

REGISTERED OFFICE

National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate, Mumbai - 400 020.
Tel. No. +91 022- 43041900
Email: investors@gichf.com ; corporate@gichf.com

REGISTRAR AND SHARE TRANSFER AGENT

M/s. KFIN Technologies Ltd.
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana-500032.
Tel. No. +91 040- 67162222
Email: einward.ris@kfintech.com

DEBENTURE TRUSTEE

M/s. IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001.
Tel. No. +91 022- 40807000
Email: itsl@idbitrustee.com

32nd ANNUAL GENERAL MEETING

Date & Day	:	September 23, 2022 & Friday
Time	:	11.30 A.M.
Venue	:	"Through Video Conference (VC) / Other Audio Visual Means (OVAM) **[Deemed Venue]** GIC Housing Finance Limited Registered and Corporate Office National Insurance Building, 6th Floor, 14, J. Tata road, Churchgate, Mumbai 400020.

BOARD COMMITTEES

Audit Committee

1)Shri A. K. Saxena - Chairman, Independent Director
2)Shri NSR Chandra Prasad - Member, Independent Director
3)Shri Hitesh Joshi - Member, Non-Executive Director
4)Shri S. J. Krishnan - Member, Independent Director

Stakeholders Relationship Committee

1)Smt. Rani Singh Nair - Chairperson, Independent Director
2)Shri NSR Chandra Prasad - Member, Independent Director
3)Shri A. K. Saxena - Member, Independent Director

Nomination and Remuneration Committee

1)Shri A. K. Saxena - Chairman, Independent Director
2)Shri NSR Chandra Prasad - Member, Independent Director
3)Smt. Rani Singh Nair - Member, Independent Director

Risk Management Committee

1)Shri NSR Chandra Prasad - Chairman, Independent Director
2)Smt. Vijayalakshmi Iyer - Member, Independent Director
3)Shri Vaijinath M. Gavarshetty - Member, Independent Director
4)Smt. G. Shobha Reddy - Member, MD & CEO

IT Strategy Committee

1)Smt. Vijayalakshmi Iyer - Chairperson, Independent Director
2)Shri A. K. Saxena - Member, Independent Director
3)Shri Kishore Garimella - Member, Independent Director
4)Smt. G. Shobha Reddy - Member, MD & CEO
5)Shri B. Ramnathan - Member, Chief Information Officer

Corporate Social Responsibility Committee

1)Shri. NSR Chandra Prasad - Chairman, Independent Director
2)Smt. Rani Singh Nair - Member, Independent Director
3)Smt. G. Shobha Reddy - Member, MD & CEO

Management

1) Smt. Varsha Godbole - Senior Vice President & CFO
2) Shri Mukesh Khedekar - Senior Vice President & CRO
3) Shri S. A. Rama Murthy - Senior Vice President (Credit & Operations Head)
4) Shri Sajid Munshi - Senior Vice President (Collections Head)
5) Smt. Nutan Singh - Group Head & Company Secretary

BUSINESS HEAD

Sr. No.	Branch Office	Manager
1	Ahmedabad	Arpit Tambi
2	Barasat	Akshay Singh Thakur
3	Bengaluru	Umesh M Mogaveera
4	Bhubaneswar	S R Ravi
5	Boisar	Santosh Janaba Khavare
6	Borivali	Kiran Alhad Lad
7	Chandanagar	Thangaraj
8	Chandigarh	Varun Mehta
9	Chennai	G Rajasekar
10	Chinchwad	M Tamil Selvi
11	Coimbatore	Osho Yadhu T R
12	Dehradun	Amit Kumar Singh
13	Delhi	Priya Srivastava
14	Diamond Harbor	Debjyoti Mitra
15	Durgapur	Dibyendu Mohan Das
16	Dwarka	Nirmal Kishore Rawat
17	Electronic City	K Jagadish
18	Garia	Santosh Singh
19	Ghaziabad	Manmohan Singh
20	Greater Noida	Lohit T. V.
21	Gurgaon	Sawrabh Kumar
22	Guwahati	Kanai Dey
23	Hadapsar	Vicky Adtani
24	Hinjewadi	Suresh Narsappa Yelve
25	Hubli	Closed
26	Hyderabad	R V K Teja
27	Indore	Kriti Kaul Ogra
28	Jaipur	Sukhendu Acharya
29	Jodhpur	Ganesh Singh Hada
30	Kalyan	Ramesh More
31	Kengeri	Kritarth Mishra
32	Kochi	Abhilash P.s.
33	Kolhapur	Amit Vilas Desai
34	Kolkata	Debjyoti Mitra
35	Kozhikode	Geo Davis
36	L B Nagar	Kondala Sai Krishna
37	Lucknow	Deepak Kumar
38	Ludhiana	Amit Dahiya
39	Madgaon	Christopher D Souza
40	Madurai	Chandra Mogaveera
41	Malout	Varun Mehta
42	Mangalore	Shashidhara A Mogaveera
43	Meerut	Amit Thakur
44	Mumbai	Supriya Yogesh Namaye
45	Nagpur	Amol Arvind Bhosale
46	Nashik	Bhakti Ashok Patil
47	Navi Mumbai	Vinayak Sharad Joshi
48	Nellore	G Sudhakar Rao
49	Nere Panvel	Swapnil Chandrakant More
50	Noida	Pragyanand Pandey
51	Panaji	Harish Kamath
52	Panvel	S Vijayaramesh
53	Patiala	Angad Singh
54	Patna	Shilpa Gupta
55	Pitampura	Sakshi Arora
56	Porur	Syed Allah Bakshid A
57	Pune	Sushil Narayanrao Hendre
58	Raipur	Raghwendra Pratap Singh
59	Siliguri	Parameswar Ghoshal
60	Suchitra	K Ram Bhupal Reddy
61	Surat	Yogesh Suresh Namaye
62	Tambaram	Avula Puneeth Khumar
63	Thane	Joseph Thomas
64	Thrissur	Devankumar K
65	Trichy	V Kumaraguru
66	Trivandrum	Vishnu V
67	Vadodara	Arijit Ghose
68	Varanasi	Ashish Kumar Singh
69	Vasai	Sushma Rohit Shetty
70	Vijayawada	K Appa Rao
71	Virar	Amit Kumar Jha
72	Vizag	L Ananth Kumar
73	Whitefield	Suvanjan Biswas
74	Yelahanka	Shashank J Reddy

Sr. No.	Satellite Office	Manager
1	Rewari	Ravish Panghal
2	Sangareddy	Prashant Singh
3	Panipat	Adil Garg
4	Prayagraj	Rohit Raghava
5	Kanchipuram	Bhavani Shankar

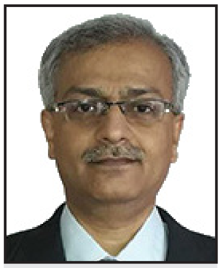
BOARD OF DIRECTORS

Devesh Srivastava
Chairman

Anjan Dey
Director

Suchita Gupta
Director

Satyajit Tripathy
Director



Hitesh Joshi
Director

NSR Chandra Prasad
Director

A. K. Saxena
Director

Vijayalakshmi Iyer
Director

Vaijinath M. Gavarshetty
Director

Rani Singh Nair
Director

Kishore Garimella
Director

S. J. Krishnan
Director

G. Shobha Reddy
Managing Director & CEO

(CIN: L65922MH1989PLC054583)
Reg. Office: National Insurance Building, 6th Floor, 14, Jamshedji Tata Road, Churchgate, Mumbai 400020, India
Tel No.: +91 22 43041900 /Email: corporate@gichf.com/investors@gichf.com/
Website: www.gichfindia.com

NOTICE

32nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of **GIC HOUSING FINANCE LTD.** will be held on Friday, September 23, 2022, at 11.30 A.M. IST through Video Conferencing (VC) or Other Audit Visual Means (OAVM) to transact the following business(es):

ORDINARY BUSINESS:

Item No. 1: To receive, consider and adopt the -

(a) Audited annual standalone financial statements for the year ended March 31, 2022 together with the Reports of the Directors and Auditors thereon.

(b) Audited annual consolidated financial statements for the year ended March 31, 2022 together with the Report of the Auditors thereon.

Item No. 2: Declaration of Dividend for the year ended March 31, 2022.

To declare dividend of Rs. 4.5/- per Equity Shares (i.e. 45%) for the financial year ended March 31, 2022.

Item No. 3: Re-appointment of Director, Shri Anjan Dey (DIN 09107033) as Non-Executive Director.

To re-appoint a Director in place of Shri Anjan Dey (DIN 09107033) who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 4: Re-appointment of Director, Smt. Suchita Gupta (DIN 08697650) as Non-Executive Director.

To re-appoint a Director in place of Smt. Suchita Gupta (DIN 08697650) who retires by rotation and, being eligible, offers herself for re-appointment.

Item No. 5: Appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm Reg. No. 101647W) as Statutory Auditors.

To consider and approve the appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm Registration no. 101647W) as Statutory Auditors of the Company for a period of 3 consecutive years from the conclusion of this 32nd Annual General till the conclusion of the 35th Annual General Meeting of the company and to pass with or without modification(s), the following resolution(s) as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) dated April 27, 2021 issued by the Reserve Bank of India ("RBI") and Frequently Asked Questions dated June 11, 2021 ("RBI Guidelines"), including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, and on the basis of recommendation of the Audit Committee and Board of Directors of the Company, M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm Reg. No. 101647W) be and is hereby appointed as Statutory Auditors of the Company in place of M/s. M. P. Chitale & Co., Chartered Accountants, Mumbai, for a period of 3 (three) consecutive years to hold the office with effect from the date of passing of this resolution until the conclusion of the 35th Annual General Meeting of the Company, subject to their continuity of fulfilment of the applicable eligibility norms, at such remuneration and out of pocket expenses, as may be decided by the Board of the Company from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may deem necessary or desirable in this regard and to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution."

SPECIAL BUSINESS:

Item No. 6: Approval for re-appointment of Shri A. K. Saxena (DIN No. 05308801) as Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and such other applicable provisions (if any) of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, Shri A. K. Saxena (DIN 05308801), who is eligible for re-appointment for second term and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a Member proposing his candidature for the Office of Director, be and is hereby re-appointed as an Independent Director of the Company for second term for a period of 3 years from the conclusion of 32nd AGM i.e. from September 23, 2022 to September 22, 2025 and his period of office shall not be liable to retire by rotation."

Item No. 7: Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.

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

"RESOLVED THAT pursuant to the provisions of Section 42, 71, 179 and other applicable provisions, if any, of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, as may be amended from time to time, the Companies (Share Capital & Debentures) Rules, 2014, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 including any amendment(s), modification(s), variation(s) or re-enactment(s) there of, Listing Regulations, Chapter XI of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 relating to guidelines on Private Placement of Non-Convertible Debentures and subject to other applicable regulations/guidelines including any amendments, consent of the Members of the Company, be and is hereby accorded to the Board to exercise its powers for making offer(s) or invitation(s) or issuing to subscribe to Redeemable Non-Convertible Debenture (NCDs)/Bonds upto an aggregate limit of Rs. 2500 Crores (Rupees Two Thousand Five Hundred Crores only) in one or more series/tranches on a private placement basis on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be during the period commencing from the date of this meeting upto the date of next Annual General Meeting on a private placement basis, as the case maybe, subject to a condition that the total outstanding Non-Convertible Debentures (NCDs)/Bonds along with other borrowing limits does not exceed the existing borrowing powers of the Board of Rs. 17,000 crores as approved in the Annual General Meeting dated September 19, 2019."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise with regard to the said matter as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Committee of Directors and / or Director(s) and / or Officer(s) of the Company, to give effect to this resolution."

Registered Office:
National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate, Mumbai 400020.

For and on behalf of the Board of Directors

Sd/-
Nutan Singh
Group Head & Company Secretary

Place: Mumbai
Date: May 18, 2022

NOTES:

1. In accordance with the 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 read with General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021 and General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (MCA) (hereinafter collectively referred to as "MCA circulars"), applicable provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Company would be providing a two-way Video Conference (VC) facility in order to provide an opportunity to all its Members to participate virtually at this AGM.

2. As per Directions of SEBI and MCA, the option of appointing proxies by the members will not be available for the AGM and hence the proxy form, attendance slip including Route Map are not annexed to this notice.

3. Member Companies or Organisations are requested to send a copy of the resolution of their governing body authorising their representative to attend and vote at the e-AGM.

4. Members can raise questions during the meeting or in advance by sending mail at investors@gichf.com. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.

5. The attendance of the Members (member logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. In terms of the provisions of Section 107 of the Companies Act 2013, since the resolutions as set out in this Notice are being conducted through e-voting (including remote e-voting), the said resolutions will not be decided on a show of hands at the e-AGM.

7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 17(11) and other information to shareholders pursuant to regulation 36(3) & (5) of SEBI (LODR) Regulations, 2015 in respect of item no(s). 3 to 7 is given below and forms part of the Notice.

8. The dividend as recommended by the Board, if declared at the meeting, will be subject to deduction of tax at source and will be paid to those Members whose names appear in the Register of Members/statements of beneficial position as on the record date i.e. September 2, 2022 (Friday).

9. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the Depositories for depositing dividend. Dividend will be credited to the Members' Bank Account through electronic mode wherever complete core banking details are available with the Company. In cases where the core banking details are not available, Demand Drafts will be posted to their registered addresses.

10. Members holding shares in physical form are requested to promptly notify in writing their bank account details/any change therein or change in their address, nomination, e-mail address, mobile number, etc. in Form ISR-1 along with requisite documents as mandated by SEBI, to our RTA, M/s. Kfin Technologies Limited. Members holding shares in electronic form are requested to notify the change in above particulars directly to their DP.

11. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in the dematerialised form, they must quote their DP ID. and Client ID. No(s).

12. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to an individual Member. Members holding shares in physical form may utilise the nomination facility available by sending the prescribed Form No.SH-13 duly filled, to our RTA, M/s. KFin Technologies Ltd. Members holding shares in dematerialised form have to send their "nomination" request to the respective Depository Participants.

    Nomination Form is made available at our website https://gichfindia.com/Investors%20Information%20&%20Compliances.html.

13. In terms of the provisions of Section 124(5) of the Companies Act, 2013, money transferred to the Unpaid Dividend Account of the Company, which remain unclaimed and unpaid for a period of 7 consecutive years from the date on which it was first due for payment, are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125(1) of the Companies Act, 2013.

    During the year 2021-22, the Company has deposited a sum of Rs. 21,51,480/- to Investor Education and Protection Fund of the Central Government, on account of unclaimed/ unpaid dividend for the year 2013-14 after sending reminder letters to individual shareholders (at the address particulars available with the Company/RTA) to claim their unclaimed dividend.

    Pursuant to the provisions of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the shares in respect of which Dividend has not been claimed by/paid to the shareholders respectively for seven consecutive years or more would be transferred to IEPF Demat Account. The list of shareholders, whose shares are due for transfer (for F.Y. 2014-15) have been updated on the website of the Company.

14. Members who have not encashed or received their dividend are requested to approach our RTA, M/s. KFin Technologies Ltd.

15. All Documents as referred to the Notice are open for inspection in electronic mode only. Members can inspect the same by sending an email to investors@gichf.com up to the date of the Annual General Meeting.

16. The Notice calling the AGM has been uploaded on the website of the Company at www.gichfindia.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and same is also available on the website of M/s. KFIN Technologies Ltd. (e-Voting Service Provider) at https://evoting.kfintech.com.

17. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail IDs are registered with the Company/RTA or the Depositories viz. NSDL and CDSL. Members who have not registered their email IDs are requested to follow below process –

i. Members holding shares in electronic mode can get their email ID registered by contacting their respective Depository Participant.

ii. Members holding shares in physical form may register/update their email address and mobile number with the Company's RTA- M/s. KFin Technologies Limited ("KFin") by sending an e-mail request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual Report, AGM Notice and the e-voting instructions or alternatively sending Form ISR – 1 (available on the website of the RTA https://karisma.kfintech.com/downloads/2Form_ISR-1.pdf) to the RTA of the Company.

We urge Members to support this Green Initiative effort of the Company and get their email ID registered.

18. Instructions for the Members for attending the e-AGM through Video Conference -

a. Member will be provided with a facility to attend the e-AGM through Video Conferencing platform provided by KFin, which can be accessed at https://emeetings.kfintech.com/ by clicking "Video Conference" and login by using the remote e-voting credentials. The link for e-AGM will be available in 'shareholder's / members' login where the EVENT and the Name of the Company can be selected.

b. 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.

c. Members are encouraged to join the Meeting through Desktop/Laptops with Google Chrome for better experience.

d. Further, Members will be required to allow camera, when they speak and hence Members are requested to use Internet with a good speed to avoid any disturbance during the meeting.

e. 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.

f. Members who will be present in the e-AGM and have not cast their vote through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting at the e-AGM. Please use your login credentials for accessing both the remote e-voting and e-AGM through VC / OAVM platform. If you forget your password, you can reset your password by using "Forgot user details/Password" option available on https://evoting.kfintech.com.

19. Procedure for remote e-Voting and Voting during the e-AGM

a. Members are requested to attend and participate at the e-AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during e-AGM.

b. The facility of e-voting during the e-AGM will be available to those Members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the e-AGM through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a Member casts votes by both modes i.e. voting at e-AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the e-AGM shall be treated as invalid.

c. In compliance with the provisions of Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 relating to 'e-voting Facility Provided by Listed Entities' ("SEBI e-voting Circular"), the Company is pleased to provide to the Members, a facility to exercise their right to vote on resolutions proposed to be considered at the e-AGM by electronic means through e-voting services arranged by M/s. KFin Technologies Ltd.. Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").

d. The remote e-voting period commences on September 19, 2022 (Monday) and ends on September 22, 2022 (Thursday). During this period, Members' of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by M/s. KFin Technologies Ltd. for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. September 16, 2022 (Friday).

e. Any person holding shares in physical form and non-individual shareholders holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com In case they are already registered with KFin for remote e-voting, they can use their existing User ID and password for voting.

f. In terms of SEBI e-voting Circular, e-voting process has been enabled for all 'individual demat account holders', by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participant(s) ("DP").

20. Instructions for Voting through electronic means (Remote e-voting)

A. Access to Depositories e-voting system in case of individual Members holding shares in demat mode.

Type of Member	Login Method	
Individual Members holding securities in demat mode with NSDL	**1.**	**Existing Internet-based Demat Account Statement ("IDeAS") facility Users:**
	i.	Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile
	ii.	On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password.
	iii.	After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed.
	iv.	Click on company name i.e. 'GIC Housing Finance Limited' or e-voting service provider ("ESP") i.e. KFin.
	v.	Members will be re-directed to KFin's website for casting their vote during the remote e-voting period and voting during the e-AGM.
	2	**Those not registered under IDeAS:**
	i.	Visit https://eservices.nsdl.com for registering.
	ii.	Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.
	iii.	Visit the e-voting website of NSDL https://www.evoting.nsdl.com/.
	iv.	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.
	v.	Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.
	vi.	After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.
	vii.	Click on company name i.e. GIC Housing Finance Limited or ESP name i.e. KFin after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period and voting during the e-AGM.
	viii.	Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
		NSDL Mobile App is available on App Store Google Play

Type of Member	Login Method	
Individual Members holding securities in demat mode with CDSL	**1.**	**Existing user who have opted for Electronic Access To Securities Information ("Easi / Easiest") facility:**
	i.	Visit https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com
	ii.	Click on New System Myeasi.
	iii.	Login to Myeasi option under quick login
	iv.	Login with the registered user ID and password.
	v.	Members will be able to view the e-voting Menu.
	vi.	The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication.
	2.	**User not registered for Easi / Easiest**
	i.	Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering.
	ii.	Proceed to complete registration using the DP ID, Client ID (BO ID), etc.
	iii.	After successful registration, please follow the steps given in point no. 1 above to cast your vote.
	3.	**Alternatively, by directly accessing the e-voting website of CDSL**
	i.	Visit www.cdslindia.com
	ii.	Provide demat account number and PAN
	iii.	System will authenticate user by sending OTP on registered mobile and email as recorded in the demat account.
	iv.	After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'GIC Housing Finance Limited' or select KFin.
	v.	Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication
Individual Members login through their demat accounts / Website of DP	i.	Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.
	ii.	Once logged-in, Members will be able to view e-voting option.
	iii.	Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.
	iv.	Click on options available against GIC Housing Finance Limited or KFin.
	v.	Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990** and **1800 22 44 30**
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738** or **022-23058542-43**

B. Access to KFin e-voting system in case of Members holding shares in physical form and non-individual Members in demat mode

(1) Members whose email IDs are registered with the Company / DPs, will receive an email from KFin which will include details of e-voting Event Number ("EVEN"), USER ID and password.

They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a Member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.,). The system will prompt the Member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that Members do not share their password with any other person and that they take utmost care to keep their password confidential.

v. Members would need to login again with the new credentials.

vi. On successful login, the system will prompt the Member to select the "EVENT" i.e., GIC Housing Finance Limited - AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, a Member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A Member may also choose the option ABSTAIN. If a Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.

ix. Voting has to be done for each item of the Notice separately. In case Members do not desire to cast their vote on any specific item, it will be treated as abstained.

x. A Member may then cast their vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a Member has voted on the resolution(s), they will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(2) Members whose email IDs are not registered with the Company/ DPs, and consequently the Annual Report, Notice of e-AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members are requested to follow the process as guided to capture the email address and mobile number for receiving the soft copy of the AGM Notice and e-voting instructions along with the User ID and Password. In case of any queries, Members may write to einward.ris@kfintech.com.

ii. After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.

C. Access to join the e-AGM on KFin system and to participate and vote thereat.

i. Members will be able to attend the AGM through VC / OAVM platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company / KFin.

ii. After logging in, click on the Video Conference tab and select the EVEN of the Company.

iii. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that Members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above.

21. Other Instructions-

a. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the e-AGM.

b. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of e-AGM and holding shares as of the cut-off date may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD<space>E-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399

Example for NSDL: MYEPWD<SPACE> IN12345612345678

Example for CDSL: MYEPWD<SPACE> 1402345612345678

Example for Physical: MYEPWD<SPACE> XXX1234567890

ii. If email ID of the Member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members may send an email request to: evoting@kfintech.com If the Member is already registered with the KFin e-voting platform then such Member can use his / her existing User ID and password for casting the vote through remote e-voting.

c. Shri Makarand M. Joshi of M/s. Makarand M. Joshi & Co. has been appointed as Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner.

d. The procedure for e-voting during the e-AGM will be the same as the instructions mentioned above for remote e-voting as the AGM is being held through VC / OAVM.

e. The e-voting window shall be activated upon instructions of the Chairman of the e-AGM during the e-AGM. E-voting during the e-AGM is integrated with the VC / OAVM platform and no separate login is required for the same.

f. The Scrutinizer shall after the conclusion of voting at the e-AGM will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall prepare and submit to the company a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting therewith within 2 working days of conclusion of the e-AGM.

g. The Results declared along with Scrutinizer's Report shall be placed on the Website of the Company www.gichfindia.com after the declaration of result by the Chairman or a person authorized by him in writing and also the same will be communicated to the stock exchanges viz. National Stock Exchange of India Ltd. and BSE Limited.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 17(11) OF SEBI (LODR) REGULATIONS, 2015 AND ADDITIONAL INFORMATION AS PER REGULATION 36 OF SEBI (LODR) REGULATIONS, 2015 AND SECRETARIAL STANDARDS TO THE EXTENT APPLICABLE.

Item No. 3 – Re-Appointment of Shri Anjan Dey (DIN 09107033) as Non-Executive Director.

Shri Anjan Dey (DIN 09107033), was appointed as an Additional Director (Non-executive) w.e.f. April 12, 2021 on the Board of the Company and he has been appointed by the Members as Non-Executive Director at the 31st Annual General Meeting of the company held on September 27, 2021.

In terms of section 152(6)(d) of the Act, Shri Anjan Dey (Non-executive Director), being longest in the office since his last appointment, would be liable to retire by rotation at this 32nd AGM of the Company and eligible to be re-appointed as Non-executive Director at the same meeting.

He is qualified to be re-appointed as a Director in terms of section 164 of the Companies Act, 2013, and he has consented to act as a Director of the company. He has also confirmed to meet Fit & Proper Criteria as per NBFC- HFC (RBI) Directions, 2021.

Resolution No.3 is an ordinary business. However, in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, the following particulars relating to Shri Anjan Dey are provided below for the information of Members.

Age (Completed Years)	58 years
Qualification	Bachelor of Science, Member of Insurance Institute of India and Master of Business Administration (MBA)
Experience & Expertise in specific functional areas / Brief Profile	Shri Anjan Dey is the Chairman and Managing Director (CMD) of The Oriental Insurance Company Ltd. He brings with him more than 34 years of rich experience in insurance industry. He began his career as a Direct Recruit Officer of The New India Assurance Company Limited in 1986 where he acquired rich experience in various fields of marketing and technical areas across the Country besides heading prestigious Regional Offices at Mumbai. His overseas postings include serving as COO of Aruba Dutch Carribean Islands and as CEO and Managing Director of Tanzindia Assurance Company, Tanzania, for over eight years. He was elevated to the position of Chairman-cum-Managing Director of The Oriental Insurance Company Limited, vide Government notification dated March 10, 2021.
Terms & Condition of Appointment	As per the resolution set out in this Notice read with the Statement hereto.
Remuneration (including Sitting fees)- **Last drawn & Proposed to be paid**	Non-Executive Directors are not paid any sitting fee by the Company. However, memento/gift (if any) of nominal amount are provided to all Board Members as token of appreciation for their services/guidance etc. to the company.
Date of first appointment in the Board	April 12, 2021
Shareholding in the Company (including beneficial ownership)	NIL
Relationship with other Directors / Key Managerial Personnel **(i.e. Inter-se relation)**	Not related to any other Director / Key Managerial Personnel (i.e. No inter-se relation)
Number of Board Meetings attended during the financial year (FY 2021-22)	3 (Three) out of 8 (Eight) Board Meetings held since his appointment.

Details of Past Directorship / Committee Membership in listed entities (In last 3 years)	**Name of Company**	**Board Membership**	**Statutory Committee Membership**
	NIL		
Details of present Directorship in other entities	**Name of Company**	**Board Membership**	**Statutory Committee Membership**
	The Oriental Insurance Co. Ltd.	Chairman cum Managing Director	Risk Management Committee – Chairman
	Health Insurance TPA of India Ltd.	Director	NIL
	Agriculture Insurance Company of India Ltd.	Director	NIL
	The Industrial Credit Company Ltd.	Director	NIL

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolution set at Item No. 3 to be passed as an Ordinary Resolution.

ITEM NO. 4: Re-appointment of Smt. Suchita Gupta (DIN 08697650) as Non-Executive Director.

Smt. Suchita Gupta (DIN 08697650), was appointed as an Additional Director (Non-executive) w.e.f. August 11, 2021 on the Board of the Company and has been appointed by the Members as Non-Executive Director at the 31st Annual General Meeting held on September 27, 2021.

In terms of section 152(6)(d) of the Act, Smt. Suchita Gupta (Non-executive Director), being longest in the office since her last appointment, would be liable to retire by rotation at this 32nd AGM of the Company and eligible to be re-appointed as Non-executive Director at the same meeting.

She is qualified to be re-appointed as a Director in terms of section 164 of the Companies Act, 2013, and has also consented to act as a Director of the company. She has also confirmed to meet Fit & Proper Criteria as per NBFC- HFC (RBI) Directions, 2021.

Resolution No.4 is an ordinary business. However, in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, the following particulars relating to Smt. Suchita Gupta are provided below for the information of Members.

Age (Completed Years)	58 years
Qualification	Master’s degree in Commerce (M. Com) and a bachelor's degree in Law (L.L.B.) from University of Mumbai. She is a Fellow Member of the Insurance Institute of India (“III”) and the Institute of Company Secretaries of India (“ICSI”).
Experience & Expertise in specific functional areas / Brief Profile	Smt. Suchita Gupta is the CMD of National Insurance Co. Ltd. Smt. Suchita Gupta joined the General Insurance Corporation of India (GIC-Re) as a direct recruit officer in 1987. Prior to taking charge as CMD of National Insurance Company Ltd. on August 2, 2021, she has been General Manager & Company Secretary and Chief Financial Officer of the GIC Re where she was heading Finance, Life Re & Health, CMD & Board Secretariat, Coordination, Compliance, Investment (Mid & Back Office) departments of the Corporation.
Terms & Condition of Appointment	As per the resolution set out in this Notice read with the Statement hereto.
Remuneration (including Sitting fees)- Last drawn & Proposed to be paid	Non-Executive Directors are not paid any sitting fee by the Company. However, memento/gift (if any) of nominal amount are provided to all Board Members as token of appreciation for their services/guidance etc. to the company.
Date of first appointment in the Board	Originally appointed on February 12, 2020 as Additional Director & resigned on August 3, 2021 & re-appointed by Board on August 11, 2021
Shareholding in the Company (including beneficial ownership)	NIL

Relationship with other Directors / Key Managerial Personnel (i.e. Inter-se relation)	Not related to any other Director / Key Managerial Personnel (i.e. No inter-se relation)		
Number of Board Meetings attended during the financial year (FY 2021-22)	3 (Three) out of 5 (Five) Board Meetings held since her appointment on August 11, 2021.		
Details of Past Directorship / Committee Membership in listed entities (In last 3 years)	**Name of Company**	**Board Membership**	**Statutory Committee Membership**
	NIL		
Details of present Directorship in other entities	**Name of Company**	**Board Membership**	**Statutory Committee Membership**
	National Insurance Co. Ltd.	Chairman cum Managing Director	Risk Management Committee - Chairperson CSR Committee -Chairperson ALM Committee - Chairperson Stakeholders Relationship Committee - Member
	Health Insurance TPA of India Ltd.	Director	Risk Management Committee – Member
	Agriculture Insurance Company of India Ltd.	Director	Risk Management Committee – Member

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolution set at Item No. 4 to be passed as an Ordinary Resolution.

Item No. 5: Appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm registration no. 101647W) as Statutory Auditors.

The Members of the Company at their 29th Annual General Meeting (AGM) held on September 19, 2019, had appointed M/s. M. P. Chitale & Co., Chartered Accountants as the Statutory Auditors for a period of 5 (five) years, to hold office from the conclusion of the 29th AGM until the conclusion of the 34th AGM of the Company.

Further, it is informed that the Reserve Bank of India (RBI) on April 27, 2021 had issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) (RBI Guidelines). In order to protect the independence of the auditors/ audit firms, the tenure for appointment of said auditors/audit firms is required to be 3 (three) years maximum. Subsequently, the RBI had also released Frequently Asked Questions (FAQs) dated June 11, 2021, inter alia clarifying that the existing statutory auditors who have completed 3 years with an entity would not be able to continue as auditors with effect from second half of the financial year 2021-22, even though they may not have completed their present tenure as approved by the Members of the said entity.

Consequently, in terms of the RBI Guidelines and related FAQs, M/s. M. P. Chitale & Co. shall not be eligible to continue as the Statutory Auditors of the Company due to completion of their 3 years' tenure.

Accordingly, Board has appointed M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm registration no. 101647W) as Statutory Auditors of the company and recommending to the shareholders for approval.

Following are the disclosure as per Regulation 36 (5) of SEBI (LODR) Regulations, 2015 –

Proposed fee payable to Statutory Auditors	Upto Rs. 18 Lakh for F.Y. 2022-23 plus other regulatory certification and out of pocket expenses/taxes extra.
Terms of Appointment	As per the resolution set out in this Notice read with the Statement hereto.
Material change in the fee payable to auditor	No material change in the fee for the proposed new Auditor. Outgoing auditors were paid the statutory audit fee including Limited Review fee of Rs. 19.50 lakh plus taxes extra during F.Y. 2021-22.

Basis of recommendation	The recommendations are based on the fulfilment of the eligibility criteria prescribed by RBI guidelines and the Companies Act, 2013 with regard to the fulltime partners, statutory and other audit experience of the firms, requisite qualification, No. of professional staff, assessment of criteria of independence, additional considerations as per Company's policy, etc.
Auditor's credentials	M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm registration no. 101647W) was founded in 1908. The firm provides various audit and advisory services. The firm has more than 60 audit staff and 8 partners in India. The Firm also engages technical experts of various industries on retainer and employs them on specific assignments where their expertise is needed.

Accordingly, the approval of the Members of the Company is requested pursuant to Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules made thereunder and guidelines issued by the RBI including any amendments, modifications, variations or re-enactments thereof, to appoint M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm registration no. 101647W) as Statutory Auditors of the Company, with the terms and conditions of appointment as mentioned in resolution set out in the Notice read with the Statement hereto including authorisation to the Board for determining the overall fee payable to the Statutory Auditors during their tenure in the Company.

The Members are also requested to authorize the Board of Directors or any other person(s) authorised by the Board or the Audit Committee to do all such acts, deeds, matters and things that are necessary for the purpose of settling all questions, difficulties or doubts that may arise in regard to implementation of the resolution including but not limited to determination of roles and responsibilities/ scope of work of the Statutory Auditors, negotiating, finalising, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolution set at Item No. 5 to be passed as an Ordinary Resolution.

Item No. 6 – Reappointment of Ajit Kumar Saxena (DIN: 05308801) as Independent Director.

Shri Ajit Kumar Saxena (DIN: 05308801), was appointed as Independent Director on November 1, 2019 for a first term of 2 years in terms of Section 149 and 152 of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Companies Act, 2013 and his term is expiring in this 32nd AGM of the Company.

Your Company has received a notice in writing from a member, under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 signifying the intention to propose the re-appointment of Shri A. K. Saxena, as an Independent Director of the Company at this AGM.

Shri A. K. Saxena is willing to act as an Independent Director of the Company, if so appointed and has given his consent for the same. Shri A. K. Saxena has also confirmed to meet Fit & Proper Criteria as per NBFC- HFC (RBI) Directions, 2021. Shri A. K. Saxena is qualified to be re-appointed as a Director in terms of section 164 of the Companies Act, 2013 and meets all the criteria of Independence as mentioned under Section 149(6) of Companies Act, 2013 and SEBI Listing Regulations.

The Nomination Remuneration Committee and Board have recommended the re-appointment of Shri A. K. Saxena as an Independent Director of the Company for second tenure of three years from the conclusion of 32nd AGM i.e. from September 23, 2022 to September 22, 2025.

Brief Profile of Shri A. K. Saxena pursuant to SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is provided in the table below:

Age **(Completed Years)**	65 years
Qualification	LL.B.
Experience & Expertise in specific functional areas / Brief Profile	Shri Ajit Kumar Saxena is the ex-Chairman cum Managing Director of The Oriental Insurance Company Ltd. He is a Direct Recruit Officer of the 1979 batch in special cadre. He started his career with The New India Assurance Co. Ltd. where he worked in various positions in India and abroad. He is having experience of more than 37 years in Non-life Insurance Industry. He was also in charge of Philippines Operations of The New India Assurance Co. Ltd. from 1994 to 1999. He was also posted as General Manager at Kenindia Assurance Company from 2002 to 2004.

<table>
<tr><td>Terms & Condition of Appointment</td><td colspan="3">As per the resolution set out in this Notice read with the Statement hereto.</td></tr>
<tr><td>Remuneration (including Sitting fees)- Last drawn & Proposed to be paid</td><td colspan="3">Payment of sitting fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board. However, memento/gift (if any) of nominal amount are provided to all Board Members as token of appreciation for their services/guidance etc. to the company.</td></tr>
<tr><td>Date of first appointment in the Board</td><td colspan="3">November 1, 2019</td></tr>
<tr><td>Shareholding in the Company (including beneficial ownership)</td><td colspan="3">NIL</td></tr>
<tr><td>Relationship with other Directors / Key Managerial Personnel
(i.e. Inter-se relation)</td><td colspan="3">Not related to any other Director / Key Managerial Personnel (i.e. No inter-se relation)</td></tr>
<tr><td>Rational for recommending the appointment</td><td colspan="3">In the opinion of the Board, Shri A. K. Saxena possesses appropriate skills, experience , knowledge & fulfils the conditions for re-appointment as Independent Director as specified in the Act, SEBI (LODR) Regulations, 2015 and that he is independent of the Management of the Company.</td></tr>
<tr><td>Number of Board Meetings attended during the financial year (FY 2021-22)</td><td colspan="3">9 (Nine) out of 9 (Nine) Board Meetings held since his appointment.</td></tr>
<tr><td rowspan="2">Details of Past Directorship / Committee Membership in listed entities (In last 3 years)</td><td>Name of Company</td><td>Board Membership</td><td>Statutory Committee Membership</td></tr>
<tr><td colspan="3">NIL</td></tr>
<tr><td rowspan="2">Details of present Directorship in other entities</td><td>Name of Company</td><td>Board Membership</td><td>Statutory Committee Membership</td></tr>
<tr><td>Health Insurance TPA of India Ltd.</td><td>Independent Director</td><td>Audit Committee - Chairman
Nomination and Remuneration - Chairman</td></tr>
</table>

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolution set at Item No. 6 to be passed as Special Resolution.

Item No. 7: Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.

As per Section 42 of the Companies Act, 2013 read with Rules framed there under, a Company offering or making an Invitation to subscribe to Redeemable Non-Convertible Debentures (NCDs) / Bonds on a Private Placement basis, is required to take approval of Members by way of Special Resolution once in a year for all the offers or invitations for such Redeemable Non-Convertible Debentures/Bonds during the year.

Accordingly, seeing the long term borrowing requirement of the Company and to augment resources at a cheaper rate of interest, approval is sought to mobilize some more funds by way of issue of Redeemable NCDs/Bonds on private placement basis. SEBI vide its circular dated November 26, 2018 mandated listed Companies who are considered as Large Corporate (LC) shall raise not less than 25% of its incremental borrowings, during the financial year subsequent to the financial year in which it is identified as a LC, by way of issuance of debt securities. Accordingly, our Company being a Large Corporate, is required to comply with the said SEBI Circular also.

Hence, considering the above requirements, we are seeking approval for issue of Redeemable Non-Convertible Debentures (NCDs) / bonds on a Private Placement basis, for an aggregate amount upto Rs.2500 crores (Rupees Two Thousand Five Hundred Crores only) which is within the overall Borrowing limits of the Company as approved by Members from time to time.

The terms of issue of such NCDs (in one or multiple tranches) 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 required details/ disclosures relating to the issue would be made available in the standard regulatory disclosure document.

Accordingly, the approval of Members is being sought by way of Special Resolution in compliance with the applicable provisions of the Act, read with Rules made there under, in the manner as set out in Item No. 7 of this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the resolution set at Item No. 7 to passed as Special Resolution.

Registered Office:
National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate, Mumbai-400020

For and on behalf of the Board of Directors

Sd/-
Nutan Singh
Group Head & Company Secretary

Place: Mumbai
Date: May 18, 2022

DIRECTORS' REPORT

Dear Members,

The Directors' have pleasure in presenting the 32nd Annual Report of your Company together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022.

FINANCIAL HIGHLIGHTS (CONSOLIDATED) (Rs. in Lakh)

PARTICULARS	March 31, 2022
Total Income	1,15,640
Less: Interest expenditure	70,095
Overheads	21,653
Depreciation & amortization	858
Profit Before Tax	23,034
Provision for Tax	6,400
Deferred Tax Assets	(717)
Profit After Tax	17,351
Other Comprehensive Income	97
Total Comprehensive Income	17,448

FINANCIAL HIGHLIGHTS (STANDALONE) (Rs. in Lakh)

PARTICULARS	March 31, 2022	March 31, 2021
Total Income	1,15,640	1,23,955
Less: Interest expenditure	70,095	82,287
Overheads	21,647	27,765
Depreciation & amortization	858	448
Profit Before Tax	23,040	13,455
Provision for Tax	6,400	5,211
Deferred Tax Assets	(717)	(2,313)
Profit After Tax	17,357	10,557
Other Comprehensive Income	97	(7)
Total Comprehensive Income	17,454	10,550
Profit brought forward	2,163	1,160
Profit available for appropriation	19,617	11,710

IMPORTANT FINANCIAL RATIOS

PARTICULARS	March 31, 2022	March 31, 2021
Return on Net Worth (%)	11.55	7.77
Return on Total Assets (%)	1.46	0.83
Book Value per share (Rs.)	280.55	252.14
Earnings per share (Rs.)	32.23	19.60
Debt Equity Ratio (times)	6.85	8.26
Average cost of funds (%)	6.50	7.17
Average yield on advances (%)	9.81	9.69
Net Interest Margin (%)	3.31	2.53

DIVIDEND

Your Directors recommend payment of dividend for the year ended March 31, 2022 of Rs. 4.5/- per equity share of Rs. 10/- each (i.e. 45%). The total dividend outgo for the current year would amount to Rs. 24.23 crores, as against Rs. 21.54 crores in the previous year. The dividend payout ratio for the current year will be 13.88% as against 20.26% of previous year. The proposed dividend will be considered as liability on approval of shareholders at 32nd AGM.

Consequent to amendment made in the budget 2020, DDT u/s 115-O has been abolished, dividend paid on or after April 1, 2020 attracts TDS under section 194 at the rate of 10% if the aggregate of the amounts of such dividend distributed or paid during the year exceeds Rs. 5,000/- to a shareholder being an individual, for all other cases no threshold limit.

However, no TDS shall be deducted in case of any dividend payment to any Insurance Company and Mutual Fund specified u/s. 10(23D) of Income Tax Act. Moreover, as per section 195 of the Act, TDS is required to be deducted at the rate of 20% plus surcharge on payment of Dividend to Non-Resident. Dividend Distribution policy as required u/r. 43A of SEBI (LODR) Regulations, 2015 is available on the website of Company at https://gichfindia.com/pdf/DIVIDEND%20DISTRIBUTION%20POLICY%20(2).pdf

HIGHLIGHTS OF BUSINESS PERFORMANCE

Income, Profit, Loan Approvals and Disbursements

Total income for the year under review is Rs. 1,15,640 Lakh as against Rs. 1,23,955 Lakh for the previous year. Profit before tax for the year ended is Rs. 23,040 Lakh and Profit after tax for the year ended is Rs. 17,357 Lakh as against Rs. 13,455 Lakh and Rs. 10,557 Lakh respectively for the previous year.

The Company's main thrust continues to be on Individual Loans. New loans approved during the year amounted to Rs. 1,16,731 Lakh and loans disbursed during the year are Rs. 1,13,004 Lakh as against Rs. 1,24,694 Lakh and Rs. 1,23,891 Lakh respectively for the previous year. The Retail Loan portfolio as at March 31, 2022 stood at Rs. 11,70,750 Lakh as compared to Rs. 12,80,749 Lakh for the previous year.

During the year under review, your Company has made impairment of financial instruments including write-off (provisioning) to the extent of Rs. 11,830 Lakh as against Rs. 18,517 Lakh provided for in the previous year.

RESOURCE MOBILISATION

Your Company takes every effort to tap the appropriate source of funding to minimize the weighted average cost of funds. Your Company has mobilized resources through the following sources:

A. Term Loans from Banks and Insurance Companies

Your Company has borrowed fresh long term loans of Rs. 1345 crores from banks during the year as compared to Rs. 1,285 crores during the previous year. The aggregate of term loans outstanding as at the end of the financial year stood at Rs. 7482.15 crores as against Rs. 8,093 crores as at the end of the previous year.

B. Refinance from National Housing Bank (NHB)

Your Company has not availed any refinance from NHB during the year under review. The refinance facility outstanding as on March 31, 2022 is Rs. 1,325 crores as against Rs. 1,823 crores as at the end of the previous year.

C. Short term Loan and Commercial Paper

During the FY 2021-22, your Company has raised resources by issuing Commercial Paper and also resorted to short term borrowings from the banks and the total outstanding amount as on March 31, 2022 is Rs. 593 crores. Your company affirms that there has been no deviation or variation in the utilization of proceeds of Commercial Papers, from the objects stated in offer document.

D. Non-Convertible Debentures

Your Company has issued Secured Non-Convertible Debentures (NCDs) of Rs. 450 Crores as on March 31, 2022 on private placement basis.

Your Company has total outstanding NCDs of Rs. 945 crs. as on March 31, 2022.

Your Company has created charge in favor of Debenture Trustee on outstanding value of NCDs and is also maintaining appropriate security Cover. Your company is having sufficient liquidity to honor all the payment obligations w.r.t. interest payment and principle re-payment on outstanding NCDs.

Your company affirms that there has been no deviation or variation in the utilization of proceeds of NCDs, from the objects stated in offer document.

Pursuant to NBFC-HFCs (RBI) Master Directions, 2021, the following statement is provided –

Total No. of NCDs which have not been claimed by the Investors or paid by the Company after the date on which NCDs became due for redemption	NIL
Total Amount in respect of NCDs remaining unclaimed / unpaid beyond due date	NA

AMOUNTS TRANSFERRED TO RESERVES

The Company has transferred Rs. 54.25 crore to Special Reserve u/s 36(1)(viii) of the Income-Tax Act, 1961 and an amount of Rs. 95.80 crore to General Reserve.

CAPITAL ADEQUACY RATIO (CAR)

The Company has been maintaining the Capital Adequacy Ratio (CAR) above the minimum required level prescribed by National Housing Bank (NHB) / Reserve Bank of India (RBI) from time to time.

The Capital Adequacy Ratio of the Company as at March 31, 2022 is 25.71% as against 19.53% as at March 31, 2021.

CHANGE IN THE NATURE OF BUSINESS (IF ANY)

There were no fundamental changes in the business of the Company during the financial year ended on March 31, 2022.

CORPORATE AGENCY BUSINESS (IRDAI REGISTRATION NO.: CA0651)

Your Company has Certificate of Registration (Registration no. CA0651) to act as Corporate Agent (Composite i.e for Life & Non-Life Insurance) issued by Insurance Regulatory and Development Authority of India (IRDAI).

In carrying the business of Corporate Agency, your company have tied up with ‘Kotak Mahindra Life Insurance Company Ltd. (“KLI”)’ and “Aditya Birla Sun Life Insurance Company Ltd. (“ABSLI”)” for getting insurance cover on the life of the borrower to the extent of the “Outstanding Home Loan” and with TATA AIG General Insurance Company Limited for getting insurance cover on the health of borrowers. The said “Group Life/Health Cover(s)” are optional and the Company arranges this insurance on request from the borrower. These schemes ensure protection to the families of the borrower in case of un-expected eventualities like untimely death of borrower due to accident or natural death or critical illness. Your Company is getting Commission from the Insurance Companies for the Insurance Business Sourced to them at the rates as permitted by IRDAI.

HOLDING AGM

AGM of your Company is scheduled to be held on September 23, 2022 which is in line with statutory time lines as provided under the provisions of the Companies Act, 2013 and/or any other laws for the time being in force as may be applicable to the Company.

CREDIT RATING

Your Company had received rating from CRISIL and ICRA for its various borrowing programmes as follows:

CRISIL Rating:

- For Commercial Paper programmes of Rs.1,500 crores as A1+.
- For Fund Based Long Term Loan Programme of Rs.100 crores as AA+ STABLE.
- For Non-Convertible Debentures Borrowing Programme of Rs.1,505 crores AA+ STABLE.

ICRA Rating:

- For Commercial Paper (Rs.1,500 crores)/ short term loan (Rs.1,000 crores) programmes of Rs.2,500 crores as A1+.
- As per the Basel-II requirements - For Fund Based Long Term Loan Programme of Rs. 12,500 crores as AA (Stable).
- For Non-Convertible Debentures Borrowing Programme of Rs.1,550 crores as AA (Stable).

INSURANCE COVERAGE TO BORROWERS

Your Company had taken “Special Contingency Insurance” with The New India Assurance Company Ltd., which covers the borrowers of your Company as under:

- Personal Accident Insurance: Personal accident (death only) risk cover, free of cost to the borrowers up to an amount of outstanding loan at any particular point of time during the term/ tenure of the housing loan.
- Mortgaged Property Insurance: The property acquired out of loan, for and up to an extent of the outstanding loan amount, covered free of cost against fire, earthquake and allied perils affecting the mortgaged property.

BRANCH EXPANSION

The Company has opened 5 Satellite Offices during the year to improve its geographical presence. However, no new Branch(s) were opened during the year under review. The total number of Branch Offices and Satellite Offices as on March 31, 2022 is 74 and 5 respectively. Your Company is initiating brand building measures to generate general awareness and improve the brand image of the Company.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The ratio of remuneration of each Director to the median of employee's remuneration and such other details as required under Sec 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are furnished below:

1. **Ratio of remuneration of each Director to the median employees' remuneration for FY 2021-22.**

   The ratio of the remuneration of Managing Director to the median remuneration of the employees of the Company for the FY 2021-22 was 3.47:1 .

   Independent Directors are eligible for sitting fee only. The details of sitting fee paid to the Directors for the meetings of Board and Committees are given in the Corporate Governance Report of the Company.

2. **Percentage increase in the remuneration of each Director and Key Managerial Personnel in FY 2021-22.**

   The percentage increase in remuneration in the financial year for the Managing Director & CEO was 10.29%.

   The other Key managerial personnel of the Company are the Chief Financial Officer and the Company Secretary and the percentage increase in their remuneration was 4.68% and 7.08% respectively.

3. **Percentage increase in the median remuneration of employees in FY 2021-22.**

   The percentage increase in the median remuneration of employees in the financial year was 7.57%.

4. **Number of permanent employees on the rolls of company.**

   The work force strength of Your Company as on March 31, 2022 is 317.

5. **Average percentile increase already made in salaries of employees other than Managerial personnel in last Financial Year and its comparison with the percentile increase in Managerial Remuneration.**

   Average percentile increase in remuneration of the employees other than managerial personnel in the last financial year was 7.57% and that of Managerial remuneration was 10.29% during the period under review.

The average increase in the remuneration of both, the managerial and non-managerial personnel was determined based on the Annual Performance Evaluation, Interviews and also based on the HR policy as approved by the Board of Directors.

There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company. The Company affirms that the remuneration is as per the HR policy of the Company.

SECRETARIAL AUDITOR

The Board has appointed M/s. Makarand M. Joshi & Co., Practicing Company Secretaries as Secretarial Auditor of your Company for the financial year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed as **Annexure A** to this report.

SECRETARIAL COMPLIANCE REPORT

In terms of sub-regulation (1) of regulation 24A of Listing Regulations, 2015, Secretarial Compliance Report issued by M/s. Makarand M. Joshi & Company, Company Secretaries is annexed as **Annexure B**.

STATUTORY AUDITORS

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, M/s. M. P. Chitale & Company, Chartered Accountants, (Firm Registration No. 101851W), was appointed as Statutory Auditors of the Company for one term of 5 consecutive years from the conclusion of the 29th Annual General Meeting till the conclusion of 34th Annual General Meeting of the Company. As per RBI Circular dated April 27, 2021 relating to Guidelines for Appointment of Statutory Auditors for Banks & NBFCs (including HFCs), the Auditor(s) of these entities shall be appointed for a continuous period of 3 years only and thereafter said Auditor(s) needs to observe cooling off period of 6 years.

Your Company being a Housing Finance Company is subject to RBI circular dated April 27, 2021, and accordingly, M/s. M. P. Chitale & Co. shall not be eligible to continue as the Statutory Auditors of the Company due to completion of their 3 years' tenure.

M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm registration no. 101647W) is recommended as Statutory Auditors of the Company (in place of M/s M. P. Chitale & Co.) for a period of 3 (three) consecutive years till the conclusion of the 35th Annual General Meeting of the Company, subject to their continuity of fulfilment of the applicable eligibility norms in each F.Y.

STATUTORY AUDITORS' REPORT & FRAUD REPORTING (IF ANY)

The notes on financial statements referred in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, adverse remark or disclaimer and do not call for further comments.

During the year under review, there were no incident of fraud(s), detected and reported by statutory auditors under section 143(12) to the Central Government.

COST RECORDS & COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

MEETINGS OF THE BOARD

Board met 9 times during the year. For further details, please refer report on Corporate Governance.

COMMITTEES' OF THE BOARD & ITS MEETINGS

Composition of the various Committees of the Board including Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee along with their terms of reference and details of their meetings during the year is disclosed in Corporate Governance Report of the company which forms part of the Annual Report.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Details of Directors & KMPs appointed or ceased during the year are as follows:

Sr. No.	Name of Director(s)	Category	Effective Date	Mode of Appointment/ Cessation
Appointment(s)				
1	Smt. G. Shobha Reddy	Managing Director & CEO	12.04.2021	Appointed by Board
2	Shri Anjan Dey	Non Executive Director	12.04.2021	Appointed by Board
3	Smt. Suchita Gupta	Non Executive Director	11.08.2021	Appointed by Board
4	Shri Hitesh Joshi	Non Executive Director	07.10.2021	Appointed by Board
5	Shri Satyajit Tripathy	Non Executive Director	07.10.2021	Appointed by Board
6	Shri Vaijinath M. Gavarshetty	Independent Director	06.01.2022	Appointed by Board
7	Shri S. J. Krishnan	Independent Director	06.01.2022	Appointed by Board
8	Shri Kishore Garimella	Independent Director	06.01.2022	Appointed by Board
Cessation(s)				
1	Shri Girish Radhakrishnan	Non-Executive Director	30.06.2021	Due to superannuation
2	Smt. Tajinder Mukherjee	Non-Executive Director	30.06.2021	Due to superannuation
3	Smt. Suchita Gupta	Non-Executive Director	03.08.2021	Resigned due to elevation of services
4	Shri Prafulla P. Chhajed	Independent Director	20.12.2021	Due to resignation
5	Shri G Srinivasan	Independent Director	22.12.2021	Due to resignation
6	Shri Atul Sahai	Non-Executive Director	28.02.2022	Due to superannuation

Details of Directors appointed or ceased from the end of year till the date of adoption of Directors' Report are as follows:

Sr No.	Name of Director	Category	Effective Date	Mode of Appointment/ Cessation
Nil				

Sr. No.	Name of KMP(s)	Category	Effective Date	Mode of Appointment / Cessation
Cessation				
1	Smt. B. Radhika	CFO	29.10.2021	Resignation due to Inter-departmental transfer
Appointment				
1	Smt. Varsha Godbole	CFO	29.10.2021	Appointed by the Board

DETAILS OF APPOINTMENT AND RE-APPOINTMENT OF DIRECTOR(S)

Shri A. K. Saxena was appointed as Independent Director for first term in 30th AGM of the Company held on December 18, 2020 for a period of 2 years upto the conclusion of 32nd AGM of the Company. Hence, his current term will be expiring in this 32nd AGM of the Company. Your Company has received notice(s) in writing from shareholder(s) as per section 160 of the Companies Act, 2013 for his re-appointment.

Further, in terms of Article 138 of the Articles of Associations of the Company read with applicable provisions of Section 152 of Companies Act, 2013, two third of the total strength of the Directors of the Company are liable to retire by rotation and one third of them are required to retire every year and if eligible, may seek re-appointment at the Annual General Meeting. Accordingly, Shri Anjan Dey and Smt. Suchita Gupta are due to retire by rotation and, being eligible, offers themselves for re-appointment.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of Companies Act, 2013. The Board of Directors recommends for the reappointment of the all above named Directors. We also place a Certificate as **Annexure C** from Smt. Kumudini Bhalerao, Partner at M/s. Makarand M. Joshi & Co., Practicing Company Secretaries regarding Non-disqualification of Directors from being appointed/continue for the office of Director in our Company.

Your Independent Directors meet all the criteria of Independence as provided in Section 149(6) of Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors recommend re-appointment of above Directors and the related resolutions on the subject are included in the notice convening the 32nd Annual General Meeting of the Company.

DECLARATION BY INDEPENDENT DIRECTOR(S)

All the Independent Directors have given declaration to the Company in terms of Section 149(7) and 149(8) of the Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015 that they meet the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company. They also confirm their compliance with the Companies Code of Conduct for Directors / for Independent Directors as specified under schedule IV of the Companies Act, 2013 and the said declarations & confirmations have been placed to the Board and same is noted by the Board of Directors.

All the Independent Directors of the Company are persons of integrity, expertise and experience and have completed their registration in the databank maintained by IICA.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization program for Independent Directors is available on the website of the Company at the link - https://gichfindia.com/pdf/Familiarisation%20Programme%204-2-2022.pdf

STATEMENT ON FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Our Company has prescribed required parameters to evaluate the performance of the Board and its Committees. It is always recognized that the Board comprises appropriately qualified and professional people with broad range of experience. While evaluating the performance of the individual Director, it is always seen the Knowledge to perform their role; time and level of participation; performance of duties and level of oversight; and professional conduct and independence etc.

The performance evaluation of the Directors and Committees of the Directors was completed for the year. The performance evaluation of the Chairman, Non-Executive Directors and Independent Directors was carried out by the Board and Nomination and Remuneration Committee. The Board of Directors expressed their satisfaction with the evaluation process.

RELATED PARTY TRANSACTIONS AND POLICY ON IT

Your Company has framed Policy on Related Party Transaction pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The said policy is also available on the website of the Company at https://gichfindia.com/pdf/Policy%20on%20RPT.pdf

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC 2 have been enclosed as **Annexure D** to the Directors report which is having NIL Report.

CORPORATE SOCIAL RESPONSIBILTY (CSR) POLICY U/S 135 OF THE COMPANIES ACT, 2013

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has established Corporate Social Responsibility Committee and statutory disclosures with respect to the CSR Committee and a report on CSR expenditure is annexed as **Annexure E** to this report. The CSR policy of the Company is available on the website at https://gichfindia.com/pdf/CSR-Policy_FINAL.pdf

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework for selection and remuneration of Directors, Key Managerial Personals (KMPs') and Senior Management of the Company. The Nomination and Remuneration policy is available on the website at https://gichfindia.com/pdf/NRC%20POLICY22-08-2022.pdf and also enclosed as **Annexure F**.

BUSINESS RESPONSIBILITY REPORT:

As per Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, The Annual Report of top 1000 listed entities based on Market Capitalization shall contain Business Responsibility Report ('BRR'). Accordingly, Business Responsibility Report is enclosed as **Annexure G** to Directors' Report.

EXTRACT OF ANNUAL RETURN AS PER SECTION 92

Annual Return is available on the website of the company at https://gichfindia.com/Investors%20Information%20&%20Compliances.html

RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis Report, which forms part of this report. Your Company has also appointed Chief Risk Officer to assess, mitigate and report the potential Risk to the Company.

SHARE CAPITAL

During the financial year 2021-22, Share Capital structure of your company remained unchanged and there was neither new issue of shares to existing shareholders or new shareholders by way of Public issue or Private Placement or otherwise nor to the employees/Directors by way of ESOPs' or Sweat Equity Shares as the case may be.

DEPOSITS

Your Company has not accepted any fixed deposits and as such, no amount of Principal or interest was outstanding as on Balance sheet date.

VIGILANCE MECHANISM

As a conscious and vigilant organization, your Company has established proper vigilance mechanism for its Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company has framed Whistle Blower Policy and the same is uploaded at the website of the Company at https://gichfindia.com/pdf/WHISTLE-BLOWER-POLICY.pdf

DISCLSOURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide and promote safe and healthy environment to all its employees without any discrimination. The Internal Complaints Committee is constituted in compliance with the provisions of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there was no case filed.

Number of Complaints filed during the financial year 2021-22	NIL
Number of Complaint disposed off during the financial year 2021-22	NIL
Number of Complaint pending as on end of the financial year 2021-22	NIL

CORPORATE GOVERNANCE

The Auditors Certificate on Corporate Governance issued by the Shri Makarand M. Joshi of M/s. Makarand M. Joshi & Co., ('Secretarial Auditors') of the Company for the year under review, as required under Companies Act, 2013 and in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Report of the Directors on Corporate Governance.

Your Company has been complying with the principles of good Corporate Governance over the years. The Board of Directors supports the broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report forms part of this report.

KEY REGULATORY CHANGES

During the year under review, Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 were amended and same has been compiled by the Company to the extent of its applicability. Further, during the year, guidelines on the appointment of Statutory Auditors were issued and the Company is in compliance with the related regulatory amendments. Risk-Based Internal Audit Framework and RBI Scale Based Regulatory Framework were also issued for HFCs where Company has taken initiatives to comply the same within the defined timelines. The new guidelines on declaration of dividend by NBFCs were also issued on June 24, 2021 and same was complied with.

The Company has been complying with various amendments made in Companies Act, 2013 and Listing Regulations issued by Securities and Exchange Board of India during the year.

During the year, the Company has not made any application, or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016. The Company has not entered into one-time settlement for any loans availed from the Banks or Financial Institutions.

DECLARATION BY MANAGING DIRECTOR & CEO

Based on the declaration received from the Directors & Senior Management for the compliance of "Code of Conduct for Directors and Senior Management" as approved by the Board of the Company, MD & CEO hereby declares that all the Directors and Senior Management have complied with the said Code of Conduct for Directors & Senior Management for FY 2021-22 and said code of conduct is available on the website of the Company at https://gichfindia.com/pdf/CODE-OF-CONDUCT-FOR-DIRECTORS-SENIOR-MANAGEMENT.pdf

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Since the Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption as required to be furnished under Section 134(m) of Companies Act, 2013 are not applicable.

The Company did not earn any income in foreign currency during the year under review and also not incurred any expenses in foreign currency.

PARTICULARS OF LOANS, GUARANTEES SECURITY AND INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company being a housing finance Company is exempted from the applicability of the requirements of section 186 of the Companies Act, 2013 except for the requirements as mentioned under sub-section (1) of section 186 of the Act.

PARTICULARS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

Your Company has floated its wholly owned Subsidiary Company namely GICHFL Financial Services Private Limited on January 27, 2021 for sourcing its Home loan products. The Financial Year 2021-22 was the first operational year of the Company where main thrust was given on the hiring and training the work force for the subsidiary Company. The Consolidated financial statements incorporating the results of the subsidiary Company for the year ended March 31, 2022, are attached along with the statement in Form AOC - 1 pursuant to Section 129 of the Companies Act, 2013, with respect to the said subsidiary.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL IMPACTING GOING CONCERN STATUS OF THE COMPANY (IF ANY)

During the year under review, there were no any Significant / Material orders have been passed by any Regulators or Courts or Tribunals which affect the going concern status of your Company.

RECEIPT OF ANY COMMISSION BY MD/WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION/REMUNERATION FROM IT'S HOLDING OR SUBSIDIARY (IF ANY)

Your Company has only 1 ('one') whole time Director i.e. Managing Director & CEO. All the payments made to Managing Director & CEO are disclosed in Corporate Governance Report of the Company. Your Managing Director & CEO is also appointed as Managing Director on the Board of Subsidiary Company where no remuneration / commission is paid during the year under review.

DEMATERIALISATION OF SHARES AND NOMINATION FACILITY AND LISTING AT STOCK EXCHANGES

As per the Securities & Exchange Board of India ("SEBI") directives, the transactions of the Company's shares must be compulsorily in dematerialised form. Your Company has signed an agreement with the Central Depository Services (India) Limited ('CDSL') and National Securities Depository Limited ('NSDL') for transaction of shares in dematerialised form. Shareholders holding shares in physical form are requested to convert their holdings into dematerialised form. Out of 5,38,51,066 equity shares, 5,35,67,999 equity shares are in dematerialised form, (5,35,45,323 shares as on March 31, 2021) which is 99.47% (99.43% as on March 31, 2021) of the total shares as on March 31, 2022.

The equity shares of the Company continue to be listed on BSE Ltd., and The National Stock Exchange of India Ltd., The Annual Listing fees for the year 2022-23 were paid to these Stock Exchanges well in advance. Your Company has listed its Non-Convertible Debentures & Commercial Papers on BSE Ltd.

UNCLAIMED DIVIDEND TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

In terms of the provisions of the Companies Act, 2013, the amount (dividends) that remained unclaimed and unpaid for more than 7 years from the date become first due for payment, shall be transferred to IEPF (Fund).

Your Company has been intimating the shareholders to lodge their claim for payment due, if any, from time to time by sending Individual Reminder Letters, Newspaper publication, website disclosures etc. and any such claims, after due verifications have been settled. This information is being mentioned in the Annual Reports every year. In spite of constant and sincere efforts to pay the unclaimed dividend to the respective shareholders, certain amount of dividend still remains unclaimed.

Unclaimed/Unpaid dividend relating to FY 2013-14 amounting to Rs. 21,51,480/-, which has not been claimed by shareholders, has been transferred to Investor Education and Protection Fund (IEPF) during the month of October 2021.

In terms of the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, Company is required to transfer the shares in respect of which dividend remains unpaid and unclaimed for a period of seven consecutive years to the Investor Education and Protection Fund (IEPF) Account. We have transferred total 17,509 no. of equity shares to IEPF during the year and as on March 31, 2022, total no. of 1,65,144 shares stands in the name of IEPF Authority.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors hereby confirms that:

a. In the preparation of Annual Accounts, the applicable accounting standards have been followed and there are no material departures.

b. We have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at the end of March 31, 2022 and of the profit /Loss of the Company for the year ended on that date.

c. We have taken proper and sufficient care for the 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 fraud and other irregularities.

d. We have prepared the annual accounts on a going concern basis.

e. We have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

f. We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors thank the valued customers, shareholders for their goodwill, patronage and support.

The Directors acknowledge with gratitude the valuable and timely advice, guidance and support received from the Promoter(s) namely General Insurance Corporation of India (GIC Re), The New India Assurance Company Ltd., National Insurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Limited.

The Directors also thank the National Housing Bank, Banks, CP holders & NCDs holders for their continued support through Short Term & Long term funding.

The Directors also thank the Security Exchange Board of India (SEBI), Stock Exchanges, Depositories, Ministry of Corporate Affairs (MCA), Insurance Regulatory & Development Authority of India (IRDAI), Reserve Bank of India (RBI), Credit Rating Agencies, Government(s) local/ statutory authorities, Registrar and Share Transfer agent and the Auditors of the Company for their continued support.

The Directors place on record their deep appreciation of the valuable contribution of the members of the staff at all levels for the progress of the Company during the year and look forward to their continued cooperation in realization of the corporate goals in the years ahead.

For and on behalf of the Board of Directors

Sd/-
G. Shobha Reddy
Managing Director & CEO

For and on behalf of the Board of Directors

Sd/-
Devesh Srivastava
Non-Executive Director & Chairman

Place: Mumbai
Date: May 18, 2022

Annexure A

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GIC Housing Finance Limited,
6th Floor, National Insurance Building 14,
Jamshedji Tata Road, Churchgate,
Mumbai-400020.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. GIC Housing Finance Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Modified Opinion:

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 (hereinafter called the 'Audit Period') 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:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(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 (**Not applicable to the Company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(d) The 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 to the Company during the Audit Period)**

(e) 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;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (Hereinafter referred as **"Listing Regulations"**).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned except as mentioned below:

1. *The Board consist of 13 Directors out of which only 6 were Independent Directors as on October 07, 2021 as two Non-Executive Directors were newly appointed, thereafter the composition was not in compliance with Regulation 17(1)(b) of Listing Regulations, 2015. Later, the Company has appointed the required number of Independent Directors on the Board w.e.f. January 06, 2022. Further, Corporate governance report filed with Stock exchanges for quarter ended December, 2021 is erroneous.*

2. *In one of the instance the Company has not given a prior intimation to the Stock exchange under Regulation 29 of the Listing Regulations.*

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test -check basis the Company has complied with the following specific law to the extent applicable to the Company:

➢ National Housing Bank Directions, 2010;

➢ The National Housing Bank Act, 1987;

➢ Master Circulars/Directions to Housing Finance Companies;

➢ Insurance Regulatory and Development Authority to an extent applicable to a Corporate Agent.

We 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 except for the duration as stated above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

We further report that during the audit period,

1. The Company has issued and allotted 2250 Secured, Listed, Rated, Redeemable, Taxable, Non-Convertible Debentures (Series 5) and 2,250 Non- Convertible Debentures (Series-6) having a face value of ₹ 10 lakhs each at par for an aggregate amount of ₹ 450 crores, on Private placement basis on March 21, 2022 and March 28, 2022 respectively.
2. The Company has redeemed Commercial papers of amounting ₹ 3,950 crores.
3. The BSE Limited and National Stock Exchanges of India Limited has imposed fine of ₹ 4,30,000/- plus taxes respectively for non-compliance of Regulation 17(1) of Listing Regulations. Also, NSE has levied penalty of ₹ 10,000/- plus taxes for non-compliance of Regulation 29(2) of Listing Regulations.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Sd/-

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
Peer Review No: 640/2019
UDIN: F005533D000343101

Date: May 18, 2022
Place: Mumbai

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

'Annexure'

To,
The Members,
GIC Housing Finance Limited,
6th Floor, National Insurance Building 14,
Jamshedji Tata Road, Churchgate,
Mumbai-400020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Sd/-

Makarand Joshi
Partner
FCS No. F5533
CP No. 3662
Peer Review No: 640/2019
UDIN: F005533D000343101

Date: May 18, 2022
Place: Mumbai

Annexure B

ANNUAL SECRETARIAL COMPLIANCE REPORT

For the financial year ended March 31, 2022

To,
The Members,
GIC Housing Finance Limited,
6th Floor, National Insurance Building 14,
Jamshedji Tata Road, Churchgate,
Mumbai-400020.

We, M/s. Makarand M. Joshi & Co, Practicing Company Secretaries, have examined:

(a) all the documents and records made available to us and explanation provided by **GIC 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 on 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) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as **"Listing Regulations"**);

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the listed entity during the Review Period)**

c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **(Not Applicable to the listed entity during the Review Period)**

e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable to the listed entity;

f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the listed entity during the Review Period)**

g) 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;

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

i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

and circulars/ guidelines issued thereunder and SEBI circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 in respect of Resignation of statutory auditors from listed entities and their material subsidiaries and based on the above examination, we hereby report that, during the review period:

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

Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Remarks of the Practicing Company Secretary
As per Regulation 17(1) of Listing Regulations Composition of Board	The Listed entity does not have required number of Independent Directors in Board.	The Board consist of 13 Directors out of which only 6 were Independent Directors as on October 07, 2021 as two Non-Executive Directors were newly appointed, thereafter the composition was not in compliance with Regulation 17(1)(b) of Listing Regulations, 2015. Later, the listed entity has appointed the required number of Independent Director on the Board w.e.f. January 06, 2022. Further, Corporate governance report filed with Stock exchanges for quarter ended December, 2021 is erroneous.
Regulation 29 of Listing Regulation (Prior Intimation)	Prior Intimation of Board meeting for raising fund by way of private placement.	The listed entity has made Prior intimation of Board Meeting to be held on June 28, 2021 for consideration of financial results for quarter ended March 2021 along with dividend and other business matter. However, the listed entity has not specifically mentioned on fund raising by way of Private Placement of bonds/ non-convertible debentures.

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

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

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE')	As per Regulation 17(1) of Listing Regulations Composition of Board	The BSE and NSE has levied fine of ₹ 4,30,000/- plus taxes respectively for non-compliance of said Regulation for a period of 86 days at₹ 5000/- per day.	The Penalty levied by the stock exchanges is paid by the listed entity. Further, Listed entity has applied for waiver of the same.
2.	National Stock Exchange of India Limited ('NSE')	Regulation 29 of Listing Regulation Prior Intimation of raising fund	The NSE has levied penalty of ₹ 10,000/- plus taxes for non-compliance of Regulation 29(2) of Listing Regulation.	The Penalty levied by the stock exchanges is paid by the listed entity.

(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	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Sd/-
Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
Peer Review No: 640/2019
UDIN: F005533D000343134

Date: May 18, 2022
Place: Mumbai

Annexure C

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
GIC HOUSING FINANCE LIMITED

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to GIC Housing Finance Limited having CIN L65922MH1989PLC054583 and having registered office at 6th Floor, National Insurance Building 14, Jamshedji Tata Road, Churchgate Mumbai – 400020 IN (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, under Section 164 of Companies Act, 2013 for MCA or such other statutory authority as on March 31, 2022.

Table A

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1	Sri Ramachandra Prasad Nalam	01386757	26/10/2017
2	Ajit Kumar Saxena	05308801	01/11/2019
3	Devesh Srivastava	08646006	01/01/2020
4	Rani Singh Nair	09103000	12/03/2021
5	Suchita Gupta	08697650	11/08/2021
6	Vijayalakshmi Rajaram Iyer	05242960	01/11/2019
7	Sathia Jeeva Krishnan Chidambara	02179550	06/01/2022
8	Garimella Nanda Kishore	07745995	06/01/2022
9	Vaijinath Gavarshetty	08502484	06/01/2022
10	Satyajit Tripathy	08681994	07/10/2021
11	Anjan Dey	09107033	12/04/2021
12	G. Sobha Reddy	09133433	12/04/2021
13	Hitesh Joshi	09322218	07/10/2021

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Sd/-
Kumudini Bhalerao Partner
FCS No. 6667
CP No. 6690
UDIN:F006667D000343432
PR Number:640/2019

Place: Mumbai
Date: May 18, 2022

ANNEXURE D

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. **Details of contracts or arrangements or transactions not at arm's length basis: NONE**
   - (a) Name(s) of the related party and nature of relationship
   - (b) Nature of contracts/arrangements/transactions
   - (c) Duration of the contracts / arrangements/transactions
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
   - (e) Justification for entering into such contracts or arrangements or transactions
   - (f) date(s) of approval by the Board
   - (g) Amount paid as advances, if any:
   - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. **Details of material contracts or arrangement or transactions at arm's length basis: NONE**
   - (a) Name(s) of the related party and nature of relationship
   - (b) Nature of contracts/arrangements/transactions
   - (c) Duration of the contracts / arrangements/transactions
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   - (e) Date(s) of approval by the Board, if any:
   - (f) Amount paid as advances, if any:

For and on behalf of the Board of Directors	For and on behalf of the Board of Directors
Sd/- **G. Shobha Reddy** **Managing Director & CEO**	**Sd/-** **Devesh Srivastava** **Non-Executive Director & Chairman**

Place: Mumbai
Date: May 18, 2022

ANNEXURE E

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

   The objective of our CSR Policy is to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

2. **Composition of CSR Committee**

Sr. No.	Name of Director(s)	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri NSR Chandra Prasad	Independent Director & Chairman of CSR Committee	2	2
2	Smt. Rani Singh Nair	Independent Director, Member	2	2
3	Smt. G. Shobha Reddy	Managing Director & CEO, Member	2	2

3. **Provide 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**

   - Composition of CSR committee is made available at the website of the Company -

     https://gichfindia.com/Committees%20of%20the%20Board.html
   - CSR Policy is made available at the website of the Company -

     https://gichfindia.com/pdf/CSR-Policy_FINAL.pdf
   - CSR projects approved by the board are disclosed on the website of the company -

     https://gichfindia.com/CSR.html

4. **Provide the details of 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, if applicable (attach the report).**

   Not Applicable

5. **Details of the amount available for set off in pursuance of 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, if any.**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
NIL			

6. **Average net profit of the company as per section 135(5)**

Sr. No.	Financial Year	Rs. in crores
a)	2020-2021	134.55
b)	2019-2020	112.27
c)	2018-2019	247.06
d)	Total	493.88
e)	Average net profit (before tax) for 3 years	164.63

7. CSR Obligation for FY 2021-22

Sr. No.	Particulars	(Rs. in crores)
(a)	Prescribed CSR Expenditure/Budget for F.Y. 2021-22 (two percent of the amount as in item 6).	3.29
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0
(c)	Amount required to be set off for the financial year	0
(d)	Total CSR obligation for the financial year (7a+7b+7c)	3.29

8. (a) CSR amount spent or unspent for the financial year 2021-22

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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.
71,20,010/-	1,01,27,430/-	11-04-2022	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year 2021-22

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project. State	District	(6) Project Duration
1	Construction of 3 Sulabh Complex in the state of UP (1 no.) & Telangana (2 no.)	promotion of sanitation	Yes	U.P.	Ayodhya	Ongoing project duration of 3 years as allowed under CA, 2013.
				Telangana	Lingampalli	
				Telangana	Warrangal	
2	Providing safe drinking water facility - Installation of 11 Tube wells	Making available safe drinking water	Yes	West Bengal	South 24 Parganas	
3	To support quality education to the students of low income families by Providing 1 School Bus.	To Promote Education	Yes	Andhra Pradesh	Nellore	

	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency Name	CSR Registration No.
	45,69,000	18,27,377	27,41,623	No	Sulabh International Social Service Organisation	CSR00000185
	30,03,770	12,01,508	43,07,082/-	No		
	41,74,700	16,69,880		No		
	31,43,400	12,57,360	18,86,040/-	No	South Sundarban Jankalyan Sangha (SSJS)	CSR0001189
	23,56,570	11,63,885	11,92,685/-	No	Central Chinmaya Mission Trust (CCMT)	CSR00008084

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

(1)	(2)	(3)	(4)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).
NIL			

(5)		(6)	(7)	(8)	
Location of the Project		Amount spent for The project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency.	
State	District			Name	CSR Registration no.
NIL					

d	Amount spent in Administrative Overheads	Nil
e	Amount spent on Impact Assessment, if applicable	Nil
f	Total amount spent for the Financial Year (8b+8c+8d+8e)	Rs. 71,20,010/-

g. Excess amount for set off, if any

Sr. No.	Particulars	(Rs. in crores)
i	Two percent of average net profit of the company as per section 135(5)	3.29
ii	Total amount spent for the Financial Year	0.71
iii	Excess amount spent for the financial year [(ii)-(i)]	Nil
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 year(s):

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (Rs. in crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. in crores)
				Name of the Fund	Amount (Rs. in crores)	Date of Transfer	
1	2018-19	Nil	6.01	Swachh Bharat Kosh	1.94	07.03.2019	7.70
				PM National Relief Fund	1.93	07.03.2019	
				Clean Ganga Fund	1.94	27.02.2019	
2	2019-20	Nil	1.92	Nil	NA	NA	10.75
3	2020-21	Nil	2.64	PMCARES Fund	1.50	18.04.2020	12.32*

* Pursuant to Provisions of Companies Act, 2013, total accumulated unspent CSR Budget till March 31, 2021 is transferred to Schedule VII Fund on September 24, 2021.

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

(1)	(2)	(3)	(4)	(5)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration.
Nil				

(6)	(7)	(8)	(9)
Total amount Allocated for the Project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of Reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
Nil			

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – (Asset wise details)

1	Date of creation or acquisition of the capital asset(s).	Company has contributed CSR amount towards ongoing CSR Projects. Therefore as on March 31, 2022 no projects were completed and hence no asset was created.
2	Amount of CSR spent for creation or acquisition of capital asset.	
3	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
4	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Your Company has identified CSR Projects for an amount of Rs. 1.72 crs. out of total CSR Budget of Rs. 3.29 crs. during the year. Your Company has made its best endeavor to appraise and process the suitable and genuine CSR proposal received by it. The balance unspent CSR budget will be transferred to Government Funds as specified in Schedule VII of Companies Act, 2013 to provide social benefit to the public in large.

For and on behalf of the Board of Directors

Sd/-
G. Shobha Reddy
Managing Director & CEO

For and on behalf of the Board of Directors

Sd/-
NSR Chandra Prasad
Chairman – CSR Committee

Place: Mumbai
Date: May 18, 2022

Annexure F

NOMINATION AND REMUNERATION POLICY

I. PREAMBLE:

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("referred as Listing Regulations, 2015"), the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of three non-executive Independent Directors as required under Listing Regulations, 2015. In order to align with the provisions of the Companies Act, 2013 and the amended Listing Regulations, 2015, the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Regulations, 2015.

II. DEFINITIONS:

"Board" means Board of Directors of the Company.

"Company" means GIC HOUSING FINANCE LIMITED.

"Policy or This Policy" means, "Nomination and Remuneration Policy".

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961;

"Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" means Managing Director or Chief Executive Officer or Manager and in their absence, a Whole -time Director; Chief Financial Officer; Company Secretary; and such other Officer as may be prescribed.

"Senior Managerial Personnel" shall mean Officers who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/ whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

III. OBJECTIVE:

The Key Objectives of the Committee would be:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

c) To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation.

d) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

e) To Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

f) To devise a policy on Board diversity.

g) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

h) To perform such other functions as may be necessary or appropriate for the performance of its duties.

IV. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years.

BOARD DIVERSITY:

Our Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Board Corporate Governance & Nominations Committee ('the Committee') reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. The Committee also oversees the conduct of the annual review of Board effectiveness. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

Term / Tenure:

1. **Managing Director/Whole-time Director/Manager (Managerial Person):**

   The Company shall appoint or re-appoint any person as its Managerial person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. **Independent Director:**

   - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
   - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he /she shall be eligible for appointment for one more term of 5 years only.
   - At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

V. EVALUATION:

The Committee shall carry out evaluation of performance of Directors yearly or at such intervals as may be considered necessary.

VI. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT :

In our Company, Managerial Persons are appointed from one of our Promoter Insurance Companies on deputation basis and their remuneration is also as per the pay structure of the concerned Promoter Insurance Companies.

The remuneration of KMP and Senior Management is also approved by the Board of the Directors of the Company and the same is revised every five years with the Board's approval.

VII. SITTING FEE TO INDEPENDENT DIRECTORS:

Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

VIII. MINUTES OF COMMITTEE MEETING:

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Committee meeting.

Annexure G

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report is a disclosure mandated by the Securities and Exchange Board of India (SEBI) for the top 1000 listed companies based on their Market Capitalization as at the end of the immediate previous financial year [Reg.34(2)(f)]. It covers initiatives taken from an environment, social and governance perspective.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L65922MH1989PLC054583
2	Name of the Company	GIC Housing Finance Limited
3	Registered address	National Insurance Building, 6th Floor, 14, Jamshedji Tata Road, Churchgate, Mumbai – 400 020.
4	Website	www.gichfindia.com
5	E-mail id	investors@gichf.com; corporate@gichf.com
6	Financial Year reported	2021-2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Housing Finance- 64192 Insurance – 65110 (Industrial Group as per National Industrial Classification Ministry of Statistics and Programme Implementation)
8	List key products/services that the Company manufactures/provides (as in balance sheet)	Housing Loan, Loan against Property
9	Total number of locations where business activity is undertaken by the Company - a) Number of International Locations (Provide details of major 5) b) Number of National Locations	a) NA (No overseas presence as of date). b) We have total 74 Branch Offices & 5 satellite offices all over India.
10	Markets served by the Company – Local/State/ National/International	India

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	Rs. 53.85 cr.
2	Total Turnover (INR)	Rs. 1156 cr.
3	Total profit after taxes (INR)	Rs. 174 cr.
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.99%
5	List of activities in which expenditure in 4 above has been incurred:-	Promoting Education Promoting Sanitation Providing Safe drinking water facility

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   Yes. GIC Housing Finance Limited has only 1 Subsidiary named as GICHFL Financial Services Pvt. Ltd.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   No

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Not Applicable

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

The Board of the Company is collectively responsible for the implementation of the BR policies of the Company.

(b) Details of BR Head:

Sr. No.	Particular(s)	Details
1	DIN Number (if applicable)	09133433
2	Name	Mrs. G. Shobha Reddy
3	Designation	MD & CEO
4	Telephone number	022-43041900
5	e-mail id	shobhareddy.g@gichf.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N):

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	Businesses should promote the well-being of all employees.
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect, protect and make efforts to restore the environment.
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

3. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for :	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in Consultation with the relevant stakeholders?	All the policies have been formulated keeping in mind the regulatory requirement and stakeholder's best interest.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies have been developed as a result of detailed consultation, experience and as per the best practices adopted in the industry.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	Y	Y

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online?	https://gichfindia.com/Policies%20,%20Programes%20and%20Codes%20.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	N	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	All the policies of the Company are reviewed/ evaluated internally and updated whenever required as per regulatory amendments if any.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

<table>
<tr><th>No.</th><th>Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td>1</td><td>The company has not understood the Principles</td><td colspan="6" rowspan="6">NA</td><td rowspan="6">*</td><td colspan="2" rowspan="6">NA</td></tr>
<tr><td>2</td><td>The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles</td></tr>
<tr><td>3</td><td>The company does not have financial or manpower resources available for the task</td></tr>
<tr><td>4</td><td>It is planned to be done within next 6 Months</td></tr>
<tr><td>5</td><td>It is planned to be done within the next 1 year</td></tr>
<tr><td>6</td><td>Any other reason (please specify)</td></tr>
</table>

* The company presently is not a member of any trade and chamber or association.

4. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Within 3-6 months.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the BR Report in the Annual Report which is uploaded on the website of the Company (www.gichfindia.com).

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company?

Yes. The Company believes in ethical and transparent practices. It is committed to maintain the highest standards of ethics in all spheres of its business activities. The Board of Directors and senior management have a responsibility to set exemplary standards of ethical behavior. The Management constantly endeavors to inculcate this ethical behavior at all levels in the organization so that it becomes an integral part of the work culture among all its employees.

The Company believes that transparency means being open in its relationship with its customers and all its stakeholders as well as in the conduct of its business. The Company believes in empowerment and has delegated decision making powers to appropriate levels in the organizational hierarchy. Each executive and employee is similarly accountable for the functions and responsibilities entrusted to him/her.

The Company believes that transparency increases accountability and scrutiny. Every employee of the Company shall conduct himself / herself professionally and deal on behalf of the Company with honesty and integrity, while conforming to high ethical standards.

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Total 104 (98 received during the year and 6 were previous year un resolved complaints) Complaints were received during the financial year 2021- 22, from various stakeholders (housing loan applicants, borrowers) out of which 104 complaints were resolved satisfactorily as at March 31, 2022.

   During the year, the Company had received 1 complaint (SEBI SCORES) from investors and said complaint have been resolved satisfactorily.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   Your company is in housing finance business. The main line of business of company is providing housing loan to individuals at affordable rate with good quality service.

   For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   Since the Company is not involved in any manufacturing activity, the reporting on use of energy, water, raw material etc. is not applicable.

2. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

   Since the Company is not involved in any manufacturing activity, the reporting on sustainable sourcing is not applicable.

3. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   The Company has, to the best possible extent, tried to improve the capacity and capability of local and small vendors by patronizing them to supply / provide different services required by the Company for its day to day administration / operation.

4. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Since the Company is not involved in any manufacturing activity, the reporting on recycle mechanism is not applicable. The Company minimizes the consumption of electrical energy and natural resources and shall strive to prevent pollution of air, water and land.

Principle 3 : Businesses should promote the wellbeing of all employees.

1. Please indicate the Total number of employees.: 317
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.: 244
3. Please indicate the Number of permanent women employees.: 107
4. Please indicate the Number of permanent employees with disabilities: 0
5. Do you have an employee association that is recognized by management.: No
6. What percentage of your permanent employees is members of this recognized employee association? : NA

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. : Nil

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	GICHFL do not have Child/forced/ involuntary labours. No cases reported	NA
2	Sexual harassment	Nil	NA
3	Discriminatory employment	Nil	NA

8. **What safety and skill up-gradation training was provided in the last year?**

   Internal and external training for upgrading and enhancing the skills and knowledge level was given to different categories of employees viz. permanent employees (including women employees) and contract employees.

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable, and marginalised.

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   The Company's key stakeholders include promoters, employees, customers, business associates, recovery agents, investors, agents, suppliers and regulatory agencies. Our Investors comprise of shareholders (including Institutional Investors, corporate bodies, foreign institutional investors etc.).

   The Company and its employees strive to provide value based services to the stakeholders. The Company is in constant touch with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   The Company through its schemes for Affordable home loans which helps customers with incomes in the lower brackets/ lower strata of society.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Formal and informal consultations/ meetings are held with the different stakeholders at different management levels to obtain their ideas, views and opinions for better handling of their interests. If the customers have any grievances, they can make a complaint by letter or by email addressed to the concerned Branch Manager. In case the grievance is not resolved within reasonable time, it can be escalated to the Concerned Officer in the Registered Office.

Principle 5 : Businesses should respect and promote human rights.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The Company abides by the principle of respect and support for human rights and adheres to the spirit of fundamental rights in its policies and systems. The Company ensures that all individuals impacted by its business shall have access to grievance redressal mechanisms. The Company conducts business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   For stakeholder complaints, kindly refer Principle 1 under Section E of this BR Report.

Principle 6: Business should respect, protect, and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**

   The Company is committed to respect, protect and make efforts towards renewable resources to avoid depletion of natural resources. The Company shall comply with legal / regulatory requirements related to environment protection, management and sustainable development. The Company as a part of its CSR has extended financial support for installation of tube wells to provide safe drinking water facility, School bus donation to promote education, construction of Sulabh Complexes to promote sanitation activity etc.,

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Not applicable since the Company is engaged in providing finance for construction / purchase of house / flat.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes. The Company being in the business of granting housing loans ensures housing projects which are environmentally safe and secure, by taking opinion from the experts, i.e., from panel valuers.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Nil

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Nil

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Not Applicable

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Nil

Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company presently is not a member of any trade and chamber or association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Not Applicable

Principle 8 : Businesses should support inclusive growth and equitable development.

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company with its objective of promoting home ownership and increasing housing stock across the Country, functions on the principles of inclusive growth and equitable development by opening 74 branch offices & 5 satellite offices (March 31, 2022) throughout the Country. The company has undertaken CSR projects for the betterment of the society and details of the same is uploaded on the website of the company https://gichfindia.com/CSR.html.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

   In-house team.

3. **Have you done any impact assessment of your initiative?**

   All CSR activities of GICHFL are conducted with the direct involvement of Company officials and the impact of the initiative are measured by necessary follow-up with involved NGOs and proper field visits.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   Your Company contributed towards CSR activities to the extent of Rs. 0.71 Crore and total values of the approved projects are 1.72 crs.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   We are contacting the beneficiaries of our CSR initiatives to ascertain/quantify the impact on the society. However, based on the response from the local public and other stakeholders, we affirm that the due to our CSR Contribution, public at large got benefitted.

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Nil

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   GICHFL is a housing finance Company and hence not applicable.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   There are no such instances.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   The Company has not carried out any formal consumer survey/ consumer satisfaction trends. However, the Company collects customer feedback through mailers and customer portal hosted on the website of the Company.

For and on behalf of the Board of Directors	For and on behalf of the Board of Directors
Sd/-	**Sd/-**
G. Shobha Reddy	**Devesh Srivastava**
Managing Director & CEO	**Non-Executive Director & Chairman**

Place : Mumbai
Date: May 18, 2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW OF THE INDIAN ECONOMY

The covid-19 epidemic is the first and foremost human disaster in 2020. More than 200 countries and territories have confirmed effective medical cases, caused by coronavirus declared a pandemic by the WHO. Indian Economy was greatly affected by the coronavirus (COVID-19) pandemic in various sectors in first half year of 2020. Intending to get hold of the pandemic situation, Government announced its first nation-wide lockdown in March 2020, which led to the economic slowdown. Consequently, international trade took a huge hit as well.

The COVID-19 Pandemic laid additional stress on the country's already struggling economy. With a GDP growth of just three percent in the fourth quarter of the financial year 2020, a drop of more than 20 percent in the next quarter came as a huge blow. The markets reacted differently to the crisis, which was reflected in their growth rate. The automotive market was hit the hardest by the lockdown, as it showed the maximum negative growth. While most industries were shaken to their core, financial, real estate, and professional services were estimated to incur huge losses.

Economists slashed GDP rates for the foreseeable future due to the obvious impact of the lockdown. However, it was also estimated that the country might bounce back quickly because its industry composition, with unorganized markets being largely dominant. Unsurprisingly, the most affected industries included services and manufacturing, specifically travel & tourism, financial services, mining and construction, with declining rates of up to 23 percent between April and June 2020. Towards the end of 2020, however, India saw some semblance of recovery across certain sectors. This was a result of easing restrictions, controlled infection rates and the festive season between October and November 2020.

The pandemic came with uncertainty and implications on all aspects of business across the world. Despite India being ahead of most countries in being able to implement work-from-home measures, specifically in white collar work, job and earning deficits, along with instability in prices was expected. The months of the lockdown resulted in the free fall of employment, which slowly stabilized after the economy steadied in most parts of the country.

Economic activity started to take a hit yet again since March 2021, as the country faced its second wave of the pandemic. Unprecedented numbers in terms of infections and deaths recorded across the country led to another set of lockdowns in some parts, burdening the healthcare system.

India’s real GDP to record a growth of 11 per cent in 2021-22 and nominal GDP by 15.4 per cent-the highest since independence. The V-shaped economic recovery is supported by the initiation of a mega vaccination drive with hopes of a robust recovery in the services sector and prospects for robust growth in consumption and investment. According to the Economic Survey 2020-21 presented by the Ministry of Finance & Corporate Affairs, the rebound will be led by the low base and continued normalization in economic activities as the rollout of COVID-19 vaccines gathers traction. The fundamentals of the economy remain strong as gradual scaling back of lockdowns along with the astute support of Atmanirbhar Bharat Mission have placed the economy firmly on the path of revival.

INDIAN ECONOMY FUTURE OUTLOOK

The world economy is now experiencing diverging fortunes after being uniformly battered by the pandemic last year. Most advanced economies and some emerging economies are witnessing a strong recovery, while the rest of the world, including India, has fallen behind. The second wave of the pandemic has hit India hard, with state wide lockdowns stalling economic activity. Though the second wave is officially in decline, the virus is spreading to the hinterlands, pushing the economic recovery to uncharted territory. Most professional forecasters have slashed their growth projections for India to below 10% for FY22, with JP Morgan and Barclays paring it to 9% and 9.2%, respectively.

The Organisation for Economic Co-operation and Development (the 38-member intergovernmental organization) slashed India’s growth projection for FY22 to 9.9% from 12.6% estimated in March as a resurgence of covid cases and lockdowns have threatened to stall the country’s nascent economic recovery, provided the pandemic can be contained quickly, GDP (gross domestic product) growth could still be around 10% in 2021-22 and 8% in 2022-23.

The Reserve Bank of India expects the now ebbing second wave of the coronavirus disease pandemic in India to have only a small (1 percentage point) impact on the economy, and in fact, has projected that GDP growth will be faster than previously estimated in the third and fourth quarters of the year -- likely the impact of the ongoing vaccine drive. The Monetary Policy Committee of RBI, kept the policy rate unchanged, indicated that it would continue to do whatever is needed to support growth, and announced that it would pump in another ₹1.2 lakh crore of liquidity into the system this financial year through government bond purchases.

The second wave of COVID-19 (in 2021) has spread rapidly worldwide, especially in India, Latin America and the European countries. The global best practices focused on localising mini-containment zones, restricting movement, strengthening health infrastructure and accelerating vaccination drive. In April 2021, the average transmission rate of COVID-19 virus was observed to have dropped in countries with high vaccination rates. Recognising vaccination as a key pillar of the 'rapid testing, follow-up, treatment and COVID-19 appropriate behaviour' strategy, the government started Phase III of the vaccination drive for the 18–45 age group in May 2021. To accelerate the pace of vaccinations for all age groups across states, the government relaxed vaccine access and pricing.

It is projected by the experts that India's gross domestic product (GDP) will rebound strongly by 11 per cent in 2021-22 due to continued economic recovery boosted by increased public investment, vaccine rollout, and a surge in domestic demand. The government's boost to public investment through its infrastructure push, incentives for manufacturing, and continued support to boost rural incomes will support India's accelerated recovery.

HOUSING FINANCE INDUSTRY - STRUCTURE & DEVELOPMENTS

The housing loan market in the country witnessed a rebound and registered a year-on-year growth of 9.6 per cent in terms of portfolio outstanding (PoS) in the third quarter of FY2021, despite the Covid-19 pandemic. The portfolio outstanding of the sector stood at Rs 22.26 lakh crore as of December 2020, as compared to Rs 20.31 lakh crore as of December 2019, according to a quarterly report released by Credit Information Bureau CRIF High Mark. Affordable housing segment (ticket size up to Rs 35 lakh) constituted 90 per cent of the market by volume and nearly 60 per cent by value as of December 2020. Within the affordable segment, loans under ticket size of Rs 15 lakh comprised 70 per cent by volume and 38 per cent by value. According to the report, young borrowers and millennials (less than 36 years), with high aspirations and commensurate disposable incomes are increasingly being seen as an attractive audience for housing.

According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), construction is the third-largest sector in terms of FDI inflow. FDI in the sector (including construction development and construction activities) stood at US$ 42.97 billion between April 2000 and September 2020.

Housing loan rate is low in India when compared with developing economies, presenting opportunities for the growth of home loan market in the country. Moreover, government push towards affordable housing coupled with acute shortage of housing is further expected to drive India home loan over the next five years. Banks dominated the market in 2020, 2021 and the trend is likely to continue in the forthcoming years as well. This is due to the fact that banks offer attractive interest rates when compared with housing finance companies.

HFCs have been facing big challenges since mid-2019, and now the impact is clearly being witnessed in their home loans. Notably, disbursement of loans have slowed down from HFCs, which as per an India Ratings research note. This is believed to have had a spillover impact on both retail home loan borrowers and property developers. However, while HFCs are trying to ensure their lending businesses do not fall precariously, state-owned and private banks have become the new harbor for home loans. With back-to-back cut in policy repo rates, banks have also reduced their benchmark MCLR. In fact, even country's leading banks have also revised their home loan rates downward, making EMIs cheaper. Now, HFCs are facing stiff competition from banks when it comes to financing housing loans.

OPPORTUNITIES & THREATS

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It is also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030 from US$ 120 billion in 2017 and contribute 13% to the country's GDP by 2025.

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces. Indian real estate attracted U$ 5 billion institutional investments in 2020, equivalent to 93% of transactions recorded in the previous year. Investments from private equity (PE) players and VC funds reached US$ 4.06 billion in 2020. Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Under Union Budget 2021-22, tax deduction up to Rs. 1.5 lakh (US$ 2069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22. The Atmanirbhar Bharat 3.0 package announced by Finance Ministry in November 2020 included income tax relief measures for real estate developers and homebuyers for primary purchase/sale of residential units of value (up to Rs. 2 crore (US$ 271,450.60) from November 12, 2020 to June 30, 2021). SEBI has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market.

The residential sector is expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. India's home loan market is seeing intense competition with banks and non-bank financial companies vying for a slice of the most secure credit segment. This, along with the benign interest rate regime, are beginning to put pressure on spreads that housing finance companies earn.

KEY CHALLENGES FACED BY HFCS

The COVID-19-induced lockdown has impacted the HFCs up to a great extent and is further likely to pose several challenges for the sector. Currently, the top quartile of the HFCs is clocking the same monthly numbers which they were doing during the pre-lockdown period. With people facing depletion in cash flows due to job loss, the sale of fresh houses has taken a hit. People are delaying their home purchase decisions till the time they find their cash flows stabilising. Considering the loss of business during lockdown and muted growth post moratorium, the credit growth expected in the industry would also be hard to come by. With reduced cash flows during moratorium phase and the possible impact on the cash flows due to restructuring relief offered to the customers; liquidity management has taken extreme priority. For small players in the field, where the bank lines are scarce, the priority is to keep enough liquidity to be able to repay the debt obligations on time and to keep the fresh customer acquisition engine running. Needless to say, COVID-19 is testing the fundamentals of HFCs to the hilt and compelling them to evolve and re-invent their systems on the go. Hopefully, the Housing Loan sector would be more resilient and fundamentally sound in the post-pandemic era.

The Government's initiatives are majorly aimed to ensure that the low-income population has access to affordable housing in the times to come. However, given the augmenting needs of the people, a lot is expected further from the Government on this front. To expand the scope of 'Housing for All', the Finance Ministry proposed an extension in the eligibility of home loans for affordable housing till March 31, 2022. The provisions to boost the country's affordable housing segment also included tax exemption for notified affordable rental housing projects. The proposed initiatives of the Government to bring the weaker section of the population within the ambit of formal housing are commendable. It is largely anticipated that the policy momentum is expected to gather pace in government circles and set the tone for accelerated actionable outcomes around low-income housing. Factors such as spiralling land costs, long gestation periods and weak demand from marginalised communities on account of low affordability have impeded the smooth flow of capital in the affordable housing segment where HFCs will have a pivotal role in stimulating demand and providing low-cost capital in the form of gap funding to finance home loans of beneficiaries belonging to the LIG and EWS segments.

SEGMENT REPORTING

The Company's main business is to provide loans for the purchase or construction of residential units. All other activities revolve around the main business. 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. Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

RISKS AND CONCERNS

Your Company is exposed to risks such as liquidity risk, interest rate risk, credit risk, increase in Non-Performing Assets and operational risk which are inherent in the housing finance business e.g. take-overs of our existing accounts. Intense competition, increase in cost of borrowing and narrowing of spread, pose a big challenge for sustaining profitability on consistent basis. Prevailing inflationary trends will impact the affordability of vast number of end users.

RISK MANAGEMENT

Liquidity risks and interest rate risks arising out of maturity mismatch of assets and liabilities are managed by your Company by constant monitoring of the maturity profiles with a periodical review of the position. Credit risks are minimized by having established credit appraisal system in place, prescribing exposure limits, periodic review of the portfolio. Our Company operates in the mid segment and large chunk of borrowers are in the salary group. Your Company is having CIBIL checks, field verification, stringent legal and technical due diligence etc. which have helped to reduce incremental delinquencies. Our recovery mechanism is also robust supported by best use of SARFAESI Act. Operational risks are minimized by strengthening the internal control procedures and addressing the deficiencies reported by the internal auditors.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has internal control systems which is commensurate with the size of the operations. Internal audit checks are conducted regularly and internal auditor’s recommendations are reviewed for improving systems and procedures. Your Company takes efforts from time to time to meet the changes in business conditions along with statutory and accounting requirements. The internal audit is carried out by independent firms of Chartered Accountants and covers the key areas of business. There is also in house internal audit department which supplements the outsourced internal audit activity. The Audit Committee & Statutory Auditors are periodically apprised of the internal audit findings and compliances and Audit Committee reviews the internal control system.

BUSINESS SEGMENT OVERVIEW

Over the past 31 years of its existence, Company has gained a good reputation across the country as a reliable HFC. The Company's broad selection of loan products under Housing and Non-Housing category are suitable for meeting the various needs of a wide spectrum of customers. The Company's Product Basket includes Individual Housing Loans, Composite Loans (Purchase of Site and Construction), Mortgage Loans, Repair & Renovation Loan, Construction Home loan etc. In a fiscal year that was mostly dominated by the Pandemic, necessary steps were taken to strengthen the Company. The Company's primary focus was on retail house loans in the LIG and MIG spaces. During the year, the Company's Loan Book Portfolio stood at Rs. 11,711 crs. as against Rs. 12,811 crs. in comparison to the previous year. Total income for the year under review is Rs. 1,156 crs. as against Rs. 1,240 crs. for the year 2020-21. Profit before tax for the year ended is Rs. 230 crs. and Profit after tax for the year ended is Rs. 174 crs. as against Rs. 135 crs. and Rs. 106 crs. respectively for the previous year.

MARKETING

The marketing of your Company's home loan products are done through direct sales, through Direct Selling Agents and tie up with builders. Marketing of home loan products with a focused attention on existing as well as the prospective customers is a constant endeavour at the Company with 75 offices (including head office) and 5 satellite offices spread across the country.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The Company has a dedicated team of 317 Employees, who have been contributing to the progress and growth of the Company. The manpower requirement at Offices of the Company is assessed continuously and recruitment is conducted accordingly.

RELATED PARTY TRANSACTIONS

The Related Party Transactions with details are furnished in the Notes on Accounts forming part of the Accounts. None of the transactions with any of the related parties were in conflict with the interests of the Company. Transactions with related parties entered into by the Company in the normal course of business were placed before the Audit Committee.

DETAILS OF KEY FINANCIAL RATIOS:

Particulars	2020-21	2021-22	% Change	Detail reason for change in Ratio (if Change is >25%)
Interest Coverage Ratio	1.39	1.51	8.63	-
Debt Equity Ratio (Times)	8.26	6.85	(17.07)	-
Operating Profit Margin (%)	10.85	19.92	83.59	Profit before tax increased from Rs. 13,455 Lakh to Rs. 23,040 Lakh.
Net Profit Margin (%)	8.51	15.01	76.38	Net Profit after Tax increased from Rs. 10,557 Lakh to Rs. 17,357 Lakh.

CAUTIONARY STATEMENT

Statements in this report describing the Company's objectives, projections, estimations, expectations are "forward looking statements" within the meaning of applicable securities, laws and regulations. These statements are based on certain assumptions in respect of future events and Company assumes no responsibility in case the actual results differ materially due to change in internal or external factors.

CORPORATE GOVERNANCE REPORT

REPORT OF DIRECTORS ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company believes "Corporate Governance" is about commitment to values and about ethical business conduct. It is about how an organization is managed. This includes its corporate and other business structures, its culture, policies and procedures which ensure that the Company is managed in a manner that meets stakeholder's aspirations and societal expectations. Corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence.

The Board of Directors is pleased to place here below a report on the Corporate Governance practices followed by your Company:

GOVERNANCE STRUCTURE - BOARD OF DIRECTORS AND COMMITTEES OF THE DIRECTORS:

BOARD OF DIRECTORS

COMPOSITION, ATTENDANCE & SHAREHOLDING OF BOARD OF DIRECTORS

The Board of your Company comprises 13 members as on March 31, 2022. Most of the members of the Board are Non-Executive Directors. During the year, Board met 9 times and attendance details of Directors are as follows:

Sr. No.	Name of the Director(s)	Executive/ Non-Executive/ Independent	Attendance Record at Board Meetings & AGM		Shareholding in the Company
			Number of Meetings attended	Whether attended last AGM held on September 27, 2021	
1	Shri Devesh Srivastava	Non-Executive Director & Chairman	8	Yes	Nil
2	Shri Anjan Dey (appointed on April 12, 2021)	Non-Executive Director	3 (out of total 8 meetings)	No	Nil
3	Smt. Suchita Gupta (appointed on August 11, 2021)	Non-Executive Director	3 (out of total 5 meetings)	No	Nil
4	Shri Satyajit Tripathy (Appointed on October 7, 2021)	Non-Executive Director	3 (out of total 4 meetings)	NA	Nil
5	Shri Hitesh Joshi (Appointed on October 7, 2021)	Non-Executive Director	4 (out of total 4 meetings)	NA	Nil
6	Shri NSR Chandra Prasad	Non-Executive/ Independent Director	9	Yes	Nil
7	Shri A.K. Saxena	Non-Executive/ Independent Director	9	Yes	Nil
8	Smt. Vijayalakshmi Iyer	Non-Executive/ Independent Director	7	Yes	Nil
9	Smt. Rani Singh Nair	Non-Executive/ Independent Director	9	Yes	Nil
10	Shri Vaijinath M. Gavarshetty (Appointed on January 6, 2022)	Non-Executive/ Independent Director	1 (out of total 1 meeting)	NA	Nil
11	Shri Kishore Garimella (Appointed on January 6, 2022)	Non-Executive/ Independent Director	1 (out of total 1 meeting)	NA	Nil
12	Shri S. J. Krishnan (Appointed on January 6, 2022)	Non-Executive/ Independent Director	1 (out of total 1 meeting)	NA	Nil
13	Smt. G. Shobha Reddy (Appointed on April 12, 2021)	Managing Director & CEO	8 (out of total 8 meetings)	Yes	Nil

Attendance records of the Directors ceased during the year are as follows –

Sr. No.	Name of the Director(s)	Executive/ Non-Executive/ Independent	Attendance Record at Board Meetings & AGM		Shareholding in the Company
			Number of Meetings attended	Whether attended last AGM held on September 27, 2021	
1	Shri Girish Radhakrishnan (Upto June 30, 2021)	Non-Executive Director	1	NA	Nil
2	Smt. Tajinder Mukherjee (Upto June 30, 2021)	Non-Executive Director	1	NA	Nil
3	Smt. Suchita Gupta (Upto August 3, 2021)	Non-Executive Director	3	No	Nil
4	Shri Prafulla P. Chhajed (Upto December 20, 2021)	Independent Director	6	Yes	Nil
5	Shri G. Srinivasan (Upto December 22, 2021)	Independent Director	6	Yes	Nil
6	Shri Atul Sahai (Upto February 28, 2022)	Non-Executive Director	5	No	Nil

Details of Appointment and/or cessation of Directors and KMPs during the year till adoption of Directors Report and details of their terms of appointment/re-appointment etc. forms part of Directors Report.

During the year, 2 Independent Directors have resigned before the completion of their tenure and reasons for their resignation is provided as below-

Sr. No.	Name	Reason for Resignation
1	Shri Prafulla P. Chhajed	Due to appointment on the Board of a Bank
2	Shri G. Srinivasan	Due to regulatory requirement of IRDAI

The Directors have confirmed that there is no other material reasons for their resignation other than as provided above and same was informed to stock exchanges also.

Your Directors have disclosed notice of interest as specified in Section 184 of the Companies Act, 2013 and also confirmed that they are not disqualified to be appointed/continue as Directors of the Company. The Independent and Non-Executive Directors of the Company do not have any pecuniary relationship or transactions with the Company except for the sitting fees for attending meeting and gift & memento (of nominal value) received by them as a token of appreciation for their services / guidance to the company. There is no inter-se relationship between Directors of the company.

As provided in Section 189(1) of the Companies Act, 2013, your Company maintains Register of Contracts and Register containing details of Companies and Firms (if any) in which Directors are interested.

DETAILS OF DIRECTORSHIP & COMMITTEE MEMBERSHIP (INCLUDING AUDIT AND STAKEHOLDERS RELATIONSHIP COMMITTEE) IN OTHER COMPANIES:

Name of Director(s)	No. of Directorships in other Companies	No. of Committees membership in other Companies		Directorship in Other Listed Companies	Category of Directorship in other listed entity
		Member	Chairman/ Chairperson		
Shri Devesh Srivastava	5	7	3	General Insurance Corporation of India (GIC-Re)	Chairman cum Managing Director
Shri Anjan Dey	4	0	1	Nil	NA
Smt. Suchita Gupta	3	3	2	Nil	NA
Shri Satyajit Tripathy	3	2	3	Nil	NA
Shri Hitesh Joshi	0	0	0	Nil	NA
Shri NSR Chandra Prasad	3	0	0	Nil	NA

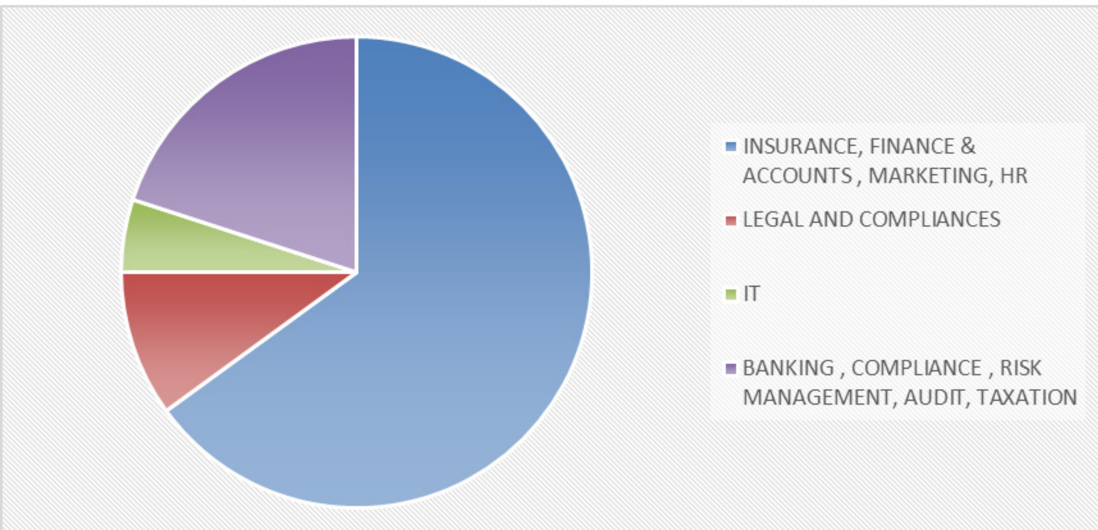
Name of Director(s)	No. of Directorships in other Companies	No. of Committees membership in other Companies		Directorship in Other Listed Companies	Category of Directorship in other listed entity
		Member	Chairman/ Chairperson		
Shri A. K. Saxena	1	0	2	Nil	NA
Smt. Vijayalakshmi Iyer	10	11	8	- Aditya Birla Capital Limited - Religare Enterprises Limited - Poonawalla Fincorp Limited - Computer Age Management Services Limited - ICICI Securities Limited	Independent Director
Smt. Rani Singh Nair	0	0	0	Nil	NA
Shri Vaijinath M. Gavarshetty	2	2	0	Indbank Merchant Banking Services Limited	Independent Director
Shri Kishore Garimella	0	0	0	Nil	NA
Shri S. J. Krishnan	0	0	0	Nil	NA
Smt. G. Shobha Reddy	2	0	0	Nil	NA

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER - SE:

None of the Board Members are related inter-se except for the Promoter Directors namely Shri Devesh Srivastava, Chairman cum Managing Director of GIC Re and Shri Hitesh Joshi, General Manager, GIC Re.

QUALIFICATION & EXPERTISE OF THE BOARD OF DIRECTORS:

The Board is committed to ensure that the company is in compliance with the highest standard of Corporate Governance and accordingly Board of Directors of the Company has identified requisite skills, competence and expertise in the field of Finance and Accounts, Insurance, Legal & Compliance, Human Resource, Risk Management, IT & Banking. The details of skills, competence and expertise of Board Members are listed below:



Sr. No.	Name of Director(s)	Qualification(s)	Field of Expertise
1	Shri Devesh Srivastava	Post Graduate	Insurance, HR & Marketing, Management, Accounts.
2	Shri Anjan Dey	MBA	Insurance, HR & Marketing, Management, Accounts.
3	Smt. Suchita Gupta	M.Com, C.S., LL.B.	Legal & Compliance, Accounts & Finance.
4	Shri Satyajit Tripathy	Bachelors of Science (Agriculture)	Insurance, HR & Marketing, Management, Accounts.
5	Shri Hitesh Joshi	Masters in Financial Management	Accounts & Audit, HR, Insurance.
6	Shri NSR Chandra Prasad	Graduate and F-III (Insurance)	Insurance & HR, Risk Management.
7	Shri A. K. Saxena	LL.B.	Legal & Insurance.
8	Smt. Vijayalakshmi Iyer	Post Graduate & AII – Banking and Finance	Finance & Accounts and Risk Management.
9	Smt. Rani Singh Nair	Post Graduate, IIM (Bengaluru)	Taxation & Management
10	Shri Vaijinath M. Gavarshetty	MBA (Finance)	Finance
11	Shri Kishore Garimella	PGDBM	IT
12	Shri S. J. Krishnan	CA, CMA	Finance and Accounts
13	G. Shobha Reddy	Post Graduate	Insurance, Finance, Accounts

INDEPENDENT DIRECTORS:

1. **LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS**

   At the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The format of the letter of appointment is available on our website, at https://gichfindia.com/pdf/Appointment%20letter%20to%20Independent%20Director.pdf

2. **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

   Company provides Familiarisation Programme to its Independent Directors at the time of their induction in the Board. During the year under review, S/s. Satyajit Triptahty & Hitesh Joshi, Non-Executive Directors and S/s. Vaijinath M. Gavarshetty, Kishore Garimella and S. J. Krishnan, Independent Directors were appointed and a Familiarisation programme was conducted on January 24, 2022. The detail of familiarisation programmes is updated on the website of the Company at https://gichfindia.com/pdf/Familiarisation%20Programme%204-2-2022.pdf

3. **DECLARATION BY INDEPENDENT DIRECTORS**

   The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 read with rules made thereunder and Regulation 25 of the Listing Regulations. Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have complied with the requirement of inclusion of their names in the Databank for Independent Directors as maintained by Indian Institute of Corporate Affairs (IICA) –Haryana. Requisite disclosures have been received from the directors in this regard.

   Based on the disclosures received from all the independent directors and in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013, the Listing Regulations and all are independent of the Management.

MEETINGS OF THE BOARD

Normally the meetings of the Board are held at Mumbai, dates of which are decided in advance. Due to COVID-19 Pandemic, the meetings of the Board were conducted through VC. The Members of the Board have access to all information and records of the Company. Senior officials are invited to attend the meetings to provide clarification as and when required.

The Board met 9 times during the year on April 12, 2021, June 28, 2021, July 26, 2021, August 11, 2021, October 7, 2021, October 20, 2021, October 29, 2021, December 31, 2021, January 31, 2022. The gap between two meetings did not exceed 120 days. The attendance detail of Directors in Board Meeting(s) is already provided above.

COMMITTEES OF THE BOARD:

With a view to enable more focused and timely attention to the affairs of the Company, the Board has constituted the following Committees with delegation in particular areas.

AUDIT COMMITTEE

The Audit Committee of the Company was constituted in April, 1996. The present Audit Committee consists of Shri A. K. Saxena, Director, as the Chairman of the Committee, Shri NSR Chandra Prasad, Shri S. J. Krishnan and Shri Hitesh Joshi; Directors, are its other members. The Members of the Committee are experienced Directors having knowledge of Accounts, Costing, Law and other related subjects. The composition, quorum, powers, role, review of information, scope etc… of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the provisions of SEBI Listing Regulations ("as amended").

The Members of the Committee are qualified, experienced and possess professional knowledge with reference to powers, role and scope of the Committee and as such effectively contribute to its functioning. The prime responsibility of Audit Committee is to review with the Management, the quarterly/ annual financial statements prior to its submission before the Board for approval. It includes the oversight of the Company's financial reporting process and the disclosure of its financial information to ensure its content, sufficiency and credibility, recommending the appointment/ re-appointment, replacement or removal, if any, of external/ internal auditors, fixation of audit fee, reviewing the internal control systems, scope and functions of internal auditors, findings of internal investigations, if any. The terms of reference include review of draft audit reports, reviewing with Management, the performance of statutory and internal auditors, reports relating to compliance with laws and other legal requirements, records relating to related party transactions and defaults, if any, in the payment(s) to the various investors of the Company. The Audit Committee reviews the inspection reports, if any, submitted by the statutory/ regulatory Authorities together with the replies thereon.

The Company Secretary acts as the Secretary to the Committee. The Committee met 5 times during the year under review on June 28, 2021, August 6, 2021, August 11, 2021, October 29, 2021, January 31, 2022. Senior Officials are invited to attend the meetings and provide clarification as and when required. Chief Internal Auditors and Statutory Auditors are also invited on quarterly basis and also on need basis to discuss various matters of importance for the Company. The minutes of meetings of the Audit Committee are placed before the Board for noting purpose.

Attendance Record of Directors: Number of Audit Committee Meetings held: 5

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri G. Srinivasan (upto December 22, 2021)	4
2	Shri NSR Chandra Prasad	5
3	Smt. Suchita Gupta (upto August 3, 2021)	1
4	Shri Prafulla Chahjed (upto December 20, 2021)	3
5	Shri Hitesh Joshi (from January 6, 2022)	1
6	Shri A. K. Saxena (from January 6, 2022)	1
7	Shri S. J. Krishnan (from January 6, 2022)	1

NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee was constituted by the Board in its meeting held on May 6, 2009. The composition, quorum, powers, role, scope etc… of the Nomination and Remuneration Committee is in accordance with Section 178 of Companies Act, 2013 and the provisions of SEBI Listing Regulations ("as amended").

The present Nomination and Remuneration Committee consists of Shri A. K. Saxena, Director, as the Chairman of the Committee, Shri NSR Chandra Prasad and Smt. Rani Singh Nair; Directors are its other members. The terms of reference of the Committee includes to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management, to formulate a criteria for determining qualifications, positive attributes and independence of a Director, to evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation, to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management, to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks, to devise a policy on Board diversity, to carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, to perform such other functions as may be necessary or appropriate for the performance of its duties. The Committee has laid down the following criteria for evaluation of performance of Independent Directors and the Board:

1. Attendance and contribution at Board and Committee meetings.
2. Familiar with the Company's Policies, Values & Beliefs and Code of Conduct.
3. Keep himself/herself updated with the development & factors affecting the Company's business.
4. Discloses his/her interest in any of the agenda items under discussion and any change in directorship/other interest.
5. Provides inputs and suggestions to Management/Board in his/her areas of expertise
6. Provides proper declaration to the Board regarding fulfilment of his / her independence criteria (from the Board and Management) as Independent Director as per SEBI Listing Regulation.

The Company Secretary acts as the Secretary to the Committee. The Committee met 4 times during the year under review on April 12, 2021, October 6, 2021, January 6, 2022 and January 27, 2022.

Attendance Record of Directors: Number of Committee Meetings held: 4

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri A. K. Saxena	4
2	Shri NSR Chandra Prasad	4
3	Shri G. Srinivasan (upto December 22, 2021)	1
4	Smt. Rani Singh Nair	2

STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee was constituted in the year March 1995. The composition, quorum, powers, role, scope etc… of the Stakeholders Relationship Committee is in accordance with Section 178 of Companies Act, 2013 and the provisions of SEBI Listing Regulations ("as amended").

The present Stakeholders Relationship Committee consists of Smt. Rani Singh Nair, Director, as the Chairperson of the Committee, Shri NSR Chandra Prasad and Shri A. K. Saxena; Directors are its other members. The Chairperson of the Committee is a Non – Executive (Independent) Director. The Committee reviews, processes, standard operating procedures and initiatives taken by the Company relating to investor service, reviews compliances with the requirements relating to listing regulations and Corporate Governance, share-holding pattern, periodical transfers/ transmissions of shares, de-materialisation and re-materialisation of shares, issue of duplicate certificates of the securities issued by the Company, complaints, if any, like non-receipt of balance sheet, non-receipt of declared dividends, complaints made with any statutory agencies including SEBI by the shareholders/ investors, if any, compliance with the applicable provisions of the Companies Act, 2013 and various other statutes as applicable and the effective steps taken for redressal. To expedite the process of share transfers, the Board delegated the power of share transfer to the Committee consisting of the Managing Director & CEO and the Company Secretary. The Board Committee reviews the queries and complaints received from the shareholders and the steps taken for its redressal, reconciliation of share capital and shareholding pattern etc.

During the year under review, 1 complaint was received, which was resolved to the satisfaction of the shareholder.

The Committee met 2 times during the year under review on June 18, 2021 and October 28, 2021.

Attendance Record of Directors: Number of Committee Meetings held: 2

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Smt Rani Singh Nair	NA
2	Shri G. Srinivasan (upto December 22, 2021)	2
3	Shri NSR Chandra Prasad	2
4	Shri A. K. Saxena	2

Smt. Nutan Singh (Company Secretary) is Compliance officer of the Committee.

E-mail ID for the purpose of registering queries/ complaints by investors – investors@gichf.com

RISK MANAGEMENT COMMITTEE

The Risk Management Committee (RMC) of the Company is constituted as per the provisions of “Corporate Governance (NHB) Directions 2016” (now under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021) on October 22, 2018 and now also mandatory as per Regulation 21 of SEBI (LODR) Regulations, 2015 for top 1000 Companies based on market capitalization as on last date of financial year (effective from May 5, 2021). The Committee consist of 4 Directors namely Shri NSR Chandra Prasad, Director as Chairman, Smt. Vijayalakshmi Iyer, Shri Vaijinath M. Gavarshetty and Smt. G. Shobha Reddy (MD & CEO) as its Members.

The Risk Management Committee shall be responsible to formulate, monitor and oversee implementation of detailed risk management policy along with periodical review of the same, to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, to evaluate the adequacy of risk management systems, to keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken, to appoint, remove and to fix terms of remuneration of the Chief Risk Officer, to ensure that the risk management system is established, implemented and maintained in accordance with Risk Management Policy and to assign the responsibilities to Chief Risk Officer of the Company in relation to risk identification and its management etc.

During the year under review Committee met 4 times on June 21, 2021, September 14, 2021, October 28, 2021, January 28, 2022.

Attendance Record of Directors: Number of Committee Meetings held: 4

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri NSR Chandra Prasad	4
2	Smt. Vijayalakshmi Iyer	4
3	Shri Vaijinath M. Gavarshetty	1
4	Smt. G. Shobha Reddy	4

Smt. Nutan Singh (Company Secretary) is Compliance officer of the Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility (CSR) Committee was constituted by the Board in its meeting held on May 7, 2014. The Board level Committee shall oversee the entire process of implementation of CSR related activities through review meeting on the reports of Management level Committee.

The CSR Committee presently consists of Shri NSR Chandraprasad, Independent Director (Chairman), Smt. Rani Singh Nair, and Smt. G. Shobha Reddy, Director as its members.

During the year Committee met 2 times on September 14, 2021 and January 28, 2022.

Attendance Record of Directors: Number of Committee Meetings held: 2

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri NSR Chandra Prasad	2
2	Smt. Rani Singh Nair	2
3	Smt. G. Shobha Reddy	2

Smt. Nutan Singh (Company Secretary) is Compliance officer of the Committee.

REMUNERATION OF DIRECTORS

The Non-Executive Independent Directors of our Company were paid only the eligible sitting fees for attending meetings and no other remuneration has been paid. The Non-Executive Independent Directors do not have any material pecuniary relationship or transaction with the Company.

The quantum of sitting fees paid to the Non-Executive, Independent Directors are as follows:

Sr. No.	Name of the Independent Director(s) (Non-Executive)	Sitting Fees Paid (Rs.)
1	Shri NSR Chandra Prasad	8,10,000
2	Shri A. K. Saxena	6,90,000
3	Smt. Vijayalakshmi Iyer	5,40,000
4	Shri G. Srinivasan	3,90,000
5	Shri Prafulla P. Chhajed	2,70,000
6	Smt. Rani Singh Nair	4,20,000
7	Shri Vaijinath M. Gavarshetty	90,000
8	Shri S. J. Krishnan	90,000
9	Shri Kishore Garimella	90,000

The details of the Remuneration paid to the Managing Director & CEO for the year 2021-22 are as follows:

Name and Designation	Nature of Transaction	Amount in Rs.
Smt. G. Shobha Reddy (Managing Director & CEO)	Salary	32,22,246
	Leave Encashment and other allowances	1,16,200
	Performance Incentive	0
	L.T.S.	2,01,000
	Contribution to Pension and other funds	1,50,269
	Perquisites	4,24,788
Total		**41,14,503**

COMMUNICATION TO THE SHAREHOLDERS

The main source of information to the Shareholders is the Annual Report, which includes inter alia, the Directors' Report, Corporate Governance Report, Management Discussion and Analysis Report and the audited financial results. The unaudited quarterly and annual audited results are published for the information of the Shareholders in leading National and Regional daily newspapers and intimated to the Stock Exchanges as required under the Listing Regulations. The financial results of the Company are uploaded on the Company's website. The Company's website address is https://gichfindia.com/Financials.html

During the year, Company had 1 analyst meet where a detailed presentation was made and copy of the same is available at the website of the Company at https://gichfindia.com/pdf/BSE%20-%20INTIMATIONS/9.%20Analys%20or%20Investor%20Meet%20-Outcome_16.07.2021.pdf

ANNUAL GENERAL MEETINGS (AGMs)

The particulars of Annual General Meetings held during the last three years are as follows:

Year	Date	Time	Location
2018-19	September 19, 2019	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4th Floor, General Jagannath Bhosale Marg, Mumbai – 400021.
2019-20	December 18, 2020	11.30 a.m.	Held through Video Conferencing at Deemed Venue – GIC Housing Finance Limited, National Insurance Building, 6th floor, 14, J. Tata Road, Churchgate, Mumbai – 40020.
2020-21	September 27, 2021	11.30 a.m.	Held through Video Conferencing at Deemed Venue – GIC Housing Finance Limited, National Insurance Building, 6th floor, 14, J. Tata Road, Churchgate, Mumbai – 40020.

DETAILS OF SPECIAL RESOLUTIONS PASSED IN THE LAST THREE YEARS.

Date of AGM/Postal Ballot/ EGM	Number of Resolution(s)	Details
September 19, 2019 (AGM)	6	1. Increase in the Borrowing Powers of the Company. 2. Creation of Charge on Movable and Immovable Properties. 3. Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds. 4. Alteration in Object clause of Memorandum of Association. 5. Alteration in Liability Clause of Memorandum of Association. 6. Approval for adoption of New set of Articles of Association of the Company.
December 18, 2020 (AGM)	3	1. Re-appointment of Shri NSR Chandra Prasad (DIN 1386757) as Independent Director 2. Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds 3. Alteration of Articles of Association - Deletion of clauses relating to 'Common Seal'
September 27, 2021 (AGM)	1	1. Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds

POSTAL BALLOT:

1. **Details of Special Resolutions passed through postal ballot in the financial year 2021-22:** Appointment of 3 Independent Directors. Shareholders were given e voting facility to cast their vote.
2. **Person who conducted the postal ballot exercise:** Shri Makarand M. Joshi, Practicing Company Secretary
3. **Whether any special resolution is proposed to be conducted through postal ballot:**

   No Special Resolution is proposed to be conducted through Postal Ballot as on the date of adoption of this report.
4. **Procedure for Postal Ballot:** Your Company follows the provisions of the Companies Act, 2013 secretarial standard 2 issued by ICSI and Listing Regulations, 2015 for Postal Ballot Exercise, if any.

CREDIT RATING:

Detail of Credit rating & revision made thereunder is disclosed in Directors report.

OTHER DISCLOSURES

a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, the Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interests of the Company. Transactions with related parties entered into by the company in the normal course of business were placed before the Audit Committee. Details of related party transactions as per IND AS 24 are included in Notes forming part of financial statements.

b) Details of non-compliances by the Company, penalties and strictures imposed on the Company by the Stock Exchange/s, SEBI and any statutory authority on any matter related to capital markets, during the last three years

There were no instances of non-compliance of any matter related to capital markets during the last three years. During the year, Stock exchanges have levied the penalty of Rs. 8,60,000 plus taxes and Rs. 10,000 plus taxes by NSE for non-compliance of regulation 17 and Regulation 29(2) respectively of SEBI (LODR) Regulation 2015.

c) Vigil mechanism/Whistle Blower Policy

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and Employees to report to the Audit

Committee about the unethical behavior, fraud or violation of Company's Code of Conduct. The Whistle Blower Policy is displayed on the website of the Company i.e. https://gichfindia.com/pdf/WHISTLE-BLOWER-POLICY.pdf.

None of the personnel of the Company has been denied access to the Audit Committee.

d) The Company has complied with all the mandatory requirements specified in Regulation 17 (except as disclosed in point b above) to 27 and all the applicable clauses of Regulation 46 of SEBI (LODR) 2015 and applicable Accounting Standards/IND-AS issued by the Institute of the Chartered Accountants of India/Government from time to time and other regulations applicable to it. The Corporate Governance Report of the Company for the FY 2021-22 is in compliance with the requirements of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Compliance with discretionary requirements

The status of adoption of non-mandatory requirement is provided below –

- The Board: The Chairman of the Company is a non-executive Chairman.
- Shareholders Rights: Quarter/Half yearly and annual financial results are published in the newspapers and uploaded on the website of the Company in addition to the submission of the same on stock exchange website.
- Modified opinion in audit report: There were no qualification / modified opinion on Financial Statements by the Auditors.
- Reporting of Internal Auditor: Internal Audit reports are placed to Audit Committee on quarterly basis. Internal Auditor may report directly to Audit Committee in case of any serious concern.

f) Subsidiaries

During the year under review, your company has 1 subsidiary company and accounts are being consolidated for the year. The policy for determination of Material Subsidiary is made available on the website of the Company at https://gichfindia.com/pdf/Policy%20on%20Determining%20Material%20Subsidiary.pdf

Related Party Transaction Policy is available at the website of the Company at https://gichfindia.com/pdf/Policy%20on%20RPT.pdf

g) A certificate from Practicing Company Secretary that none of the Director on Board as on March 31, 2022 have been disqualified from being appointed/continuing as Director of the Company, forms part of the Directors' report.

h) DETAILS OF TOTAL FEES FOR ALL SERVICES PAID TO STATUTORY AUDITORS

Total fee paid for all the services paid by the Company to the Statutory Auditors is given below-

Particulars	For the year ended March 31, 2022 (Rs. in Lakh)
Audit Fees	18
Fees for limited review	5
Tax Audit Fees	4
Fees for other services	13
Total	**40**

For more details, please refer Notes to account – Note No. 34.

i) DISCLSOURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The disclosure in relation to the sexual harassment of women at work place forms part of Directors' Report. There is NIL complaint during the year.

j) GOING CONCERN

The Board of Directors of your Company is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently considers it appropriate to adopt the Going Concern basis in preparing its financial statements.

k) AUDIT QUALIFICATION

There is no qualification on the financial statements for the financial year 2021-22 of the Company.

l) SHAREHOLDERS INFORMATION

Detailed information in this regard is provided in the Section "Shareholders Information" which forms part of this Annual Report.

For and on behalf of the Board of Directors	For and on behalf of the Board of Directors
Sd/-	Sd/-
G. Shobha Reddy	Devesh Srivastava
Managing Director & CEO	Non-Executive Director & Chairman

Place: Mumbai
Date: May 18, 2022

SHAREHOLDERS INFORMATION:

1. **Thirty Second Annual General Meeting:**

Date:	September 23, 2022
Time:	11.30 A.M.
Venue:	"Through Video Conference (VC) /Other Audio Visual Means (OVAM) [Deemed Venue] GIC Housing Finance Limited Registered and Corporate Office National Insurance Building, 6th Floor, 14, J. Tata road, Churchgate, Mumbai 400020.

2. **Financial Year:** April 1, 2021 to March 31, 2022

3. **Financial Calendar for the year 2022-23. (Provisional)**

Results for the first quarter ending June 30, 2022 (Subject to Limited Review).	Before the mid of August, 2022
Results for the second quarter ending September 30, 2022 (Subject to Limited Review).	Before the mid of November, 2022
Results for the third quarter ending December 31, 2022 (Subject to Limited Review).	Before the mid of February, 2023
Audited Results for the financial year ending March 31, 2023.	Before the end of May, 2023
Annual General Meeting for the year ending March 31, 2023	Before the end of September, 2023

4. **Record Date**

The record date is September 2, 2022.

5. **Listing of Shares & Non-Convertible Debentures**

Equity Shares - The equity shares issued by the Company are listed on the BSE Ltd. and National Stock Exchange of India Limited. Annual Listing fees as prescribed have been paid to both the stock exchanges well in advance.

Non-Convertible Debentures – During the year under review, your company issued & Listed on BSE Ltd., Non-Convertible Debentures (NCDs') of Rs. 450 Crores and Listing fees as prescribed have been paid to BSE Ltd.

Security Code for Equity shares -

National Stock Exchange of India Limited:	**BSE Limited:**
Equity Script Code : GICHSGFIN	Equity Script Code : 511676
Address: The National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400 051	NCD Scrip Code : 973005, 973115, 973854, 973866 Address: BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001

6. **Dematerialisation of shares**

With effect from April 1, 2019, the Equity Shares of the Company are to be traded compulsorily in Dematerialised form. Total No. of 5,35,67,999 equity shares which is 99.47 % of the paid-up Equity Capital are in dematerialised as on March 31, 2022.

The Company has entered into agreements with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for this purpose and the equity shares of the Company have been admitted as an 'eligible security' into the Depository System.

ISIN Number for Equity Shares - INE289B01019

7. **Dividend Payment**

Subject to approval by the Shareholders, dividend warrants/NECS advice will be posted to eligible members within the time limit permissible under the provisions of the Companies Act, 2013.

Dividend warrants/ NECS advice in respect of shares held in Demat form will be posted to the beneficial owners to their addresses as per the information furnished by the NSDL & CDSL as on Record Date. Dividend will be paid on or after September 27, 2022 (Tuesday).

8. **Market price data during the last financial year on BSE and NSE.**

- Monthly high & low Index Quotes and Volume traded in BSE.

MONTH	INDEX (SENSEX) (Rs.)		QUOTE (Rs.)	
	High	Low	High	Low
April, 2021	50375.77	47204.5	124.5	104.6
May, 2021	52013.22	48028.07	141.95	111
June, 2021	53126.73	51450.58	197.35	132
July, 2021	53290.81	51802.73	192.05	172.05
August, 2021	57625.26	52804.08	202.5	131.25
September, 2021	60412.32	57263.9	158.5	142.05
October, 2021	62245.43	58551.14	168	147.65
November, 2021	61036.56	56382.93	172.05	141.8
December, 2021	59203.37	55132.68	159.45	138.65
January, 2022	61475.15	56409.63	168.1	141.25
February, 2022	59618.51	54383.2	167.25	125.2
March, 2022	58890.92	52260.82	144.9	128.4

- Monthly high & low Index Quotes and Volume traded in NSE.

MONTH	INDEX (NIFTY) (Rs.)		QUOTE (Rs.)	
	High	Low	High	Low
April, 2021	15044.35	14151.4	123.40	104.20
May, 2021	15606.35	14416.25	142.00	111.05
June, 2021	15915.65	15450.9	197.25	132.50
July, 2021	15962.25	15513.45	192.70	172.05
August, 2021	17153.5	15834.65	202.55	131.50
September, 2021	17947.65	17055.05	158.90	142.20
October, 2021	18604.45	17452.9	168.00	147.60
November, 2021	18210.15	16782.4	172.00	142.05
December, 2021	17639.5	16410.2	159.50	139.00
January, 2022	18350.95	16836.8	168.30	141.00
February, 2022	17794.6	16203.25	167.90	125.10
March, 2022	17559.8	15671.45	141.25	128.30

9. Distribution of Shareholding as at March 31, 2022

Sr. No.	Category	Cases	% of Cases	Amount	%
1	upto 1 - 5000	57276	89.74	63953340.00	11.88
2	5001 - 10000	3417	5.35	27600020.00	5.13
3	10001 - 20000	1631	2.56	24772880.00	4.60
4	20001 - 30000	531	0.83	13560320.00	2.52
5	30001 - 40000	238	0.37	8560380.00	1.59
6	40001 - 50000	198	0.31	9393680.00	1.74
7	50001 - 100000	293	0.46	21209140.00	3.94
8	100001 & ABOVE	242	0.38	369460900.00	68.61
	Total	**63826**	**100.00**	**538510660.00**	**100.00**

10. Shareholding pattern as at March 31, 2022.

Sr. No.	Description	Cases	Shares	% Equity
1	BANKS	1	100	0.00
2	CLEARING MEMBERS	65	102475	0.19
3	FOREIGN NATIONALS	1	200	0.00
4	FOREIGN PORTFOLIO - CORP	22	761755	1.41
5	FOREIGN PORTFOLIO INVESTORS	1	112	0.00
6	H U F	1490	1106567	2.05
7	I E P F	1	165144	0.31
8	INSURANCE COMPANIES	2	3412250	6.34
9	BODIES CORPORATES	382	4626308	8.59
10	NBFC	2	2600	0.00
11	NON RESIDENT INDIANS	613	572707	1.06
12	NRI NON-REPATRIATION	364	239675	0.45
13	PROMOTER COMPANIES	5	22836839	42.41
14	RESIDENT INDIVIDUALS	60865	19970965	37.09
15	TRUSTS	12	53369	0.10
	Total	**63826**	**53851066**	**100.00**

10. Compliance Officer:

Smt. Nutan Singh

Group Head & Company Secretary

11. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity: Not Applicable.

12. Plant Location: Not Applicable

13. There are no shares lying under Demat Suspense Account / Unclaimed Suspense Account and hence the Company does not have any Demat Suspense Account / Unclaimed Suspense Account.

14. Registrar, Share Transfer Agent & Shareholders Correspondence

M/s. KFIN TECHNOLOGIES LTD.,
Selenium, Tower B,
Plot 31-32, Gachibowli,
Financial District,
Hyderabad-500032
Tel No. +91 40 67162222
Email: einward.ris@kfintech.com

15. Share Transfer System

All the Share transfers for the Company are processed by M/s. KFin Technologies Limited, Registrar and Share Transfer Agent and approved by the Committee constituted for the said purpose.

16. Unclaimed Dividend

In terms of the provisions of Section 124(5) of the Companies Act, 2013, money transferred to the Unpaid Dividend Account of the Company, which remain unclaimed and unpaid for a period of 7 consecutive years from the date on which it was first due for payment, are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125(1) of the Companies Act, 2013. The Company sends final reminder letters to individual shareholders well ahead of due dates for transfer of unclaimed dividend amount to IEPF. Despite such reminders, there are few shareholders who have not claimed their dividends.

The Company will accept all claims for release of unclaimed Dividend from Shareholders for F.Y. 2014-15 upto July 31, 2022 and post that unclaimed Dividend amount relating to FY 2014-15 will be transferred to IEPF authority as per the timelines defined in IEPF rules.

17. Publication of Financial Results

The financial results are well published in the Financial Express (English) and Loksatta (Marathi) during the year in addition to Free Press, Navshakti & Business Line newspaper. Same is also updated on the website of the Company at https://gichfindia.com/Financials.html

18. Declaration on Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company. All the Directors and Senior Management have affirmed their adherence to the provisions of the said Code. The said code is available on the website of the Company at https://gichfindia.com/pdf/CODE-OF-CONDUCT-FOR-DIRECTORS-SENIOR-MANAGEMENT.pdf

Based on affirmations from the Directors and Senior Management personnel of the Company and as required under SEBI Listing Regulations, 2015, Managing Director & CEO of the Company declares that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2021-22.

For and on behalf of the Board of Directors	For and on behalf of the Board of Directors
Sd/-	Sd/-
G. Shobha Reddy	Devesh Srivastava
Managing Director & CEO	Non-Executive Director & Chairman

Place: Mumbai
Date: May 18, 2022

CEO/CFO CERTIFICATION

We, Varsha Godbole, CFO and G. Shobha Reddy, Managing Director & CEO, certify that:

a) We have reviewed the financial statements and the cash flow statement for the year ended 31/3/2022 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31/3/2022, which are fraudulent, illegal or violative of the Company's code of conduct, except the fraudulent transactions if any as reported to the Board in individual loans.

c) We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company and disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps taken or proposed to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee:

   i. significant changes in the internal control during the year ended 31/3/2022

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and on behalf of the Board of Directors	For and on behalf of the Board of Directors
Sd/-	Sd/-
Varsha Godbole	G. Shobha Reddy
Sr. Vice President & CFO	Managing Director & CEO

Place: Mumbai
Date: May 18, 2022

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
GIC Housing Finance Limited,
6th Floor, National Insurance Building 14,
Jamshedji Tata Road, Churchgate,
Mumbai-400020.

We have examined the compliance of conditions of Corporate Governance by **GIC Housing Finance Limited** ("the Company") for the year ended on 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, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulation).

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

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations except that the Board consist of 13 Directors out of which only 6 were Independent Directors as on October 07, 2021 as two Non-Executive Directors were newly appointed, thereafter the composition was not in compliance with Regulation 17(1)(b) of Listing Regulations. Later, the Company has appointed the required number of Independent Directors on the Board w.e.f. January 06, 2022. Further, Corporate governance report filed with Stock exchanges for quarter ended December, 2021 is erroneous.

We further state that such compliance 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.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Sd/-
Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
Peer Review No: 640/2019
UDIN: F005533D000343189

Date: May 18, 2022
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GIC HOUSING FINANCE LIMITED ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of GIC Housing Finance Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and profit, total comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Act ("the SAs"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	How the matter was addressed in our audit
Expected Credit Loss – Impairment of carrying value of loans and advances Under Ind AS 109, Expected Credit Loss (ECL) is required to be determined for recognising impairment loss on financial assets which are stated at amortised cost or carried at fair value through other comprehensive income. The calculation of impairment loss or ECL is based on significant management estimates and judgements, which are as under: • Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL. • Loan staging criteria • Consideration of probability scenarios and forward looking macro-economic factors • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD").	**We performed audit procedures set out below:** • Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy • Understood and assessed the Company's process and controls on measurement and recognition of impairment in the loan portfolio. • Test checked loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage. • Test checked PD and LGD calculation workings performed by management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at portfolio level. • Test checked the calculations of determining Exposure at Default (EAD). • Test checked basis of collateral valuation in the determination of ECL provision.

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>ECL requires a large variety of data as an input to the model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.

In our opinion this is considered as a Key Audit Matter in view of the criticality of the item to the Standalone Financial Statements and the complex nature of assumptions and judgements exercised by the management.</td><td>• Performed an assessment of the ECL provision levels at each stage including management's assessment on COVID 19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.</td></tr>
<tr><td>IT Systems and controls

The Company financial accounting and reporting systems are highly dependent on the effective working of the operating and accounting system.

The company has separate software applications for loan management/servicing and accounting. Transfer of data from / to these software are critical for accurate compilation of financial information.

Due to extensive volumes, variety and complexity of transactions the operating system is functioning, consistently and accurately, specifically with respect to following:

• Interest, Fee income and other charges collected on Loans
• Bifurcation of the Loan Portfolio based on maturity pattern and Assets Classification based on ageing of default
• Various Report Generated, including the report for Asset Classification & Provision.

We have identified 'IT systems and controls' as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture.</td><td>We have carried out the following procedures to verify the effectiveness of IT controls:

• We obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit.
• Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis
• We have tested and reviewed the reconciliations between the loan origination/ servicing application and the accounting software to mitigate the risk of incorrect data flow to/from separate application software.
• We have also obtained management representations wherever considered necessary.</td></tr>
</table>

Information Other than the Standalone 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 Annual Report but does not include the Standalone Financial Statements, Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the 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 matters to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standards on Auditing 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 Standalone Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the Standalone 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.

ii. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the 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.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. 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 ability of the Company 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 Standalone 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.

v. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Standalone Financial Statements of the financial year ended March 31, 2022 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, 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;

   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d. in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended;

   e. on the basis of written representations received from the directors, as on March 31, 2022 taken on record by the Board of Directors, none of the other 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

3. 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:

   a. the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements.

   b. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   c. there has been no delay in transferring amounts, required to be transferred, to the Investor, Education and Protection Fund by the Company.

   d. (i) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts (Refer note 46(x)(i) to the Standalone Financial Statements), no funds 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.

      (ii) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts (Refer note 46(x)(ii) to the Standalone Financial Statements), no funds 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.

      (iii) Based on the audit procedures that have been considered 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 clause (i) & (ii) above, contain any material misstatement.

   e. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 42 to the Standalone Financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

4. 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 by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 22112555AJPGPW8381

Place: Mumbai
Date: May 18, 2022

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF GIC HOUSING FINANCE LIMITED OF EVEN DATE)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including intangible assets.

(b) In our opinion, the Company's program of verifying Property, Plant and Equipment once in a year, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment, were done during the current year. We have been informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use Assets) and intangible assets during the year.

(e) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988, as amended from time to time and rules made thereunder.

(ii) (a) The Company is in business of Housing Finance. Therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3(ii) (b) of the Order is not applicable to the Company.

(iii) (a) Since the Company is in business of Housing Finance, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 18,295 cases having outstanding balance at year end aggregating to Rs. 2,41,556 Lakh wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where repayment of principal and interest have not been regular.

(d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under.

No. of cases	Principal amount overdue (Rs. lakh)	Interest overdue (Rs. lakh)	Total overdue (Rs. lakh)
6,683	3,826	17,541	21,368

According to information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

(e) Since the Company is in business of Housing Finance, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to information and explanation given to us and the records examined by us, the Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment

(iv) There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us and records examined by us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of examination of the books of account of the company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the records of the Company and information and explanations given to us, no material disputed statutory dues that have not been deposited as on March 31, 2022 on account of appeal matters pending before the appropriate authorities.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

(c) According to the information and explanations given to us, and on the basis of our examination of the books of account on an overall basis, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.

(d) On an overall examination of the Standalone financial statements of the Company, no funds have been raised on short-term basis therefore reporting under this clause is not applicable.

(e) On an overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and Associate;

(f) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised loans during the year on the pledge of securities held in its subsidiary and associate and therefore, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised moneys by way of initial 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 and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, we have not come across any instances of fraud by the Company. Following are the instances of fraud on the Company, noticed or reported during the year,

No of instances	Nature of Fraud	Amount involved (Rs. In Lakh)
36	Borrower related fraud	1,874

(b) No report under sub-section (12) of section 143 of the Companies 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) According to the information and explanations given to us we have not come across any instance of whistle blower complaints reported during the year, nor have we been informed of such case by management.

(xii) The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable 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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) therefore reporting under this clause is not applicable.

(b) The Company is a Housing Finance Company and it holds a valid Certificate of Registration (CoR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act 1987 for conducting housing finance business.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(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 during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on 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 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) (a) In respect of other than ongoing projects, the Company does not have any amount unspent to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a Special account in compliance with the provision of section 135(6) of the Act.

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 22112555AJPGPW8381

Place: Mumbai
Date: May 18, 2022

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 2(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF GIC HOUSING FINANCE LIMITED OF EVEN DATE)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION (3) OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE 'ACT')

We have audited the internal financial controls with reference to financial reporting of GIC Housing Finance Limited (hereinafter referred to as "the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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. 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, 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the standards on Auditing prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to the audit of internal financial controls with reference to Financial Statements. 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 with reference to 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 with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 judgement, including the assessment of the risks of material misstatement of the Standalone 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 internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements.

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial

Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to Standalone Financial Statements 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 **M. P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 22112555AJPGPW8381

Place: Mumbai
Date: May 18, 2022

STANDALONE BALANCE SHEET

As at March 31, 2022

₹ in Lakh

Particulars	Note No.	As At March 31, 2022	As At March 31, 2021
ASSETS			
Financial Assets			
Cash and Cash Equivalents	3	47,701	8,676
Bank balance other than cash and cash equivalent	4	404	387
Receivables			
(i) Trade Receivables	5	22	33
Loans	6	1,120,530	1,233,897
Investments	7	1,516	1,425
Other Financial Assets	8	252	277
Total Financial Assets		**1,170,425**	**1,244,695**
Non-Financial Assets			
Current tax assets (net)	9	939	353
Deferred tax assets (net)	10	12,714	12,030
Property, Plant and Equipment	11	183	216
Right Of Use Assets	12	1,528	1,422
Intangible Assets under development	13	2,914	2,872
Other intangible assets	14	312	-
Other Non-Financial Assets	15	629	540
Assets Held for Sale	16	3,266	1,956
Total Non-Financial Assets		22,485	19,389
TOTAL ASSETS		**1,192,910**	**1,264,084**
LIABILITIES & EQUITY			
LIABILITIES			
Financial liabilities			
Lease Liabilities	12	1,741	1,583
Payables			
Trade Payable	17		
(i) Total outstanding dues of micro enterprises and small enterprises		14	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,267	906
Debt securities	18	149,055	124,419
Borrowings (other than debt securities)	19	885,693	996,556
Other financial liabilities	20	2,000	3,187
Total Financial liabilities		**1,039,770**	**1,126,655**
Non-Financial Liabilities			
Current tax liabilities (net)	21	-	113
Provisions	22	1,217	1,534
Other Non Financial Liabilities	23	841	-
Total Non-Financial Liabilities		**2,058**	**1,647**
Total Liabilities		**1,041,828**	**1,128,302**
EQUITY			
Equity Share Capital	24	5,388	5,388
Other Equity	25	145,694	130,394
Total Equity		**151,082**	**135,782**
TOTAL LIABILITIES & EQUITY		**1,192,910**	**1,264,084**
The accompanying notes form an integral part of financial statements	1-58		

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Place : Mumbai
Date : May 18, 2022

Date : May 18, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2022

₹ in Lakh

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations			
Interest income	26	113,532	121,884
Dividend income		13	-
Fee and commission income	27	528	205
Net gain on derecognition of financial instruments under amortised cost category		-	596
Other operating income	28	905	380
Total Revenue from operations		114,978	123,065
Other income	29	662	890
Total Income		**115,640**	**123,955**
Expenses			
Finance cost	30	70,095	82,287
Net loss on derecognition of financial instruments under amortised cost category		58	-
Impairment of financial instruments, including write-off	31	11,830	18,517
Employee benefits expense	32	4,820	4,346
Depreciation and amortisation	33	858	448
Other expenses	34	4,939	4,902
Total Expenses		**92,600**	**110,500**
Profit before tax		**23,040**	**13,455**
Tax expense:			
1. Current tax	35	6,400	5,175
2. Deferred tax	10	(717)	(2,313)
3. Current tax expenses relating to prior years	35	-	36
Profit for the year		**17,357**	**10,557**
Other comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurement gain/(loss) on defined benefit plan		109	(72)
(ii) Net gain/(loss) on equity instrument designated at FVTOCI		21	62
(iii) Income tax relating to items that will not be reclassified to profit or loss		(33)	3
B. Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (A+B)		**97**	**(7)**
Total Comprehensive Income for the year		**17,454**	**10,550**
Earnings per equity share			
Basic (₹)	44	32.23	19.60
Diluted (₹)	44	32.23	19.60
The accompanying notes form an integral part of financial statements	1-58		

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

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Varsha Godbole
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Nutan Singh
Company Secretary
ACS No. : 27436

Place : Mumbai
Date : May 18, 2022

Date : May 18, 2022

STANDALONE STATEMENT OF CASH FLOWS

For the year ended March 31, 2022

₹ in lakh

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
A.	**Cash Flow From Operating Activities :**		
	Profit Before Tax	23,040	13,455
	Adjustments For :		
	Depreciation And Amortisation	858	448
	Impairment of Financial Instruments, including Write-off	11,830	18,517
	Interest and Dividend Income	(113,545)	(121,846)
	Interest Expenses	70,095	82,287
	Fees & Commission Income	(528)	(205)
	(Profit)/Loss On Sale of Property Plant & Equipments	(1)	-
	(Profit)/Loss On Sale of Investments	(188)	(190)
	Remeasurement Gain/(loss) on Defined Benefit Plan	109	(72)
	Operating Profit Before Working Capital Changes	**(8,330)**	**(7,606)**
	Adjustments For :		
	(Increase)/Decrease In Non Financial Assets	(144)	322
	(Increase)/Decrease In Trade Receivables	-	(33)
	(Increase)/Decrease In Other Financial Assets	11	(38)
	(Increase)/Decrease In Other Non Financial Assets	(844)	(1,889)
	(Increase)/Decrease In Bank Balance other than cash & cash equivalents	(17)	1
	Increase/(Decrease) In Other Non Financial Liabilities	524	(7,603)
	Increase/(Decrease) In Trade Payables	371	(805)
	Increase/(Decrease) In Other Financial Liabilities	(432)	(253)
	Operating Profit After Working Capital Changes	**(8,861)**	**(17,904)**
	Adjustments For :		
	(Increase)/Decrease in Housing Loans	100,651	37,984
	Asset held for Sale	(1,310)	-
	Fees & Commission Received	539	237
	Interest Received	114,430	121,803
	Interest Paid	(69,897)	(82,287)
	Taxes Paid	(6,955)	(5,045)
	Net Cash Generated / (Used) From Operating Activity	**128,597**	**54,788**

STANDALONE STATEMENT OF CASH FLOWS

For the year ended March 31, 2022

₹ in lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
B: Cash Flow From Investment Activities		
Payments for Property, Plant & Equipments	(21)	(42)
Proceeds from Sale of Property, Plant & Equipments	13	1
Payments for Intangible assets under Developments	(518)	(1,528)
Purchase Of Investments	(1,925,770)	(1,583,655)
Sale Of Investments	1,925,888	1,583,840
Dividend Received	13	-
Net Cash Generated / (Used) From Investing Activity	**(395)**	**(1,384)**
C: Cash Flow From Financing Activities		
Proceeds From Borrowings and Debt Securities	585,022	794,214
Repayment of Borrowings and Debt Securities	(671,312)	(848,489)
Dividend Paid On Equity Shares	(2,154)	(1,077)
Payment of lease liabilities	(733)	(439)
Net Cash Generated / (Used) From Financing Activity	**(89,177)**	**(55,791)**
Net Increase/(Decrease) Of Cash & Cash Equivalents(A+B+C)	**39,025**	**(2,387)**
Cash & Cash Equivalents As At Beginning of the year	8,676	11,063
Cash & Cash Equivalents As At the End of the year	**47,701**	**8,676**

Note :
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) As direct tax paid above is not specifically identifiable into financing and investing activities, they have been shown under operating activities.

The accompanying notes form an integral part of financial statements 1-58

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

Place : Mumbai
Date : May 18, 2022

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Date : May 18, 2022

STANDALONE STATEMENT OF CHANGE IN EQUITY

For the year ended March 31, 2022

A. Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**5,388**	**5,388**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the year	5,388	5,388
Change in Equity Share Capital	-	-
Balance at the end of the year	**5,388**	**5,388**

B. Other Equity

₹ in Lakh

Particulars	Reserves and Surplus					Other comprehensive Income		Total
	Securities Premium	Special Reserve (29C (1) of National Housing Bank Act, 1987)	Special Reserve (36(1)(viii) of Income Tax Act, 1961)	General Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Equity instrument through Other Comprehensive Income	
Balance at April 01, 2020	**11,699**	**456**	**47,293**	**60,313**	**1,232**	**(148)**	**76**	**120,921**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at April 01, 2020	**11,699**	**456**	**47,293**	**60,313**	**1,232**	**(148)**	**76**	**120,921**
Total Comprehensive Income	-	-	-	-	10,557	(54)	47	10,550
Dividends	-	-	-	-	(1,077)	-	-	(1,077)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	3,900	(3,900)	-	-	-
Transfer to Special Reserve (Note (a) below)	-	-	4,570	-	(4,570)	-	-	-
Balance at March 31, 2021 / April 01, 2021	**11,699**	**456**	**51,863**	**64,213**	**2,242**	**(202)**	**123**	**130,394**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at April 01, 2021	**11,699**	**456**	**51,863**	**64,213**	**2,242**	**(202)**	**123**	**130,394**
Total Comprehensive Income	-	-	-	-	17,357	82	15	17,454
Dividends	-	-	-	-	(2,154)	-	-	(2,154)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	9,580	(9,580)	-	-	-
Transfer to Special Reserve (Note (a) below)	-	-	5,425	-	(5,425)	-	-	-
Balance at March 31, 2022	**11,699**	**456**	**57,288**	**73,793**	**2,440**	**(120)**	**138**	**145,694**

a) As per Section 29C(1) of 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.

b) The Company has paid dividend of ₹ 4/- per share on the equity shares of face value of ₹ 10/- (40%) each pertaining to FY 2020-21, post approval by the members in the 31st Annual General Meeting held on September 27, 2021.

The accompanying notes form an integral part of financial statements 1-58

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Place : Mumbai
Date : May 18, 2022

Date : May 18, 2022

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 1: Corporate information

GIC Housing Finance Limited ('the Company') is a Public Limited Company incorporated under the provisions of Companies Act, 1956 with its registered office in Mumbai to carry on the business of Housing Finance in India. The Company is registered with the National Housing Bank ("NHB"). The shares/securities of the Company are listed on the Bombay Stock Exchange and/or the National Stock Exchange.

Note 2: Significant Accounting Policies, Accounting Judgements, Estimates and Assumptions:

2.1: Basis of Preparation and Presentation

a. Statement of Compliance

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes 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". The Company presents its Balance Sheet in the order of liquidity.

b. Basis of preparation of Standalone Financial Statements

The Company has prepared these Standalone Financial Statements, which comprise the Balance Sheet as at March 31, 2022, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity for the year ended March 31, 2022, and accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements") on the historical cost basis except for certain financial instruments and certain employee benefit assets, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the company.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On May 18, 2022, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its ensuing Annual General Meeting.

The financial statements are presented in Indian Rupees (INR/₹) which is also the functional currency of the Company and all values are rounded to the nearest lakh except when otherwise stated.

c. Fair Value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at 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 if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 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 measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

d. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The estimates, judgements and assumptions 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. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The management believes that the estimates used in the preparation of Financial Statements are prudent and reasonable.

(i) Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding (“SPPI”) and the business model test. The Company determines the business model at a level that reflects how the Company’s financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

(ii) Determination of Expected Credit Loss (“ECL”)

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company’s historical experience and collateral values when determining impairment losses along with 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.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- The classification of loan portfolio into various stages based on the number of days overdue.
- Value of collaterals considered for loan loss allowance.
- Company’s criteria for assessing if there has been a significant increase in credit risk. Development of ECL models, including choice of inputs / assumptions used.

(iii) Effective interest rate computation

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cash flows considering the contractual terms of the financial instrument. These estimations are done considering various factors such as historical behaviour patterns of the instrument with respect to average repayment period and cash flows behaviours. Such estimates and assumptions are reviewed by the company at each reporting date and changes, if any are given effect to.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(iv) Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Information about the valuation techniques and inputs used in determining the fair value of Investments.

(v) Income Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

(vi) Provisions and Liabilities

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

(vii) Defined Benefit Plans

The cost of the defined benefit plan and the present value of the 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.

2.2. Significant Accounting Policy

a. Property, plant and equipment (PPE)

PPE is recognised 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. PPE are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and include freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value as per Previous GAAP on the transition date of April 1, 2017.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation is provided on written down value method ('WDV') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013. Individual assets costing up to ₹ 5,000 are fully depreciated in the year of acquisition. The estimated useful lives of Property, Plant and Equipment are as stated below:

Particulars	Useful lives
Office Equipment	5 years
Buildings	60 years
Furniture & Fixtures	10 years
Vehicle (Motor cycles, scooters and other mopeds)	10 years
Vehicle (Motor cars)	8 years
Computers	3 years
Servers and networks equipment	6 years

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on impaired PPE asset is provided on the revised carrying amount of the asset over its remaining useful life.

Property, Plant and Equipment not ready for the intended use on the date of Balance sheet are disclosed as "Capital Work-in-progress" and carried at cost.

b. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Intangible Assets i.e. computer software are amortized on a straight line basis over the estimated useful life of 1 year to 5 years.

Amortisation on impaired intangible asset is provided on the revised carrying amount of the asset over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as "Intangible assets under developments".

c. Assets held for Sale

Assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

The Company repossess properties or other assets to settle outstanding recoverable and the surplus (if any) post auction is refunded to the obligors. These assets physically acquired by the company under SARFAESI Act, 2002 and where sale is highly probable have been classified as Assets Held for Sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the company is committed to sell these assets. Assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

d. Impairment of Assets other than financials assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset other than financial asset may be impaired. . If such indication exists, the PPE, intangible assets and investment property are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

e. Financial Instruments

(i) Recognition

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument. Purchase and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(ii) Initial measurement

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 (FVTPL)) 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 recognised immediately in Statement of Profit and Loss.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

(iii) Financial Assets

A. Classification of Financial Assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value through Profit or Loss (FVTPL)

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised 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. Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual terms of financial assets give rise specify date to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 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 determines its business model at the level that best reflects how it manages a group of financial assets to achieve its business objective and is not assessed on instrument to instrument basis, but at a higher level of aggregated portfolios. At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income & impairment losses in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value are classified as at FVTPL. The Company may make an irrevocable election to present certain equity investments measured at fair value through other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognised in Statement of Profit and Loss.

B. Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and/or substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company transfers the financial assets but retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

C. Modification of contractual cash flows

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and shall recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate.

D. Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

E. Impairment of Financial Assets

Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss as per board approved policy. The Company uses expected credit loss ("ECL") allowance for financial assets, which are not individually significant, and comprise of a large number of homogeneous assets that have similar characteristics.

(i) Measurement of Impairment

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has used past data to observe actual defaults for potential credit losses. The estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date; or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The company has established a policy to perform an assessment at the end of each reporting period 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 instruments.

Based on the above process, the company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Company records an allowance for the life time expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans shows significant increase in credit risk and/or are considered credit-impaired, the company records an allowance for the life time expected credit losses.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is an estimate of the exposure at a reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period, PD is calculated based on default summary of past years using historical analysis.
- Loss given default ("LGD") estimates the loss which Company incurs post customer default. It is computed using as value of collateral and it is usually expressed as a percentage of the Exposure at default ("EAD").

(ii) Significant increase in credit risk

The Company monitors all financial assets and loan commitments that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

(iii) Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

(iv) Definition of default

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

Default considered for computation of ECL is based on both qualitative and quantitative indicators such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

F. Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

(iv) Financial Liabilities and Equity Instruments

A. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

B. Equity Instrument

An instrument that evidences a residual interest in the assets of an entity after deducting all of its liabilities is an equity instrument. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

C. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

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 amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

D. Derecognition of financial liabilities

The Company derecognises 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. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

f. Employee Benefits

(i) Defined contribution plan

Defined contribution plans include contributions to Provident Fund, Employees' Pension Scheme and Employee State Insurance Scheme, recognized as employee benefit expenses the Statement of Profit and Loss based on the amount of contribution as and when the services are received from the employees.

(ii) Defined benefit plans

For defined benefit retirement benefit plans such as Gratuity plan and compensated absences, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expenses’. Curtailment gains and losses are accounted for as past service costs.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the year of a plan amendment or when the Company recognises corresponding restructuring cost whichever is earlier.

For the purpose of gratuity, the Company has obtained a qualifying group gratuity insurance policy from Life Insurance Corporation of India. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Short-term and long-term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

g. Provisions, Contingent Liabilities and contingent assets

Provisions are recognised 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. The increase in the provision due to the passage of time is recognised as interest expense.

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 non-occurrence 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 liabilities are disclosed in the Notes. Contingent assets are not recognised 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.

When there is a possible obligation or a present obligation, in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

h. Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i. The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

i. Revenue Recognition

Revenue is recognised 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.

(i) Income on loans

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and applicable effective interest rate (EIR).

EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. EMI commences once when the entire loan is disbursed. Pending Commencement of EMIs, Pre-EMI interest is payable every month.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the asset. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the gross carrying amount less the allowance for expected credit losses.

Penal Interest and other related charges are recognised as income only when revenue is virtually certain which generally coincides with receipts. .

(ii) Investment Income

Dividend income from investments is recognised 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).

Income from interest on bank deposits and other interest bearing securities is recognized on the time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Fee and Commission Income

Fee and commission income include fee other than those that are an integral part of EIR. The fee included in this part of the Company's Statement of Profit and Loss include, among other things, fee charged for servicing a loan. The Company recognises the fee and commission income in accordance with the terms of the relevant contract / agreement and when it is probable that the Company will collect the consideration.

Fee and commission expenses in respect of services availed are recognised as the services are received.

(iv) Other Income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

j. Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

(i) As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise & lease payments in an optional renewal period, if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

k. Taxes

(i) Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

(ii) Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(iii) Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

l. Investments in Subsidiaries, Joint Ventures and Associates

Investments in Subsidiaries and Associates are measured at cost as per Ind AS 27 – Separate Financial Statements.

m. Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost.

n. Foreign currencies

In preparing the financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

o. Cash and cash equivalents

Cash and cash equivalent in Balance Sheet comprise of cash at bank, cash and cheques on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

p. Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the activities of the Company.

q. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Managing Director & CEO is identified as the Chief Operating Decision Maker (CODM) by the management of the Company. CODM has identified only one operating segment of providing loans for purchase, construction, repairs renovation etc. and has its operations entirely within India.

r. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares divided by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

s. 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 STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

t. Dividend

Final dividend on equity shares are recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Company's Board of Directors.

2.3: Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its standalone financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 3 : Cash and Cash Equivalents

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Cash on Hand	89	115
Cheques in Hand	965	1,346
Balance With Bank :		
In Current Account	2,889	7,215
In Deposit Accounts :		
Original Maturity less than 3 months	43,758	-
Total	**47,701**	**8,676**

Note 4 : Bank balance other than cash and cash equivalent

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Earmarked balances with banks :		
Unclaimed Dividend Accounts	122	117
In Deposit Accounts (Note 4.1):		
Original Maturity more than 3 months	282	270
Total	**404**	**387**

Note 4.1 : Fixed Deposits with Banks represent deposits created by the company for the specific purpose of paying the borrowers, excess sale proceeds recovered under SARFAESI Act 2002.

Note 5 : Receivables

₹ in Lakh

Particulars		As At March 31, 2022	As At March 31, 2021
i)	**Trade receivables**		
	Receivables considered good - unsecured	22	33
	Total - gross	22	33
	Less: Impairment loss allowance	-	-
	Total	**22**	**33**

No trade receivables are due from Directors or any other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Trade receivables aging schedule

₹ in Lakh

Particulars	As At March 31, 2022 Outstanding from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	20	-	2	-	-	22
(ii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
Total	**20**	**-**	**2**	**-**	**-**	**22**

₹ in Lakh

Particulars	As At March 31, 2021 Outstanding from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	33	-	-	-	-	33
(ii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
Total	**33**	**-**	**-**	**-**	**-**	**33**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 6 : Loans

At Amortised Cost

₹ in Lakh

Particulars			As At March 31, 2022	As At March 31, 2021
(A)	(i)	Term Loans		
		Individuals	1,170,038	1,279,973
		Corporates	328	328
		Loans to Staff	712	776
		Total Gross (A)	**1,171,078**	**1,281,077**
		Less: Impairment loss allowance (Expected Credit Loss)	50,548	47,180
		Total Net (A)	**1,120,530**	**1,233,897**
(B)	(i)	Secured by tangible assets	1,169,587	1,276,934
	(ii)	Unsecured	1,491	4,143
	Total Gross (B)		**1,171,078**	**1,281,077**
	Less: Impairment loss allowance (Expected Credit Loss)			
	-	On Loans secured by tangible assets	50,105	45,389
	-	On Unsecured Loans	443	1,791
	Total Impairment loss allowance (Expected Credit Loss)		**50,548**	**47,180**
	Total Net (B)		**1,120,530**	**1,233,897**
(C)	(I)	Loans in India		
		Public Sector	-	-
		Others	1,171,078	1,281,077
		Total Gross (C) (I)	**1,171,078**	**1,281,077**
		Less: Impairment loss allowance (Expected Credit Loss)	50,548	47,180
		Total Net (C) (I)	**1,120,530**	**1,233,897**
	(II)	Loans outside India	-	-
		Less: Impairment loss allowance (Expected Credit Loss)	-	-
		Total Net (C) (II)	-	-
		Total Net (C) (I) and (II)	**1,120,530**	**1,233,897**

Note 6.1

(a) Loans given by the company are secured by one or combination of the following securities:

(i) Equitable mortgage of property and / or;

(ii) Assignment of Life Insurance Policies and/or guarantee of solvent guarantors and/or any other acceptable collateral securities wherever applicable, and,

(iii) Corporate Guarantees, wherever applicable.

(b) For details of loan to related parties refer note 39.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 6.2

An analysis of changes in the gross carrying amount of loans is as follows : ₹ in Lakh

Particulars	2021-2022				2020-2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	**1,131,898**	**64,475**	**98,424**	**1,294,797**	**1,196,898**	**50,525**	**71,594**	**1,319,017**
Increase in EAD i.e. new loans disbursed / further increased in existing loans (Net)	111,202	208	47	111,457	124,379	629	205	125,213
Loans repaid in part or full (Net)	(198,931)	(8,676)	(13,193)	(220,800)	(133,144)	(2,694)	(7,042)	(142,880)
Loans derecognised (written off)	-	-	(5,098)	(5,098)	-	-	(6,553)	(6,553)
Transfers to Stage 1	27,298	(16,783)	(10,515)	-	16,508	(14,288)	(2,220)	-
Transfers to Stage 2	(66,933)	74,794	(7,861)	-	(43,422)	46,263	(2,841)	-
Transfers to Stage 3	(11,092)	(13,258)	24,350	-	(29,321)	(15,960)	45,281	-
Closing Balance	**993,442**	**100,760**	**86,154**	**1,180,356**	**1,131,898**	**64,475**	**98,424**	**1,294,797**

Includes amount w.r.t. sanctioned but un-disbursed consider for ECL of ₹ 9,278 Lakh (Previous Year ₹ 13,720 Lakh)

Reconciliation of Expected Credit Loss allowances on loans is given below : ₹ in Lakh

Particulars	2021-2022				2020-2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Opening Balance	**7,818**	**1,517**	**37,845**	**47,180**	**15,815**	**2,613**	**18,392**	**36,820**
Increase in EAD i.e. new loans disbursed / further increased in existing loans (Net)	926	6	14	946	768	12	54	834
Loans repaid in part or full (Net)	6,871	3,813	(3,164)	7,520	(449)	1,391	15,137	16,079
Loans derecognised (written off)	-	-	(5,098)	(5,098)	-	-	(6,553)	(6,553)
Transfers to Stage 1	367	(224)	(143)	-	147	(127)	(20)	-
Transfers to Stage 2	(2,565)	2,899	(334)	-	(1,011)	1,078	(67)	-
Transfers to Stage 3	(3,592)	(4,029)	7,621	-	(7,452)	(3,450)	10,902	-
ECL Closing Balance	**9,825**	**3,982**	**36,741**	**50,548**	**7,818**	**1,517**	**37,845**	**47,180**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 7 : Investments

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
At Cost		
Equity instruments (Note 7.1)	75	5
At Fair Value		
Equity instruments (Note 7.2)	1,441	1,420
At Fair Value Though Profit and Loss		
Debt Securities (Note 7.3)	-	-
Total	**1,516**	**1,425**
Out of above :		
In India		
At Cost	75	5
At Fair Value Though Other Comprehensive Income	1,441	1,420
At Fair Value Though Profit and Loss	-	-
Outside India	-	-
Total	1,516	1,425

Impairment loss allowance recognised on these investments is ₹ Nil (Previous year ₹ Nil).

Note 7.1 :

₹ in Lakh

Investments in Equity Instruments carried at cost - Unquoted, Fully Paid up	**No of Shares/Units as at**		**Amount as at**	
	March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
In Wholly Owned Subsidiary				
GICHFL Financial Services Private Limited (Face value ₹ 10/- each)	750,000	50,000	75	5
Total			75	5

Note 7.2 :

₹ in Lakh

Investments in Equity Instruments carried at fair value through other comprehensive income - Unquoted, Fully Paid up	**No of Shares/Units as at**		**Amount as at**	
	March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Others				
LIC Mutual Fund Asset Management Ltd. (Face Value ₹ 10,000/- each)	1,287	1,287	1,434	1,414
LIC Mutual Fund Trustee Private Ltd. (Face Value ₹ 10/- each)	1,570	1,570	6	5
The Kalyan Janata Sahakari Bank Limited (Face Value ₹ 25/- each)	2,000	2,000	1	1
The Janakalyan Co-op Bank Ltd (Face value ₹ 10/- each)	5,000	5,000	-	-
Total			**1,441**	**1,420**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Investment in equity instruments of The Janakalyan Co-op Bank Ltd costing ₹ 1 lakh (previous year ₹ 1 lakh) has fair value of ₹ Nil (previous year ₹ Nil) as at March 31, 2022

Note 7.3 : Investment in debt instruments carried at fair value through profit and loss, costing ₹ 850 lakh (previous year ₹ 850 lakh) has fair value of ₹ Nil (previous year ₹ Nil) as at March 31, 2022. Companies in which investment had been made are either under liquidations, not active or active but name have been changed. Details of such changes are not readily available and hence details of investments made are not furnished.

Note 8 : Other Financial Assets

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Security Deposit		
- Unsecured; considered good	190	182
- Unsecured; considered doubtful	53	40
Less : Impairment Loss Allowance (Note 38.A.1 (II))	(53)	(40)
	190	182
Staff Advance	47	58
Other Receivables	15	37
Total	**252**	**277**

Note 9 : Current Tax Assets (net)

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Advance Tax (Net of Provision)	939	353
Total	**939**	**353**

Note 10 : Deferred tax assets (net)

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Deferred Tax Assets:		
Provision for Expected Credit Loss	12,386	11,602
Provision for Employee Benefits	242	280
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	385	405
Fair Valuation of Investments	57	63
Total (A)	**13,070**	**12,350**
Deferred Tax Liabilities:		
Depreciation and Amortization	(356)	(320)
Total (B)	**(356)**	**(320)**
Deferred Tax Asset/ (Liability) (net) (A+B)	12,714	12,030

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
For the year ended March 31, 2022

Movement in Deferred Tax Assets ₹ in Lakh

Particulars	As At April 1, 2021	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2022
Deferred Tax Assets:				
Provision for Expected Credit Loss	11,602	784	-	12,386
Provision for Employee Benefits	280	(11)	(27)	242
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	405	(20)	-	385
Fair Valuation of Investments	63	-	(6)	57
Total (A)	**12,350**	**753**	**(33)**	**13,070**
Deferred Tax Liabilities:				
Depreciation and Amortization	(320)	(36)	-	(356)
Total (B)	**(320)**	**(36)**	**-**	**(356)**
Deferred Tax Asset/ (Liability) (net) (A+B)	12,030	717	(33)	12,714

₹ in Lakh

Particulars	As At April 1, 2020	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2021
Deferred Tax Assets:				
Provision for Expected Credit Loss	9,068	2,534	-	11,602
Provision for Employee Benefits	247	15	18	280
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	217	188	-	405
Fair Valuation of Investments	78	-	(15)	63
Others	478	(478)	-	-
Total (A)	**10,088**	**2,259**	**3**	**12,350**
Deferred Tax Liabilities:				
Depreciation and Amortization	(374)	54	-	(320)
Total (B)	**(374)**	**54**	**-**	**(320)**
Deferred Tax Asset/ (Liability) (net) (A+B)	9,714	2,313	3	12,030

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 11 : Property, Plant and Equipment

₹ in Lakh

Particulars	Buildings*	Furniture and Fittings	Office Equipment	Computers	Vehicles	Total
Gross carrying value as at April 1, 2021	**84**	**71**	**55**	**156**	**124**	**490**
Additions	-	2	9	2	8	21
Deductions/Adjustments	-	(1)	(5)	(1)	(38)	(45)
Gross carrying value as at March 31, 2022	**84**	**72**	**59**	**157**	**94**	**466**
Accumulated Depreciation as at April 1, 2021	**15**	**37**	**31**	**120**	**71**	**274**
Depreciation for the year	3	8	9	8	16	44
Deductions/Adjustments	-	(1)	(5)	(1)	(28)	(35)
Accumulated Depreciation as at March 31, 2022	**18**	**44**	**35**	**127**	**59**	**283**
Carrying Value as at March 31, 2022	**66**	**28**	**24**	**30**	**35**	**183**

₹ in Lakh

Particulars	Buildings*	Furniture and Fittings	Office Equipment	Computers	Vehicles	Total
Gross carrying value as at April 1, 2020	**84**	**56**	**55**	**157**	**104**	**456**
Additions	-	16	6	-	20	42
Deductions/Adjustments	-	(1)	(6)	(1)	-	(8)
Gross carrying value as at March 31, 2021	**84**	**71**	**55**	**156**	**124**	**490**
Accumulated Depreciation as at April 1, 2020	**12**	**27**	**28**	**98**	**51**	**216**
Depreciation for the year	3	11	9	23	20	66
Deductions/Adjustments	-	(1)	(6)	(1)	-	(8)
Accumulated Depreciation as at March 31, 2021	**15**	**37**	**31**	**120**	**71**	**274**
Carrying Value as at March 31, 2021	**69**	**34**	**24**	**36**	**53**	**216**

*One building aggregating to gross block ₹ 4 Lakh and net block ₹ 3 Lakh is mortgaged against Secured, Redeemable, Non Convertible Debentures 2020-2021 series -3.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 12 : Right of Use Assets

₹ in Lakh

Particulars	Premises	
	As at March 31, 2022	As at March 31, 2021
Gross carrying value at the beginning of the year	2,317	2,150
Additions	756	365
Deductions/Adjustments	(150)	(198)
Gross carrying value at the end of the year	**2,923**	**2,317**
Accumulated Depreciation at the beginning of the year	895	513
Depreciation for the year	650	382
Deductions/Adjustments	(150)	-
Accumulated Depreciation at the end of the year	**1,395**	**895**
Carrying Value at the end of the year	**1,528**	**1,422**

Statement showing movement in lease liabilities

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying value	**1,583**	**1,735**
Additions for the year	756	365
Deductions/Adjustments during the year	-	(203)
Finance cost accrued during the period	135	125
Payment of lease liabilities	(733)	(439)
Carrying Value	**1,741**	**1,583**

Statement showing break up value of the Current and Non - Current Lease Liabilities

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	577	344
Non- Current lease liabilities	1,164	1,239

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting period.

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
	Ind AS 116	Ind AS 116
Not later than one year	933	443
Later than one year and not later than three years	1336	777
Later than three year and not later than five years	556	409
Later than five years	215	239
Total	**3,040**	**1,868**

Statement showing amount recognised in Statement of Profit and Loss :

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on Lease Liabilities	135	125
Depreciation on Right of use Assets	650	382
Total	**785**	**507**

Statement showing amount recognised in Statement of Cash Flows :

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	**733**	**439**

Note 13 : Intangible Assets under development

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**2,872**	**1,344**
Additions	514	1,528
Deductions/Adjustments	(472)	-
Closing balance	**2,914**	**2,872**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 13.1 Additional Regulatory Information

Intangible assets under development aging schedule

₹ in Lakh

Name of Projects	As at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project Nischay	507	1,435	972	-	2,914

₹ in Lakh

Name of Projects	As at March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project Nischay	1,528	1,344	-	-	2,872

Intangible assets under development completion schedule

₹ in Lakh

Intangible assets under development	As at March 31, 2022			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project Nischay	2,914	-	-	-

₹ in Lakh

Intangible assets under development	As at March 31, 2021			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project Nischay	2,872	-	-	-

Note : The company had embarked on a digital transformation project i.e. Project Nischay, spanning different application software's that has to have seamless data flow and information transfer amongst them during the F.Y. 2019-20. This project was initiated and was to be completed with the help of external consultants. Since the original and increased agreement period with the consultants was over and the project is not completed till date, there have been delays as well as cost overruns vis-à-vis the original plans of going live. The company has now taken the necessary steps, including recruiting personnel to complete the project and is confident that the project will be completed and go live before the end of the F.Y. 2022-23.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 14 : Other intangible assets

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Gross carrying value at the beginning of the year	-	-
Additions	476	-
Deductions/Adjustments	-	-
Gross carrying value at the end of the year	476	-
Accumulated Depreciation at the beginning of the year	-	-
Depreciation for the year	164	-
Deductions/Adjustments	-	-
Accumulated Depreciation at the end of the year	164	-
Carrying Value at the end of the year	**312**	**-**

Note 14.1 Additional Regulatory Information

The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets.

Note 15 : Other Non-Financial Assets

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Unsecured ; Considered Good		
Prepaid Expenses	556	483
Capital Advance	-	1
Others	73	56
Total	**629**	**540**

Note 16 : Asset held for Sale

₹ in Lakh

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Asset held for Sale	3,266	1,956
Total	**3,266**	**1,956**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 17 : Payables

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
Total Outstanding dues of micro enterprises and small enterprises	14	4
Total Outstanding dues of creditors other than micro enterprise and small enterprises	1,267	906
Total	**1,281**	**910**

Note 17.1 The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSMED Act, 2006.

₹ in Lakh

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;	14	4
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.	-	-
Total		**14**	**4**

Trade payables aging schedule

₹ in Lakh

Particulars		As at March 31, 2022 Outstanding from the date of transaction				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	4	6	4	-	14
(ii)	Others	1,062	92	-	113	1,267
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
Total		1,066	98	4	113	1,281

Note: The declarations received from trade payables during the F.Y. 2021-22 indicated 11 trade payables aggregating to ₹ 6.00 lakh that were presented as trade payables (not MSME) in the financial statements of F.Y. 2020-21. Accordingly, the disclosure requirements pertaining to F.Y. 2020-21 of MSME ageing have been re-presented.

₹ in Lakh

Particulars	As at March 31, 2021 Outstanding from the date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	4	-	-	-	4
(ii) Others	683	110	-	113	906
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	687	110	-	113	910

Note 18 : Debt Securities

At Amortised Cost

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
	At Amortised Cost	At Amortised Cost
Secured		
Non-Convertible Debentures (Note 18.1 & 18.2)	94,715	49,680
Unsecured		
Commercial Paper (Note 18.2)	54,340	74,739
Total (A)	**149,055**	**124,419**
Debt Securities in India	149,055	124,419
Debt Securities outside India	-	-
Total (B)	**149,055**	**124,419**

Note 18.1: For Series-3, Secured, Redeemable Non-Convertible Debentures (NCDs) are secured by way of registered mortgage on an immovable property and charge on identified receivables of the company and For Series-4, 5 & 6, Secured, Redeemable Non-Convertible Debentures (NCDs) are secured by way of charge on identified receivables of the company, with an asset cover of at least 1 time.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 18.2 Terms of repayment & rate of interest in case of Debt Securities.

Non Convertible Debentures at face value repayable at par

₹ in Lakh

Particulars	Maturity Date	Interest Type	Rate of Interest	As At March 31, 2022
3,000 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -3 of ₹ 10,00,000 each	22-Feb-23	Fixed	6.94%	30,000
1,950 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -4 of ₹ 10,00,000 each	30-Mar-23	Fixed	6.94%	19,500
2250 Secured, Redeemable, Non Convertible Debentures 2021-2022 series -5 of ₹ 10,00,000 each	20-Oct-23	Floating (based on average of 3 months T-bill rate plus spread of 3.00%)	6.77%	22,500
2250 Secured, Redeemable, Non Convertible Debentures 2021-2022 series -6 of ₹ 10,00,000 each	7-Jun-23	Floating (based on average of 3 months T-bill rate plus spread of 3.25%)	7.03%	22,500
Total				**94,500**

₹ in Lakh

Particulars	Maturity Date	Interest Type	Rate of Interest	As At March 31, 2021
3,000 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -3 of ₹ 10,00,000 each	22-Feb-23	Fixed	6.94%	30,000
1,950 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -4 of ₹ 10,00,000 each	30-Mar-23	Fixed	6.94%	19,500
Total				**49,500**

Commercial paper at face value repayable at par :

₹ in Lakh

Particulars	Maturity Date	Interest Type	Rate of Interest	As At March 31, 2022
4000 units of ₹ 5,00,000 each	17-Jun-22	Fixed	4.70%	**20,000**
4000 units of ₹ 5,00,000 each	27-May-22	Fixed	4.90%	**20,000**
3000 units of ₹ 5,00,000 each	26-Aug-22	Fixed	5.40%	**15,000**
Total				**55,000**

₹ in Lakh

Particulars	Maturity Date	Interest Type	Rate of Interest	As At March 31, 2021
4,000 Units of ₹ 5,00,000 each	9-Apr-21	Fixed	3.90%	20,000
3,000 Units of ₹ 5,00,000 each	29-Apr-21	Fixed	3.88%	15,000
2,000 Units of ₹ 5,00,000 each	7-May-21	Fixed	3.57%	10,000
4,000 Units of ₹ 5,00,000 each	21-May-21	Fixed	3.67%	20,000
2,000 Units of ₹ 5,00,000 each	4-Jun-21	Fixed	3.75%	10,000
Total				**75,000**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 19 : Borrowings (Other than Debt Securities) - At Amortised Cost

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loans (Note 19.1 & 19.2)		
- From Banks	748,193	809,267
- From National Housing Bank	132,500	182,289
- From Insurance Companies	-	-
Total (I)	**880,693**	**991,556**
Unsecured		
Short Term Loan from banks (Note 19.2)	5,000	5,000
Total (II)	**5,000**	**5,000**
Total (A= I+II)	**885,693**	**996,556**
Borrowings in India	885,693	996,556
Borrowings Outside India	-	-
Total (B)	**885,693**	**996,556**

Note 19.1: The above term loans are secured by way of first/exclusive charge on book-debts equivalent to loan outstanding.

Note 19.2 : Maturity Profile and Rate of Interest in case of Borrowings (Other than Debt Securities)

₹ in Lakh

Particulars	As at March 31, 2022			
	Banks (6.50% - 7.10%) (Floating)	National Housing Bank (6.40% - 6.65%) (Floating)	National Housing Bank (4.61% - 6.87%) (Fixed)	Total
Secured Term Loan				
Upto 1 Year	184,244	16,901	8,502	209,647
Over 1 year to 3 years	330,805	41,901	22,651	395,357
Over 3 to 5 years	139,659	19,465	13,599	172,723
Over 5 to 7 years	78,641	4,989	1,828	85,458
Over 7 Years	14,844	2,664	-	17,508
Total	**748,193**	**85,920**	**46,580**	**880,693**

Particulars	As at March 31, 2022	
	Banks (4.75%) (Floating)	Total
Unsecured Term Loan		
Upto 1 Year	5,000	5,000
Total	**5,000**	**5,000**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

₹ in Lakh

Particulars	As at March 31, 2021			
	Banks (6.70% - 7.50%) (Floating)	**National Housing Bank (4.86% - 8.30%) (Floating)**	**National Housing Bank (4.61% - 6.87%) (Fixed)**	**Total**
Secured Term Loan				
Upto 1 Year	183,262	16,901	20,102	220,265
Over 1 year to 3 years	345,445	45,071	22,671	413,187
Over 3 to 5 years	166,888	34,122	20,118	221,128
Over 5 to 7 years	73,726	9,751	6,624	90,101
Over 7 Years	39,946	6,929	-	46,875
Total	**809,267**	**112,774**	**69,515**	**991,556**

Particulars	As at March 31, 2021	
	Banks (6.70%) (Floating)	**Total**
Unsecured Term Loan		
Upto 1 Year	5,000	5,000
Total	**5,000**	**5,000**

Note 19.3 : The Company has used the borrowings (including debt-securities) from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 20 : Other Financial Liabilities

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Unpaid Dividends (Note 20.1)	122	117
Trade Liabilities	1,713	3,024
Staff Dues	30	30
Statutory Dues	130	16
Others	5	-
Total	**2,000**	**3,187**

Note 20.1 : As Required under Section 125 of the Companies Act 2013,The Company has transferred ₹ 21.51 Lakh (Previous Year ₹ 18.77 Lakh) to Investor Education and Protection Fund (IEPF) during the year. As of March 31, 2022, no amount was due for transfer to the IEPF.

Note 21 : Current Tax Liabilities (net)

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Provision for Tax (Net of Advance Tax)	-	113
Total	**-**	**113**

Note 22 : Provisions

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Provision for Employee Benefits		
- Leave Encashment	723	702
- Gratuity	236	410
Other Provision		
-Unspent amount of CSR (Note 34.2)	258	422
Total	**1,217**	**1,534**

Note 23 : Other Non Financial Liabilities

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Prepayments from borrowers	784	-
Others	57	-
Total	**841**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 24 : Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
AUTHORISED CAPITAL :		
15,00,00,000 Equity shares of ₹ 10 each	15,000	15,000
(FY 2020-21: 15,00,00,000 Equity shares of ₹ 10 each)		
	15,000	15,000
ISSUED,SUBSCRIBED & PAID UP:		
5,38,51,066 Equity shares of ₹ 10 each	5,385	5,385
(FY 2020-21: 5,38,51,066 Equity Shares of ₹ 10 each)		
Add: Forfeited Shares (Note 24.4)	3	3
Total	**5,388**	**5,388**

Note 24.1 : Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount (₹ in Lakh)	No of Shares	Amount (₹ in Lakh)
Shares outstanding at the beginning of the year	53,851,066	5,385	53,851,066	5,385
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	53,851,066	5,385	53,851,066	5,385

Note 24.2 : 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.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 24.3 : Details of Shareholders holding more than 5% shares in Company

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
General Insurance Corporation of India	8,218,802	15.26	8,218,802	15.26
The New India Assurance Company Limited	4,656,913	8.65	4,656,913	8.65
United India Insurance Company Limited	3,956,000	7.35	3,956,000	7.35
Life Insurance Corporation of India	2,750,250	5.11	3,050,250	5.66
The Oriental Insurance Company Limited	2,975,024	5.52	2,975,024	5.52
National Insurance Company Limited	3,030,100	5.63	3,030,100	5.63

Note 24.4 : The Company has forfeited 53,800 Equity Shares on which amount originally paid up is ₹ 2,69,000/-

Note 24.5 : During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

Note 24.6 : Details of Promoters holding

Promoter name	As at March 31, 2022		
	No. of Shares	% of total shares	% Change during the year
(1) General Insurance Corporation of India	8,218,802	15.26%	-
(2) The New India Assurance Company Limited	4,656,913	8.65%	-
(3) United India Insurance Company Limited	3,956,000	7.35%	-
(4) The Oriental Insurance Company Limited	2,975,024	5.52%	-
(5) National Insurance Company Limited	3,030,100	5.63%	-
Total	**22,836,839**	**42.41%**	

Promoter name	As at March 31, 2021		
	No. of Shares	% of total shares	% Change during the year
(1) General Insurance Corporation of India	8,218,802	15.26%	-
(2) The New India Assurance Company Limited	4,656,913	8.65%	-
(3) United India Insurance Company Limited	3,956,000	7.35%	-
(4) The Oriental Insurance Company Limited	2,975,024	5.52%	-
(5) National Insurance Company Limited	3,030,100	5.63%	-
Total	**22,836,839**	**42.41%**	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 25 : Other Equity

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves and Surplus		
- Special Reserve		
a. In terms of Section 29C(1) of the National Housing Bank Act,1987	456	456
b. In terms of Section 36(1)(viii) of the Income tax Act, 1961	57,288	51,863
	57,744	52,319
- Securities Premium	11,699	11,699
- General Reserve	73,793	64,213
- Retained earnings	2,440	2,242
- Remeasurement of net defined benefit plans	(120)	(202)
Other Comprehensive Income		
- Equity instrument through Other Comprehensive Income	138	123
Total	**145,694**	**130,394**

Refer Statement of Change in Equity for movement in Other Equity

Note 26 : Interest income

On financial assets measured at amortised cost

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Loans	113,325	121,846
Interest on Fixed Deposit	194	16
Other Interest	13	22
Total	**113,532**	**121,884**

Note 27 : Fee and commission income

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fees and Other Charges	425	116
Insurance Commission	103	89
Total	**528**	**205**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 28 : Other operating income

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bad Debts Recovery	905	380
Total	**905**	**380**

Note 29 : Other income

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit on sale of investments	188	117
Credit Balance Written Back	308	773
Profit on sale of Assets held for Sale & PPE	166	-
Total	**662**	**890**

Note 30 : Finance cost

On financial liabilities measured at amortised Cost

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Borrowings	63,634	79,345
Interest on Debt Securities	6,326	2,817
Interest on Lease Liabilities	135	125
Total	**70,095**	**82,287**

Note 31 : Impairment on financial instruments, including write-off

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impairment on financial instruments		
(On Financial instruments carried at amortised cost)		
- Loans	6,719	11,946
- Others	13	12
Bad debts written off		
- Loans	5,098	6,553
- Others	-	6
Total	**11,830**	**18,517**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 32 : Employee benefit expenses

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Allowances	3,476	3,056
Contribution to Provident and Other Funds	423	316
Contribution to Defined Benefit Plan	329	358
Staff Welfare Expenses	592	616
Total	**4,820**	**4,346**

Note 33 : Depreciation and amortisation

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property , Plant and Equipment	44	66
Depreciation on Right of use Assets	650	382
Amortisation on Intangible Assets	164	-
Total	**858**	**448**

Note 34 : Other expenses

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent	60	420
Rates and Taxes	5	8
Repairs and Maintenance	700	603
Communications Costs	47	41
Bank Charges	60	38
Electricity expenses	63	64
Insurance Expenses	331	599
Travelling and Conveyance	151	99
Printing and Stationery	35	37
Advertisement & Publicity Expenses	168	47
Legal and Professional Fees	1,782	2,036
Directors Sitting Fees	34	26
Corporate Social Responsibility (CSR) Expenses (Note 34.2)	1,176	651
Miscellaneous Expenses	287	191
Auditor's Remuneration (Note 34.1) :		
Audit Fees	18	14
Fees for limited review	5	4
Tax Audit Fees	4	2
Fees for other services	13	22
Total	**4,939**	**4,902**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 34.1 : Includes GST of ₹ 6 lakh (Previous year ₹ 6 lakh).

Note 34.2

Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under :

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Gross amount required to be spent by the Company during the year	329	422
(b) Amount spent, utilised and charged during the year on :		
(i) Construction / acquisition of any Asset	71	-
(ii) On purposes other than (i) above :		
- Contribution to various Funds / Trusts / NGOs / Societies / Agencies and utilisation thereon*	-	229
- Expenditure on Administrative Overheads for CSR	-	-
Total of (b)	**71**	**229**

Details of unspent amount of CSR obligations

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	1,268	1,075
Amount required to be spent during the year	329	422
Amount spent during the year	(1,339)	(229)
Closing balance	**258**	**1,268**

Additional Regulatory Information

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) amount required to be spent by the company during the year,	329	422
(b) amount of expenditure incurred,	71	229
(c) shortfall at the end of the year,	258	193
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	Could not find suitable projects	Could not find suitable projects
(f) nature of CSR activities,	Sanitation & Education	Sanitation & Education
(g) 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,	No	No
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Refer Note 22	Refer Note 22

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 35 : Income taxes

Income tax expense in statement of profit and loss

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expenses:		
In respect of the current year	6,400	5,175
In respect of prior years (Net)	-	36
Total Current Tax	6,400	5,211
Deferred tax (Note 10)	(717)	(2,313)
Total	**5,683**	**2,898**

Reconciliation of income tax expense of the year can be reconciled to the accounting profit as follows :

₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	23,040	13,455
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	5,799	3,387
Adjustment in respect current tax of earlier year (Net)	-	36
Tax effect of:		
Non-deductible expenses	2,300	3,247
Deductions under Income tax Act,1961		
- u/s 36(i)(vii)(d) and 36(i)(viii)	(1,699)	(1,421)
- u/s 80G	-	(38)
Income tax expense recognised in the statement of profit and loss	6,400	5,211

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 36 : Current and non Current classification - Statement of Assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakh

Particulars	As At March 31, 2022		
	Within 12 Months	After 12 Months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	47,701	-	47,701
Bank Balance other than Cash and Cash Equivalent	404	-	404
Receivables			
(i) Trade Receivables	22	-	22
Loans	60,077	1,060,453	1,120,530
Investments	-	1,516	1,516
Other Financial Assets	89	163	252
Total Financial Assets	**108,293**	**1,062,132**	**1,170,425**
Non-Financial Assets			
Current Tax Assets (net)	-	939	939
Deferred Tax Assets (net)	-	12,714	12,714
Property, Plant and Equipment	-	183	183
Right Of Use Assets	-	1,528	1,528
Intangible Assets under development	-	2,914	2,914
Other intangible assets	-	312	312
Other Non-Financial Assets	-	629	629
Assets Held for Sale	3,266	-	3,266
Total Non-Financial Assets	**3,266**	**19,219**	**22,485**
TOTAL ASSETS	**111,559**	**1,081,351**	**1,192,910**
LIABILITIES & EQUITY			
LIABILITIES			
Financial liabilities			
Lease Liabilities	577	1,164	1,741
Payables			
Trade Payable			
(i) Total outstanding dues of micro enterprises and small enterprises	14	-	14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,267	-	1,267
Debt securities	104,038	45,017	149,055
Borrowings (other than debt securities)	214,647	671,046	885,693
Other Financial Liabilities	2,000	-	2,000
Total Financial liabilities	**322,543**	**717,227**	**1,039,770**
Non-Financial Liabilities			
Current tax liabilities (Net)	-	-	-
Provisions	545	672	1,217
Other Non Financial Liabilities	841	-	841
Total Non-Financial Liabilities	**1,386**	**672**	**2,058**
Total Liabilities	**323,929**	**717,899**	**1,041,828**
EQUITY			
Equity Share Capital	-	5,388	5,388
Other Equity	-	145,694	145,694
Total Equity	**-**	**151,082**	**151,082**
TOTAL LIABILITIES & EQUITY	**323,929**	**868,981**	**1,192,910**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

₹ in Lakh

Particulars	As At March 31, 2021		
	Within 12 Months	After 12 Months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	8,676	-	8,676
Bank Balance other than Cash and Cash Equivalent	387	-	387
Receivables			
(i) Trade Receivables	33	-	33
Loans	60,475	1,173,422	1,233,897
Investments	-	1,425	1,425
Other Financial Assets	117	160	277
Total Financial Assets	**69,688**	**1,175,007**	**1,244,695**
Non-Financial Assets			
Current Tax Assets (net)	-	353	353
Deferred Tax Assets (net)	-	12,030	12,030
Property, Plant and Equipment	-	216	216
Right Of Use Assets	-	1,422	1,422
Intangible Assets under development	-	2,872	2,872
Other Non-Financial Assets	-	540	540
Assets Held for Sale	1,956	-	1,956
Total Non-Financial Assets	**1,956**	**17,433**	**19,389**
TOTAL ASSETS	**71,644**	**1,192,440**	**1,264,084**
LIABILITIES & EQUITY			
LIABILITIES			
Financial liabilities			
Lease Liabilities	344	1,239	1,583
Payables			
Trade Payable			
(i) Total outstanding dues of micro enterprises and small enterprises	4	-	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	906	-	906
Debt securities	74,739	49,680	124,419
Borrowings (other than debt securities)	225,265	771,291	996,556
Other Financial Liabilities	3,187	-	3,187
Total Financial liabilities	**304,445**	**822,210**	**1,126,655**
Non-Financial Liabilities			
Current tax liabilities (Net)	113	-	113
Provisions	731	803	1,534
Total Non-Financial Liabilities	**844**	**803**	**1,647**
Total Liabilities	**305,289**	**823,013**	**1,128,302**
EQUITY			
Equity Share Capital	-	5,388	5,388
Other Equity	-	130,394	130,394
Total Equity	**-**	**135,782**	**135,782**
TOTAL LIABILITIES & EQUITY	**305,289**	**958,795**	**1,264,084**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 37 : Financial Instruments

Note 37.1 : Capital Management

The Company's objective, when managing Capital, is to safeguard the ability of the Company to continue as a going concern, maintain strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder's value.

The capital of the Company comprises of Equity Share Capital, Share Premium, other equity reserves, a mix of debt securities and borrowings (other than debt securities). No changes have been made to the objectives, policies and processes from the previous year. However, they are under constant review by the Board.

The Management of the Company monitors the Regulatory capital by overviewing Debt Equity Ratio and makes use of the same for framing the business strategies.

The Net Debt Equity Ratio of the Company is calculated as below:

₹ in Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Debt securities (a)	149,055	124,419
Borrowings (other than debt securities) (b)	885,693	996,556
Total Debt (c=a+b)	1,034,748	1,120,975
Cash and Cash Equivalents (d)	47,701	8,676
Net Debt (e=c-d)	987,047	1,112,299
Total Equity (f)	151,082	135,782
Net Debt to Equity Ratio (in times) (g=e/f)	**6.53**	**8.19**

Note 37.2 : Financial Instruments by Category

₹ in Lakh

Particulars	As At March 31, 2022			
	FVTPL	FVTOCI	Cost	Amortised Cost
Financial Assets				
Cash and Cash Equivalents	-	-	-	47,701
Bank Balance other than Cash and Cash Equivalent	-	-	-	404
Receivables				
(i) Trade Receivables	-	-	-	22
Loans	-	-	-	1,120,530
Investments	-	1,441	75	-
Other Financial Assets	-	-	-	252
Total Financial Assets	**-**	**1,441**	**75**	**1,168,909**
Financial Liabilities				
Lease Liabilities	-	-	-	1,741
Trade Payable	-	-	-	1,281
Debt securities	-	-	-	149,055
Borrowings (other than debt securities)	-	-	-	885,693
Other Financial Liabilities	-	-	-	2,000
Total Financial Liabilities	**-**	**-**	**-**	**1,039,770**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

₹ in Lakh

Particulars	As At March 31, 2021			
	FVTPL	FVTOCI	Cost	Amortised Cost
Financial Assets				
Cash and Cash Equivalents	-	-	-	8,676
Bank Balance other than Cash and Cash Equivalent	-	-	-	387
Receivables			-	
(i) Trade Receivables	-	-	-	33
Loans	-	-	-	1,233,897
Investments	-	1,420	5	-
Other Financial Assets	-	-	-	277
Total Financial Assets	**-**	**1,420**	**5**	**1,243,270**
Financial Liabilities				
Lease Liabilities	-	-	-	1,583
Trade Payable	-	-	-	910
Debt securities	-	-	-	124,419
Borrowings (other than debt securities)	-	-	-	996,556
Other Financial Liabilities	-	-	-	3,187
Total Financial Liabilities	**-**	**-**	**-**	**1,126,655**

Note 37.3 : Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgment and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgments on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgments in respect of Level 3 instruments.

Fair Value Hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1 : inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Level 2 : inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 : inputs are unobservable inputs for the asset or liability.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

₹ in Lakh

Particulars	As At March 31, 2022		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Investments	-	-	1,441

₹ in Lakh

Particulars	As At March 31, 2021		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Investments	-	-	1,420

There were no transfers between Level 1, Level 2 and Level 3 during the year

Valuation technique used to determine fair value

Equity instruments

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3.

Valuation adjustments and other inputs and considerations

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 financial assets does not have a significant impact in its value.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents, Loans, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 38 : Financial Instruments

Note 38 A : Financial Risk Management

Introduction

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. While the Company is exposed to various types of risks, the most important among them are liquidity risk, interest rate risk, credit risk, regulatory risk and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

Risk Management Framework

In order to mitigate/transfer the risks, the Company has adopted a Risk Management Policy which provides a framework for identification, assessment, mitigation and reporting of risks.

Board level Risk Management Committee of the Company identifies, reviews and controls key risk areas, across the entire organization.

The role of the Risk Management Committee shall be:

1. review the risk management policies and system periodically and report to the Board.
2. ensure that the risk management system is established, implemented and maintained in accordance with this Policy.
3. assign the responsibilities to Chief Risk Officer of the Company in relation to risk identification and its management.

The Board shall be the ultimate Authority to approve the strategic plans and objectives for Risk Management and Risk Philosophy.

The Company has exposure to following risks arising from the financial instruments:

Note 38.A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as loans, investments, balances with banks and other financials assets.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. The Company ensures effective monitoring of credit facilities through a portfolio quality review framework.

The Company monitors and manages credit risk on loans at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for Housing 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, monitoring and reporting of the Credit risk.

Company's customers for housing loans are primarily salaried and self-employed individuals. All retail loans are also subjected to risk based pricing wherein the individual cases are graded on a credit score linked to multiple parameters of appraisal.

The Company's credit officers evaluate credit proposals, basis 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.

Various process controls such as KYC Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. In addition External agencies such as field investigation agencies facilitate a comprehensive due diligence process including visits to offices and homes, Panel Advocates confirmed that the title to the property to be mortgaged with GICHF are clear and marketable and free from all encumbrances, charges etc and Panel valuers are entrusted with the job of ascertaining the genuineness of market value of property as it is an important factor in determining the loan amount.

The loans are fully secured and have full recourse against the borrower. The Company has a equitable mortgage over the borrowers property. Wherever the state laws provide, the memorandum of deposit of title deeds are also registered.

Note 38.A.1 (I) Concentrations of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

71% (Previous year 72%) of the Company's loan outstanding is from borrower's residing across 5 various states of India. The Company has taken a special contingency insurance policy to insured Borrower's collateral security.

Note 38.A.1 (II) Credit Risk Grading of loans and loss allowances

For effective risk Management, the company monitors its portfolio, based on product, underlying security and credit risk characteristics. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

Additionally, the Company evaluates risk based on staging as defined below:

The company categorises loan assets into stages based on the Days Past Due status:

- Stage 1: [0-31 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.
- Stage 2: [32-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset)
- Stage 3: [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.

Stage wise Categorisation of Loan Assets:

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Stage 1	993,442	1,131,898
Stage 2	100,760	64,475
Stage 3	86,154	98,424
Total	**1,180,356**	**1,294,797**

For reconciliations from opening to closing balance of EAD and expected credit loss allowance for loans refer Note 6.2.

Financial Assets measured at Simplified Approach

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Trade Receivables, and Other Financial Assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Management of the Company expects no defaults in the above mentioned financial assets and insignificant history of defaults has been observed by the Management in the previous years on such Financial Assets. Hence no ECL has been recognised on the above mentioned Financial assets as at the reporting date except other financials assets.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Carrying Value of financials assets wherein impairment loss allowance is measured at simplified approach :

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Cash and Cash Equivalents	47,701	8,676
Bank balance other than cash and cash equivalent	404	387
Trade Receivables	22	33
Other Financial Assets	252	277

Reconciliations of Expected Credit loss allowance on financials assets wherein impairment loss allowance is measured at simplified approach :

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Opening balance	40	28
Arising during the year	13	12
Utilised	-	-
Closing balance	**53**	**40**

Note 38.A.1 (III) Contractual amount outstanding on financial assets that were written off during the reporting year

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Write off	5,098	6,553

Note 38.A.1 (IV) Collateral and other credit enhancements

The Company is in the business of extending secured loans backed by mortgage of property (residential or commercial). The Company assesses and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Company also requests for additional collateral(s).

The Company after exploring all the possible measures, initiates action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) against the mortgaged properties as a last resort to recover.

Housing Loans include loans amounting to ₹ 43,731 Lakh (Previous Year ₹ 20,971 Lakh) against which the company has taken possession (including symbolic possession) of the property under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 38.A.2 Liquidity Risk

Liquidity risk is the risk resulting from an Organization's inability to meet its obligations as they become due, because of difficulty in liquidating assets (market liquidity risk) or in obtaining adequate funding. The assessment includes analysis of sources and uses of funds, an understanding of the funding markets in which the entity operates and an assessment of the efficacy of a contingency funding plan for events that could arise. Measuring and managing liquidity needs are vital for effective operations of Housing Finance Company. The Company has also constituted Board Level Asset Liability Management (ALM) Committee which measures not only the liquidity positions of Company on on-going basis but also examines how liquidity requirements are likely to revive under different scenarios.

Maturities of Financial Liabilities

The Company's financial liabilities into relevant maturity groupings based on their contractual maturities for essential for an understanding of the timing of the cash flows.

₹ in Lakh

Contractual maturities of financial liabilities As at March 31, 2022	Up to 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	Total
Lease Liabilities (Refer Note (a) below)	255	251	427	1,336	556	215	**3,040**
Trade Payable	1,281	-	-	-	-	-	**1,281**
Debt securities	39,657	14,683	49,698	45,017	-	-	**149,055**
Borrowings (other than debt securities)	20,869	83,430	110,348	395,357	172,723	102,966	**885,693**
Other financial liabilities	2,000	-	-	-	-	-	**2,000**

₹ in Lakh

Contractual maturities of financial liabilities As at March 31, 2021	Up to 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	Total
Lease Liabilities (Refer Note (a) below)	112	112	219	777	409	239	**1,868**
Trade Payable	910	-	-	-	-	-	**910**
Debt securities	74,739	-	-	49,680	-	-	**124,419**
Borrowings (other than debt securities)	25,469	79,432	120,364	413,187	221,128	136,976	**996,556**
Other financial liabilities	3,187	-	-	-	-	-	**3,187**

Note:

(a) Contractual maturities of lease liabilities are on undiscounted basis.

Note 38.A.3 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, equity prices resulting in a loss to earnings and capital.

The Company's exposure to market risk is primarily on account of interest rate risk, price risk and competitions risk. The Company do not have any exposure to foreign exchange rate.

Note 38.A.3 (I) Interest Rate Risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entity's financial condition. The immediate impact of changes in interest rate is on the Net Interest Income (NII) i.e. Net Spread, which would be based on rising interest rate of borrowings and falling interest rate of loans.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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The Company is also exposed to interest rate risk as it is into funding of Home Loans which are based on floating interest rates. The Company has Board Level Asset Liability Management (ALM) Committee which meets periodically to review the interest rate risk, asset profile and to identify short term liquidity gaps, if any and to take immediate corrective actions to bridge the same.

(a) Interest rate risk exposure

Total Borrowings (including debt securities) of the Company are as follows:

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Floating Rate Borrowings	839,113	938,640
Floating Rate Debt Securities	45,017	-
Fixed Rate Borrowings	46,580	57,916
Fixed Rate Debt Securities	104,038	124,419
Total Borrowings (including debt securities)	**1,034,748**	**1,120,975**

(b) Sensitivity

Impact on the Company's profit before tax if interest rates had been 10 basis points higher / lower of borrowings is given below:

₹ in Lakh

Particulars	Impact on Profit Before Tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest rates – increase by 10 basis points (10 bps)	(884)	(939)
Interest rates – decrease by 10 basis points (10 bps)	884	939

Note 38.A.3 (II) Price Risk

The Company's equity investment carry a risk of change in prices. To manage its price risk arising from investment in equity securities, the Company periodically monitors the performance of the investee companies.

(a) Price risk exposure

Total exposure to assets having price risk as under

₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Market Value of equity investment	1,441	1,420

(b) Sensitivity

Impact on the Company's profit before tax if instrument index had been 10 basis points higher / lower of equity investment is given below:

₹ in Lakh

Particulars	Impact on Profit Before Tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
increase by 10 basis points (10 bps)	1	1
decrease by 10 basis points (10 bps)	(1)	(1)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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Note 38.A.3 (III) Competitions Risk

Competition Risk is the risk to the market share and profitability arising due to competition. It is present across all the businesses and across all the economic cycle with the intensity of competition risk varying due to several factors, like, barriers to entry, industry growth potential, degree of competition, etc.

The Company's business environment is characterized by increased youth population, growing economy, increased urbanization, Government incentives, acceptability of credit in society and rise in nuclear families. Due to all these reasons, the Housing Finance industry has seen a higher growth rate than overall economy and several other industries since past several years. This has led to increase in competition and in turn increased pressure on the existing Companies to maintain/grow market share and profitability. In order to mitigate the risk arising due to competition, the Company has customer centric approach coupled with state of art infrastructure including IT interface.

Note 39 : Related Party Disclosures

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), details of related parties, nature of the relationship, with whom company has entered transactions. All these transactions with related parties were carried out in ordinary course of business and on arm's length basis.

i) Related Party Policy:

Related Party Policy is uploaded on the website of the Company and annexed to the Director Report.

ii) Related Parties Transactions:

A. Details of Related Parties:

Sr. no.	Name of the Related Party		Nature of Relationship
a)	GICHFL Financial Services Private Limited (Incorporated on January 27, 2021)		Wholly owned Subsidiary

B. Key Management Personnel

Sr. no.	Key Management Personnel	For the year ended March 31, 2022	For the year ended March 31, 2021
a)	Managing Director & Chief Executive Officer (MD & CEO)	Smt. G Shobha Reddy (From 12-04-2021)	Smt. Neera Saxena (Upto 31-03-2021)
b)	Chief Financial Officer (CFO)	Smt. Varsha Godbole (From 29-10-2021)	Smt. Radhika B. Iyer
		Smt. Radhika B. Iyer (Up to 28-10-2021)	
c)	Company Secretary (CS)	Smt. Nutan Singh	Smt. Nutan Singh

C. Directors (Executive or Otherwise)

Sr. no.	Directors (Executive or Otherwise)		Remarks
a)	Shri. Devesh Srivastava	Non-executive Chairman	From 01-01-2020
b)	Shri. Girish Radhakrishnan	Non-executive Director	Upto 30-06-2021
c)	Smt. Tajinder Mukherjee	Non-executive Director	Upto 30-06-2021
d)	Shri. Atul Sahai	Non-executive Director	Upto 28-02-2022
e)	Smt. Suchita Gupta	Non-executive Director	From 12-02-2020 Upto 03-08-2021 From 11-08-2021
f)	Shri. N S R Chandra Prasad	Independent Director	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Sr. no.	Directors (Executive or Otherwise)		Remarks
g)	Shri. A K Saxena	Independent Director	-
h)	Smt. Vijayalakshmi R. Iyer	Independent Director	-
i)	Shri. G. Srinivasan	Independent Director Non-executive Director	Upto 22-12-2021
j)	Shri.Prafulla Chhajed	Independent Director Non-executive Director	From 12-03-2021 Upto 20-12-2021
k)	Smt.Rani Singh nair	Independent Director Non-executive Director	From 12-03-2021
l)	Smt. S.N. Rajeswari	Non-executive Director	From 12-09-2020 Up to 02-03-2021
m)	Shri. V.Ramasamy	Independent Director	Upto 18-12-2020
n)	Shri. Kamlesh Shivji Vikamsey	Independent Director	Upto 18-12-2020
o)	Smt. Mona Mukund Bhide	Independent Director	Upto 18-12-2020
p)	Shri. A.V.Girija Kumar	Non-executive Director	Upto 31-05-2020
q)	Shri Anjan Dey	Non-executive Director	From 12-04-2021
r)	Shri Satyajit Tripathy	Non-executive Director	From 07-10-2021
s)	Shri Hitesh Joshi	Non-executive Director	From 07-10-2021
t)	Shri Vaijinath M. Gavarshetty	Independent Director	From 06-01-2022
u)	Shri Kishore Garimella	Independent Director	From 06-01-2022
v)	Shri S J Krishnan	Independent Director	From 06-01-2022

D. Other Related Parties with whom transactions have taken place during the year

Sr no Enterprises in which Key Managerial Personnel/Directors have Control/Significant Influence

a) Dave & Girish & Co.

iii) Details of transactions during the year

A. Wholly owned Subsidiary ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Investment in equity shares	70	5

B. Managing Director & CEO ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Smt G. Shobha Reddy	Smt. Neera Saxena
Managerial Remuneration		
Short Term Employee Benefits	41	43
Post-Employment Benefits*	-	-
Total	**41**	**43**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

C. Chief Financial Officer ₹ in Lakh

Particulars	For the year ended March 31, 2022		Total	For the year ended March 31, 2021
	Smt. Varsha Godbole	Smt. Radhika B. Iyer		Smt. Radhika B. Iyer
Managerial Remuneration				
Short Term Employee Benefits	15	15	30	26
Post-Employment Benefits*	-	-	-	-
Total	**15**	**15**	**30**	**26**

D. Company Secretary ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Smt. Nutan Singh	Smt. Nutan Singh
Managerial Remuneration		
Short Term Employee Benefits	16	15
Post-Employment Benefits*	-	-
Total	16	15

*The Post-Employment Benefits namely provision for gratuity and leave encashment cannot be determined employee wise since the provision is based on the actuarial valuation of the company as a whole.

E. Sitting Fees paid ₹ in Lakh

Name of the Directors	For the year ended March 31, 2022	For the year ended March 31, 2021
Shri. V. Ramasamy	-	2.10
Shri. Kamlesh S. Vikamsey	-	3.30
Smt. Mona Bhide	-	1.80
Shri. B. Chakrabarti	-	1.20
Shri. A. V. Muralidharan	-	1.20
Shri. M. K. Garg	-	1.20
Shri. NSR Chandra Prasad	8.10	4.50
Smt. Vijayalakshmi Iyer	5.40	2.40
Shri. A K Saxena	6.90	3.30
Shri. G. Srinivasan	3.90	4.20
Shri. Prafulla Chhajed	2.70	0.30
Smt. Rani Singh Nair	4.20	0.30
Shri Vaijinath M. Gavarshetty	0.90	-
Shri Kishore Garimella	0.90	-
Shri S J Krishnan	0.90	-
Total	**33.90**	**25.80**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
For the year ended March 31, 2022

F. Professional Fee Paid ₹ in Lakh

Name of the Directors	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Dave & Girish & Co.	-	2

G. Interest Income ₹ in Lakh

Name of the Directors	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Shri. Atul Sahai	1	4
Smt. Suchita Gupta	3	8
Shri. Hitesh Joshi	3	-
Smt. Radhika B. Iyer	-	-
Smt. Nutan Singh	1	1

iv) Details of balance at the year end with related parties:

A. Amount due from related parties ₹ in Lakh

Name of the related Party	**As At March 31, 2022**	**As At March 31, 2021**
GICHFL Financial Services Private Limited (on account of Reimbursement of Expenses)	7	1

B. Outstanding Amount of Loan taken from the Company ₹ in Lakh

Name of the Directors and KMP	**As At March 31, 2022**	**As At March 31, 2021**
Shri. Atul Sahai	-	49
Smt. Suchita Gupta	-	50
Shri. Hitesh Joshi	29	-
Smt. Radhika B. Iyer	1	1
Smt. Nutan Singh	13	13

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

v) **Additional Regulatory Information**

₹ in Lakh

Type of Borrower	As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	29	0.25%
KMPs	14	0.12%
Related parties	-	-

₹ in Lakh

Type of Borrower	As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	**Percentage to the total Loans and Advances in the nature of loans**
Promoter	-	-
Directors	99	0.77%
KMPs	14	0.11%
Related parties	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 40 : Employee Benefits :-

In compliance with the Indian Accounting Standard on 'Employee Benefits' (Ind AS 19), following disclosures have been made :

Defined Contribution Plan:

(i) Pension Scheme

The Company makes contribution to Employees' Pension Scheme, 1995 for all employees and Employee State Insurance Scheme for all eligible employees. The Company has recognized ₹ 29 Lakh (Previous year ₹ 30 Lakh) for Employees' Pension Scheme in the Statement of Profit and Loss. The contributions payable by the Company are at rates specified in the rules of the schemes.

(ii) Provident Fund

An amount of ₹ 390 Lakh (Previous year ₹ 281 Lakh) has been charged to Statement of Profit and Loss on account of this defined benefit scheme.

Defined Benefit Plans:

(i) Gratuity Plan

Gratuity is payable to all the members at the rate of 15 days salary for each completed year of Service.

The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the standalone financial statements in the period in which the code becomes effective and related rules are published.

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Funded	Funded
Starting Period	01/04/2021	01/04/2020
Date of Reporting	31/03/2022	31/03/2021
Period of Reporting	12 Months	12 Months

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Assumptions (Current Period)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expected Return on Plan Assets	7.23%	6.85%
Rate of Discounting	7.23%	6.85%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	5.60%	5.60%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

Table Showing Change in the Present Value of Defined Benefit Obligation ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Benefit Obligation as at beginning of the period	1,426	1,210
Interest Cost	96	82
Current Service Cost	120	115
(Benefit Paid From the Fund)	(81)	(32)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(1)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(49)	(2)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(35)	53
Present Value of Defined Benefit Obligation as at the end of the year	1,476	1,426

Table Showing Change in the Fair Value of Plan Assets ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fair Value of Plan Assets at the beginning of the period	1,016	823
Interest income	67	64
Contributions by the employer	213	183
(Benefit paid from the fund)	(81)	(32)
Return on plan assets, excluding interest income	25	(22)
Fair Value of Plan Assets at the end of the period	1,240	1,016

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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Amount recognised in the Balance Sheet ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Present Value of Benefit Obligation at the end of the Period)	(1,476)	(1,426)
Fair Value of Plan Assets at the end of the Period	1,240	1,016
Funded Status (Surplus/ (Deficit))	(236)	(410)
Net (Liability)/Asset Recognized in the Balance Sheet	**(236)**	**(410)**

Net interest cost for current year ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Benefit Obligation at the Beginning of the Period	1,426	1,210
(Fair Value of Plan Assets at the Beginning of the Period)	(1,016)	(823)
Net Liability/(Asset) at the Beginning	410	387
Interest Cost	96	83
(Interest Income)	(68)	(64)
Net Interest Cost for Current Period	**28**	**19**

Expenses recognised in Statement of Profit and Loss ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	120	115
Net Interest Cost	28	19
Expenses Recognized	148	134

Expenses Recognized in the Other Comprehensive Income (OCI) for current year ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (Gains)/Losses on Obligation For the Period	(83)	50
Return on Plan Assets, Excluding Interest Income	(26)	22
Net (Income)/Expense For the Period Recognized in OCI	**(109)**	**72**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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Balance Sheet Reconciliation ₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Opening Net Liability	410	387
Expenses Recognized in Statement of Profit or Loss	148	134
Expenses Recognized in OCI	(109)	72
(Employer's Contribution)	(213)	(183)
Net Liability/(Asset) Recognized in the Balance Sheet	**236**	**410**

Category of Assets ₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Insurance fund	1240	1016

Information of major categories of plan assets of gratuity fund are not available with the Company and hence not disclosed as per the requirements of Ind AS 19 “Employee Benefits”.

Other Details ₹ in Lakh

Particulars	As At March 31, 2022	As At March 31, 2021
Expected Contribution in the Next Year	236	216

Net interest cost for Next Year ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Benefit Obligation at the Beginning of the Period	1,476	1,426
(Fair Value of Plan Assets at the Beginning of the Period)	(1,240)	(1,016)
Net Liability/(Asset) at the Beginning	236	410
Interest Cost	105	96
(Interest Income)	(88)	(68)
Net Interest Cost for Current Period	**17**	**28**

Expenses Recognized in the Statement of Profit or Loss for Next Year ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	111	120
Net Interest Cost	17	28
(Expected Contributions by the Employees)	-	-
Expenses Recognized	**128**	**148**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Maturity Analysis of the Benefit Payments: From the Fund ₹ in Lakh

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended March 31, 2022	For the year ended March 31, 2021
1st Following Year	114	147
2nd Following Year	124	79
3rd Following Year	136	114
4th Following Year	102	123
5th Following Year	131	102
Sum of Years 6 To 10	571	538
Sum of Years 11 and above	2,072	1,980

Sensitivity Analysis ₹ in Lakh

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected Benefit Obligation on Current Assumptions	1,476	1,426
Delta Effect of +1% Change in Rate of Discounting	(115)	(115)
Delta Effect of -1% Change in Rate of Discounting	134	135
Delta Effect of +1% Change in Rate of Salary Increase	55	58
Delta Effect of -1% Change in Rate of Salary Increase	(58)	(62)
Delta Effect of +1% Change in Rate of Employee Turnover	11	3
Delta Effect of -1% Change in Rate of Employee Turnover	(13)	(4)

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 Defined 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 Defined 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 Defined Benefit Obligation as recognised 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 STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(ii) Leave Encashment

An amount of ₹ 176 Lakh (Previous year ₹ 220 Lakh) has been charged to Statement of Profit and Loss for this benefit scheme during the year.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Type of Benefit	Privilege Leave	Privilege Leave
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Unfunded	Unfunded
Starting Period	01/04/2021	01/04/2020
Date of Reporting	31/03/2022	31/03/2021
Period of Reporting	12 Months	12 Months

Assumptions (Closing Period)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rate of Discounting	7.23%	6.85%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	5.60%	5.60%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

Table Showing Change in the Present Value of Defined Benefit Obligation ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Benefit Obligation as at beginning of the period	702	591
Interest Cost	48	40
Current Service Cost	59	57
(Benefit Paid Directly by the Employer)	(155)	(109)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(18)	(1)
Actuarial (Gains)/Losses on Obligations - Due to Experience	87	124
Present Value of Defined Benefit Obligation as at the end of the year	723	702

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (Gains)/Losses on Obligation For the Period	69	124
Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss	**69**	**124**

Amount recognised in the Balance Sheet ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Benefit Obligation at the end of the Period	(723)	(702)
Fair Value of Plan Assets at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	**(723)**	**(702)**

Net Interest Cost for Current Period ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Benefit Obligation at the Beginning of the Period	702	591
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	702	591
Interest Cost	48	40
(Interest Income)	-	-
Net Interest Cost for Current Period	**48**	**40**

Expenses recognised in Statement of Profit and Loss ₹ in Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	60	56
Net Interest Cost	48	40
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss to be recognised	68	124
Expenses Recognized	**176**	**220**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Balance Sheet Reconciliation ₹ in Lakh

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Opening Net Liability	702	591
Expenses Recognized in Statement of Profit or Loss	176	220
(Benefit Paid Directly by the Employer)	(155)	(109)
Net Liability/(Asset) Recognized in the Balance Sheet	**723**	**702**

Note 41 Commitments and Contingent Liabilities :

a) Commitments :

i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 536 lakh (Previous year ₹ 765 lakh)

ii) As at the balance sheet date there were undrawn credit commitments of ₹ 9,278 lakh (Previous Year ₹ 13,720 lakh) representing the loan amounts sanctioned but not disbursed.

b) Contingent Liabilities :

i) Contingent Liabilities : With respect to pending Income Tax disputes of ₹ 195 lakh (Previous Year ₹ 195 lakh). The Company has preferred appeal/s against the same and has made payments under protest.

ii) Bank Guarantees:

- ₹ 150 lakh given in favour of Kotak Mahindra Life Insurance Company Ltd. in lieu of premium deposit for "Kotak Term Group Plan" Policy contract to avail Term Group Plan cover for borrowers. (Previous Year -₹ 150 lakh).
- ₹ 100 lakh given in favour of Future Generali India Life Insurance Company Ltd. in lieu of premium deposit for "Future Generali Loan Suraksha Plan" policy contract to avail Credit Life Group Plan Cover for borrowers (Previous Year - ₹ 100 lakh).
- ₹ 50 lakh given in favour of Aditya Birla Sun Life Insurance Company Ltd. in lieu of premium deposit for "Aditya Birla Sun Life Insurance Group Asset Assure Plan" policy contract to avail Credit Life Group Plan Cover for borrowers (Previous Year - ₹ 50 lakh)

Note 42 Proposed Dividend

₹ in Lakh

Particulars	**For the Year Ended March 31, 2022**	**For the Year Ended March 31, 2021**
Dividends not recognised at the end of reporting period		
The Board of Directors, have recommended final dividend of ₹ 4.5/- per equity share for March 31, 2022 (₹ 4/- for March 31, 2021). This dividend will be paid after the approval of the members at the AGM.	2,423	2,154

Note 43 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole Company as one segment of "Financing". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

Further, the Company operates in a single business segment ie. financing, which has similar risks and returns taking into account the organisational structure and the internal reporting systems. No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the company's total revenue in year ended 31 March 2022 or 31 March 2021. The Company operates in single geography i.e. India and therefore geographical information is not required to be disclosed separately.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 44 Earnings Per Share:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to Equity Shareholders (₹ in lakh)	17,357	10,557
No. of Weighted Average Equity Shares Outstanding During the year (Basic & Diluted)	53,851,066	53,851,066
Nominal Value of Equity Shares (₹)	10	10
Basic Earnings per Share (₹) (Basic & Diluted)	32.23	19.60

Note 45

The outbreak of the COVID-19 pandemic had led to a nation-wide lockdown in April-May 2020. This was followed by localised lockdowns in areas with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the second half of fiscal 2021. India experienced a "second wave" of the COVID-19 pandemic in April-May 2021 following the discovery of mutant coronavirus variants, leading to the re-imposition of regional lockdowns. These were gradually lifted as the second wave subsided.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the COVID-19 pandemic will continue to impact the Company's results will depend on ongoing as well as future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

Note 46 Additional Regulatory Information under MCA Notification dated March 24, 2021

(i) Title deeds of immovable properties not held in name of the company

₹ in Lakh

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Non-current Assets Held for Sale (Refer note 16)	Building (492 Properties)	3266	Borrowers to whom loans were given	No	Repossessed between August 2017 to March 2022	Properties repossessed under SARFAESI Act.

Note: Due to the voluminous nature of transactions and sensitivity of the information, individual borrower wise details, in whose name the title deeds are held are not disclosed.

(ii) Details of benami property held

There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(iii) Borrowing secured against current assets

The company has borrowings (including debt securities) from banks on the basis of security of book debts and immovable property.

(iv) Wilful defaulter

The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(v) Relationship with Struck off Companies

Amount in ₹

Sr. no.	Name of struck off Company	Nature of transactions with struck-off Company	Transactions	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
1	Prava Buildcon Private Limited	Shareholder, Number of shares held - 400 equity shares	Dividend Paid	-	None
2	Incotrade Business Solution Private Limited	Shareholder, Number of shares held - 15 equity shares	Dividend Paid	-	None
3	Pratibha Chit Funds Private Limited	Shareholder, Number of shares held - 300 equity shares	Dividend Paid	-	None
4	Agrawal Securities Limited	Shareholder, Number of shares held - 1100 equity share	Dividend Paid	-	None
5	Neepro Trading Company Private Limited	Shareholder, Number of shares held - 162 equity shares	Dividend Paid	-	None
6	Vaishak Shares Limited	Shareholder, Number of shares held - 1 equity share	Dividend Paid	-	None
7	Siddha Papers Private Limited	Shareholder, Number of shares held - 183 equity shares	Dividend Paid	-	None
8	Jalor Finance and Investment Co. (P) Limited	Shareholder, Number of shares held - 100 equity shares	-	2,050.00	None

(vi) Registration of charges or satisfaction with Registrar of Companies

In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

(vii) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(Viii) Ratios

Particulars	As At March 31, 2022	As At March 31, 2021
Capital to risk-weighted assets ratio (CRAR) (%)	25.71	19.53
Tier I CRAR (%)	24.46	18.32
Tier II CRAR (%)	1.25	1.21
Liquidity Coverage Ratio (%)	686.44	NA

Note: LCR computation is based on Management estimation of future inflows and outflows and not subjected to audit by auditors.

(ix) Compliance with approved scheme(s) of arrangements

NA

(x) Utilisation of borrowed funds and share premium

During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i). 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise,

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

that the Intermediary shall, whether, 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;

(ii). No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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;

(xi) Undisclosed Income

The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

(xii) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 47

There are no loans transferred / acquired during the quarter and year ended March 31, 2022 under the RBI Master direction on Transfer of Loan Exposure dated September 24, 2021.

Note 48

Disclosure made vide Notification no. DOR.No.BP.BC.63/21.04.048/2019-20 April 17, 2020 on COVID19 Regulatory Package - Asset Classification and Provisioning

₹ in Lakh

Sr. No.	Particulars	As At March 31, 2021
i)	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the above circular.	549875^
ii)	Respective amount where asset classification benefits is extended.*	-
iii)	Provisions made in terms of paragraph 5 of the above circular.**	-
iv)	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6.**	-
v)	Total Provision in terms of paragraph 6 of the above circular.**	-

^ Position as at February 29, 2020.

*As per Supreme Court Judgement assets classification benefit has been withdrawn. Consequently, there are no assets as on March 31, 2021 wherein assets classification benefit has been extended.

**The Company has made adequate provision for impairment loss allowances (as per ECL Model) for the year ended March 31, 2021.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 49 The following disclosures have been given in terms of Notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22. 10.106/2019-20 dated March 13, 2020 issued by the RBI on Implementation of Indian Accounting Standards.

Asset Classification as at March 31, 2022 ₹ in Lakh

Asset Classification as per RBI Norms	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 provisions and IRACP norms
1	2	3	4	5 = 3 - 4	6	7 = 4 - 6
Performing Asset						
Standard	Stage 1	982,993	9,727	973,266	3,512	6,215
	Stage 2	87,403	3,432	83,971	409	3,023
Subtotal		**1,070,396**	**13,159**	**1,057,237**	**3,921**	**9,238**
Non-Performing Assets (NPA)						
Substandard	Stage 1**	1,343	20	1,323	202	(182)
	Stage 2**	13,244	546	12,698	1,987	(1,441)
	Stage 3	26,404	8,027	18,377	3,961	4,066
Subtotal of Substandard		**40,991**	**8,593**	**32,398**	**6,150**	**2,443**
Doubtful up to 1 year	Stage 3	20,662	6,536	14,126	5,166	1,370
1 to 3 years	Stage 3	33,668	19,679	13,989	13,467	6,212
More than 3 Years	Stage 3	4,045	1,166	2,879	4,045	(2,879)
Subtotal of Doubtful		**58,375**	**27,381**	**30,994**	**22,678**	**4,703**
Loss	Stage 3	1,316	1,316	-	1,316	-
Subtotal of NPA		**100,682**	**37,290**	**63,392**	**30,144**	**7,146**
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	9,105	78	9,027	-	78
	Stage 2	114	4	110	-	4
	Stage 3	59	17	42	-	17
Subtotal		**9,278**	**99**	**9,179**	**-**	**99**
Total	**Stage 1**	**993,441**	**9,825**	**983,616**	**3,714**	**6,111**
	Stage 2	**100,761**	**3,982**	**96,779**	**2,396**	**1,586**
	Stage 3	**86,154**	**36,741**	**49,413**	**27,955**	**8,786**
	Total	**1,180,356**	**50,548**	**1,129,808**	**34,065**	**16,483**

** Refer Note 53 for Circular issued by Reserve Bank of India, no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Asset Classification as at March 31, 2021***

₹ in Lakh

Asset Classification as per RBI Norms	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 provisions and IRACP norms
1	2	3	4	5 = 3 - 4	6	7 = 4 - 6
Performing Asset						
Standard	Stage 1	1,118,404	7,736	1,110,668	4,164	3,572
	Stage 2	64,316	1,514	62,802	328	1,186
Subtotal		**1,182,720**	**9,250**	**1,173,470**	**4,492**	**4,758**
Non-Performing Assets (NPA)						
Substandard	Stage 3	46,974	10,572	36,402	7,046	3,526
Doubtful up to 1 year	Stage 3	34,025	19,018	15,007	8,506	10,512
1 to 3 years	Stage 3	11,010	2,338	8,672	4,404	(2,066)
More than 3 Years	Stage 3	580	134	446	580	(446)
Subtotal of Doubtful		**45,615**	**21,490**	**24,125**	**13,490**	**8,000**
Loss	Stage 3	5,768	5,768	-	5,768	-
Subtotal of NPA		**98,357**	**37,830**	**60,527**	**26,304**	**11,526**
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	13,494	82	13,412	-	82
	Stage 2	159	3	156	-	3
	Stage 3	67	15	52	-	15
Subtotal		**13,720**	**100**	**13,620**	**-**	**100**
Total	**Stage 1**	**1,131,898**	**7,818**	**1,124,080**	**4,164**	**3,654**
	Stage 2	**64,475**	**1,517**	**62,958**	**328**	**1,189**
	Stage 3	**98,424**	**37,845**	**60,579**	**26,304**	**11,541**
	Total	**1,294,797**	**47,180**	**1,247,617**	**30,796**	**16,384**

* represents loan amounts sanctioned but un-disbursed.

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 corporation exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2021 and accordingly, no amount is required to be transferred to impairment reserve.

*** The Company has used Applications made under Restructuring Scheme 1.0 on loans as early indicators suggesting higher probability of defaults and loss given default and accordingly accounted for commensurate expected credit loss. Consequently, all cases classified as stage 3 in the ECL matrix may not necessary be Substandard/Doubtful/Loss Assets. The disclosures made above for classifications of loans in to Stage 1, 2 & 3 is as per ECL Matrix of the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 50

Disclosure as required under RBI Circular No. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 in relation of the Resolution Framework for COVID-19-related Stress:

₹ in Lakh

	(A)	(B)	(c)	(D)	(E)
Type of Borrowers	**Exposure to Accounts classified as Standard consequent to a Implementation of resolution plan at September 30, 2021**	**of (A), aggregate debt that slipped Into NPA during the half year**	**of (A), amount written off during the half year**	**of (A) , amount paid by the borrowers during the half year**	**Exposure to Accounts classified as Standard consequent to a Implementation of resolution plan - Position as at March 31, 2022**
Personal Loans	3,181	445	-	329	2,407
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**3,181**	**445**	**-**	**329**	**2,407**

Note 51

Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021.

Liquidity Risk Management Framework

₹ in Lakh

	Particulars	As At March 31, 2022		As At December 31, 2021	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Asset					
1	Total High Quality Liquid Assets (HQLA)	47,701	47,701	20,578	20,578
	Cash and Bank Balance	3,943	3,943	3,738	3,738
	Fixed deposits	43,758	43,758	16,840	16,840
Cash Outflows					
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	4,000	4,600	30,000	34,500
4	Secured wholesale funding	6,707	7,713	10,932	12,572
5	Additional requirements, of which				
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Liquidity Risk Management Framework

₹ in Lakh

	Particulars	As At March 31, 2022		As At December 31, 2021	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
6	Other contractual funding obligations	13,462	15,481	15,370	17,676
7	Other contingent funding obligations	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**24,169**	**27,794**	**56,302**	**64,748**
Cash Inflows					
9	Secured lending	103,000	77,250	80,500	60,375
10	Inflows from fully performing exposures	13,138	9,854	13,184	9,888
11	Other cash inflows	70,000	52,500	58,500	43,875
12	**TOTAL CASH INFLOWS**	**186,138**	**139,604**	**152,184**	**114,138**
13	**TOTAL HQLA**		**47,701**		**20,578**
14	**TOTAL NET CASH OUTFLOWS**		**6,949**		**16,187**
15	LIQUIDITY COVERAGE RATIO (%)		686.44		127.13

Note: LCR computation is based on Management estimation of future inflows and outflows and not subjected to audit by auditors.

Qualitative Disclosure

Liquidity Coverage Ratio (LCR) aims to ensure that NBFC's maintains an adequate level of unencumbered High Quality Liquidity Asset (HQLAs) that can be converted into cash to meet liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

HQLA comprises of unencumbered Bank Balances and Fixed Deposit, Cash in Hand, Liquid Investments after appropriate haircut. The Company maintains sufficient balance of Cash and Bank Balance and liquid Investments which can be easily liquidated in times of stress.

Liquidity Coverage Ratio results drive by inflow of next 30 days receivable on loans and advances and corresponding outflow over the next 30 days towards borrowings and other liabilities.

Note: 1) Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

2) Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

Note 52

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 36 cases (Previous Year 31 cases) of frauds reported during the year where amount involved was ₹ 1,874 Lakh (Previous Year ₹ 1,273 Lakh).

Note 53

Pursuant to the RBI circular dated November 12, 2021 "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has implemented the requirements and aligned its definition of default accordingly during the quarter ended December 31, 2021 . On February 15, 2022, RBI allowed deferment till September 30, 2022 of para 10 of the above circular pertaining to upgrade of non-performing assets. However, the Company has not opted for this deferment.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 54

Disclosure in terms of RBI Circular No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 on Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package.

In accordance with RBI notification dated April 7, 2021, the Company is required to refund/adjust 'interest on interest' to borrowers. As required by the RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Banks' Association. As at March 31, 2021 the Company has adjusted borrowers accounts towards interest relief.

Note 55

Disclosures as per the Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021.

The below mentioned notes have been prepared as per Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 ("IND AS").

Note 55.1. 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)

₹ in Lakh

Sr. No.	Type of Instruments	Number of Significant Counter parties	As At March 31, 2022	% of Total Deposits	% of Total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	22	1,034,748	-	99.32%

₹ in Lakh

Sr. No.	Type of Instruments	Number of Significant Counter parties	As At March 31, 2021	% of Total Deposits	% of Total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	**23**	**1,120,975**	**-**	**99.35%**

II Top 20 large deposits (amount in ₹ Lakh and % of total deposits)

₹ in Lakh

Sr. No.	Name	As At March 31, 2022	% of Total Deposits	As At March 31, 2021	% of Total Deposits
1	Total of top 20 large deposits	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

III Top 10 borrowings (amount in ₹ Lakh and % of total borrowings)

₹ in Lakh

Sr. No.	Name	As At March 31, 2022	% of Total Borrowings	As At March 31, 2021	% of Total Borrowings
1	Total of top 10 borrowings	834,727	80.67%	840,295	74.96%

IV Funding Concentration based on significant instrument/product

₹ in Lakh

Sr. No.	Name of the instrument/product	As At March 31, 2022	% of Total Liabilities	As At March 31, 2021	% of Total Liabilities
1	Debt Securities	149,055	14.31%	124,419	11.03%
2	Borrowings (other than debt securities)	885,693	85.01%	996,556	88.32%
3	Deposits	-	0.00%	-	0.00%
4	Subordinated liabilities	-	0.00%	-	0.00%
	Total	1,034,748	99.32%	1,120,975	99.35%
	Funding Concentration pertaining to insignificant instruments/products	-	0.00%	-	0.00%
	Total borrowings under all instruments/ products	1,034,748	99.32%	1,120,975	99.35%

V Stock Ratios :

Sr. No.	Particulars	As At March 31, 2022			As At March 31, 2021		
		Total public funds	Total liabilities	Total assets	Total public funds	Total liabilities	Total assets
a)	Commercial papers	5.25%	5.22%	4.56%	6.67%	6.62%	5.91%
b)	Non-convertible debentures (original maturity of less than one year)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
c)	Other short-term liabilities	31.31%	31.09%	27.15%	27.23%	27.06%	24.15%

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 constituted Risk Management Committee (RMC) oversee the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board constituted Asset Liability Committee (ALCO) acts as a strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite and guard-rails approved by the Board. The ALCO, which measures not only the liquidity positions of Company on on-going basis but also examines how liquidity requirements are likely to revive under different scenarios.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 55.2. Disclosure on Principal business criteria

Sr. No.	Particulars	As At March 31, 2022	As At March 31, 2021
a)	Total Housing Loans (%)	84.39%	86.81%
b)	Individual Housing Loans (%)	84.39%	86.78%

Note : % of Total assets netted of intangible assets.

Note 56 Other Disclosures as per the Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021

Note 56.1 Disclosures:

I Capital to Risk Assets Ratio (CRAR):

Sr. No.	Particulars	As At March 31, 2022	As At March 31, 2021
i)	CRAR (%)	25.71	19.53
ii)	CRAR - Tier I capital (%)	24.46	18.32
iii)	CRAR - Tier II Capital (%)	1.25	1.21
iv)	Amount of subordinated debt raised as Tier- II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

II Reserve fund u/s 29C of NHB Act, 1987:

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Balance at the beginning of the year		
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	456	456
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	51,863	47,293
	Total (a + b)	**52,319**	**47,749**
	Addition / Appropriation / Withdrawal during the year		
	Add:		
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	5,425	4,570
	Less:		
a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b)	Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purposes of provision u/s 29C of the NHB Act, 1987	-	-
	Balance at the end of the year		
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	456	456
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	57,288	51,863
	Total (a + b)	**57,744**	**52,319**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

III Investments:

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Value of Investments		
i)	Gross Value of Investments		
	a) In India	1,516	1,425
	b) Outside India	-	-
ii)	Provisions for Depreciation		
	a) In India	-	-
	b) Outside India	-	-
iii)	Net Value of Investments		
	a) In India	1,516	1,425
	b) Outside India	-	-

Movement of Provisions held towards depreciation on investments

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Value of Investments		
i)	Opening balance	-	-
ii)	Add: Provisions made during the year	-	-
iii)	Less: Write-off/Written-back of excess provisions during the year	-	-
iv)	Closing Balance	-	-

IV Derivatives:

a Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	The notional principal of swap agreements		
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements		
iii)	Collateral required by the HFC upon entering into swaps	Nil	Nil
iv)	Concentration of credit risk arising from the swaps		
v)	The fair value of the swap book		

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

b Exchange Traded Interest Rate (IR) Derivative

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	Nil	Nil
ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March (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)		

c Disclosures on Risk Exposure in Derivatives

A Qualitative Disclosure

Since the Company has not involved in derivatives transactions, risk management policy of the Company does not include this kind of disclosure.

B Quantitative Disclosure

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount)	Nil		Nil	
ii)	Marked to Market Positions [1]				
	(a) Assets (+)				
	(b) Liability (-)				
iii)	Credit Exposure [2]				
iv)	Unhedged Exposures				

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

V Securitisation:

a Securitisation transactions under SPV Structure sponsored by HFC

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	No of SPVs sponsored by the HFC for securitisation transactions		
ii)	Total amount of securitised assets as per books of the SPVs sponsored		
iii)	Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
	a. Off-Balance Sheet exposures towards Credit Enhancements		
	b. On-Balance Sheet exposures towards Credit Enhancements		
iv)	Amount of exposures to securitisation transactions other than MRR	Nil	Nil
	a. Off-Balance Sheet exposures towards Credit Enhancements		
	A. Exposure to own securitizations		
	B. Exposure to third party securitisations		
	b. On-Balance Sheet exposures towards Credit Enhancements		
	A. Exposure to own securitizations		
	B. Exposure to third party securitisations		

b Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	No. of accounts		
ii)	Aggregate value (net of provisions) of accounts sold to SC / RC		
iii)	Aggregate consideration	Nil	Nil
iv)	Additional consideration realized in respect of accounts transferred in earlier years		
v)	Aggregate gain / loss over net book value		

c Details of Assignment transactions undertaken :

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	No. of accounts		
ii)	Aggregate value (net of provisions) of accounts assigned		
iii)	Aggregate consideration	Nil	Nil
iv)	Additional consideration realized in respect of accounts transferred in earlier years		
v)	Aggregate gain / loss over net book value		

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

d Details of non-performing financial assets purchased / sold

A Details of non-performing financial assets purchased

₹ in Lakh

Sr. No.		Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	a.	No. of accounts purchased during the year		
	b.	Aggregate outstanding	Nil	Nil
ii)	a.	Of these, number of accounts restructured during the year		
	b.	Aggregate outstanding		

B Details of non-performing financial assets sold

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	No. of accounts sold		
ii)	Aggregate outstanding		
iii)	Aggregate consideration received	Nil	Nil
VI	Assets Liability Management		

Maturity pattern of certain items of assets and liabilities As At March 31, 2022

₹ in Lakh

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency Liabilities	Advances*	Investments*	Foreign currency Assets
1 day to 7 days	-	-	-	-	-	-	-
8 days to 14 days	-	2,500	-	-	-	-	-
15 days to 30/31 days	-	-	-	-	4,834	-	-
Over one month to 2 months	-	438	19,852	-	4,858	-	-
Over 2 months to 3 months	-	17,931	19,805	-	4,880	-	-
Over 3 months to 6 months	-	83,430	14,683	-	14,753	-	-
Over 6 months to 1 year	-	110,348	49,698	-	31,894	-	-
Over 1 year to 3 years	-	395,357	45,017	-	124,959	-	-
Over 3 years to 5 years	-	172,723	-	-	134,614	-	-
Over 5 years	-	102,966	-	-	812,978	1,516	-
Total	**-**	**885,693**	**149,055**	**-**	**1,133,770**	**1,516**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Maturity pattern of certain items of assets and liabilities As At March 31, 2021

₹ in Lakh

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency Liabilities	Advances*	Investments*	Foreign currency Assets
1 day to 7 days	-	-	-	-	-	-	-
8 days to 14 days	-	2,500	19,983	-	-	-	-
15 days to 30/31 days	-	5,000	14,956	-	4,678	-	-
Over one month to 2 months	-	11,599	29,865	-	4,937	-	-
Over 2 months to 3 months	-	6,369	9,935	-	4,959	-	-
Over 3 months to 6 months	-	79,432	-	-	15,002	-	-
Over 6 months to 1 year	-	120,364	-	-	33,354	-	-
Over 1 year to 3 years	-	413,187	49,680	-	128,600	-	-
Over 3 years to 5 years	-	221,128	-	-	140,081	-	-
Over 5 years	-	136,977	-	-	911,620	1,425	-
Total	**-**	**996,556**	**124,419**	**-**	**1,243,231**	**1,425**	**-**

* Advances and Investments are shown net of Non-performing Asset Provision (i.e. provision under ECL)/ Provision for Depreciation.

VII Exposure

a Exposure to Real Estate Market

₹ in Lakh

Sr. No.	Category	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	Direct Exposure		
	a) Residential Mortgages		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	1,180,167	1,294,569
	b) Commercial Real Estate		
	Lending secured by mortgages on commercial real estates (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;	189	228
	c) Investments in Mortgage Backed Securities (MBS) and other Securitised Exposures		
	- Residential	-	-
	- Commercial Real Estate	-	-
ii)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
	Total Exposure to Real Estate Sector	**1,180,356**	**1,294,797**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Exposure includes amount outstanding including principal, interest overdue, interest accrued but not due and sanctioned but undisbursed. In computing the above information, certain estimates and assumptions have been made by the Management and relied upon by the auditors.

b Exposure to Capital Market

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended 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;	1,516	1,425
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
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;	-	-
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds 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;	-	-
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	Loans sanctioned to corporates 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;	-	-
vii)	Bridge loans to companies against expected equity flows / issues;	-	-
viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	**1,516**	**1,425**

c Details of financing of parent company products: The Company does not have any exposure in financing of parent company products.

d Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC : Housing Finance Company shall not lend more than 15% of its owned fund to Single borrower and 25% of its owned fund to any single group of borrowers. The Company has not exceeded prudential exposure limits during the year.

e Unsecured Advances: The Company has not given any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security. Unsecured advances reflecting in Note 6 represent amounts where the property against which advances have been granted are subject to property fraud by the borrowers, which was detected post disbursement of such advances or diminution in value of property identified subsequently.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

f Exposure to group companies engaged in real estate business

₹ in Lakh

Sr. No.	Particulars	As At March 31, 2022	As At March 31, 2021
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	-	-

Note 56.2 Miscellaneous:

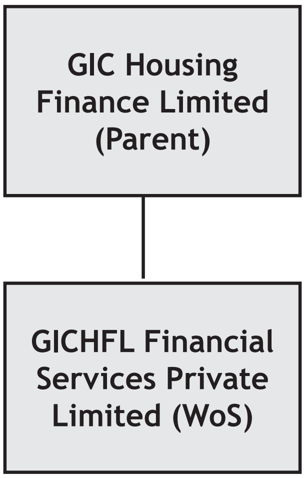
I Details of registration obtained from other financial sector regulators: The Company was incorporated under the Companies Act, 1956 on December 12, 1989 and is governed by Companies Act, 2013. It is regulated by NHB and registered under section 29A of the NHB Act, 1987. Company obtained registration (Corporate Agency License) from Insurance Regulatory and Development Authority of India. Renewal of registration of the Company as LEI (Legal Entity Identifier) as required by RBI.

II Disclosure of Penalties imposed by NHB and other regulators:

a The BSE Limited and National Stock Exchanges of India Limited (NSE) has imposed fine of ₹ 4,30,000/- (Plus GST) respectively for non-compliance of Regulation 17(1) of Listing Regulations. Also, NSE has levied penalty of ₹ 10,000/- (Plus GST) for non-compliance of Regulation 29(2) of Listing Regulations

III Related Party Transactions: Related party transaction details have been disclosed under Note 39.

IV Group Structure as on March 31, 2022 & March 31, 2021 :



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

a Ratings Assigned by Credit Rating Agencies As At March 31, 2022

Instrument	Name of the Rating Agency	Rating Assigned	Outlook
Long Term Bank Lines	ICRA Limited	[ICRA]AA	Stable
Non-Convertible Debentures	ICRA Limited	[ICRA]AA	Stable
Commercial Paper	ICRA Limited	[ICRA]A1+	-
Short Term Bank Lines	ICRA Limited	[ICRA]A1+	-
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA+	Stable
Non-Convertible Debentures	CRISIL Limited	CRISIL AA+	Stable
Commercial Paper	CRISIL Limited	CRISIL A1+	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

b Details of Migration of Ratings for the FY 2021-22

Instrument	Name of the Rating Agency	Rating in 2021-2022	Rating in 2020-2021
Long Term Bank Lines	ICRA Limited	[ICRA]AA Stable	[ICRA]AA+ Negative
Non-Convertible Debentures	ICRA Limited	[ICRA]AA Stable	[ICRA]AA+ Negative

a Ratings Assigned by Credit Rating Agencies As At March 31, 2021

Instrument	Name of the Rating Agency	Rating Assigned	Outlook
Long Term Bank Lines	ICRA Limited	[ICRA]AA+	Negative
Non-Convertible Debentures	ICRA Limited	[ICRA]AA+	Negative
Commercial Paper	ICRA Limited	[ICRA]A1+	-
Short Term Bank Lines	ICRA Limited	[ICRA]A1+	-
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA+	Stable
Non-Convertible Debentures	CRISIL Limited	CRISIL AA+	Stable
Commercial Paper	CRISIL Limited	CRISIL A1+	-

b Details of Migration of Ratings for the FY 2020-21

Instrument	Name of the Rating Agency	Rating in 2020-2021	Rating in 2019-2020
-	-	-	-

There is no migration in ratings during the financial year 2020-2021.

VI Remuneration of Directors: Remuneration of directors details have been disclosed under Note 39.

VII Management : Refer the Management Discussion and Analysis section of Annual report.

VIII Net Profit or Loss for the period, prior period items and changes in accounting policies:

a Amount aggregating to ₹ Nil (Previous year ₹ Nil) has been debited to statement of profit and loss accounts which pertains to prior periods.

b There is no change in the accounting policies except as required by the applicable statute.

IX Revenue Recognition : Revenue recognition is as per the Accounting Policy mentioned under Significant Accounting Policies. Refer Note 2.2(i).

X Applicability of Consolidation of Financial Statements: Refer Consolidated Financial Statements

Note 56.3 Additional Disclosures:

I Provisions and Contingencies

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

a Break up of 'Provisions and Contingencies'

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	Provisions for Depreciation on Investments	-	-
ii)	Provision made towards Income tax	6,400	5,175
iii)	Provision towards NPA	(538)	19,453
iv)	Provision for Standard Assets (With details like teaser loan, CRE, RE-RH etc.)	3,906	(9,093)
v)	Others :	105	556
	Provision for employee benefits	(153)	134
	Unspent amount of CSR	258	422

b Break up of Loans and Advances and Provisions thereon

₹ in Lakh

Sr. No	Particulars	Housing		Non Housing	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Standard Asset				
a)	(i) Total outstanding Amount	954,641	1,045,596	115,755	137,124
b)	Provisions made	10,701	7,514	2,540	1,821
	Sub - Standard Asset				
a)	Total outstanding Amount	31,427	34,846	9,564	12,128
b)	Provisions made	6,813	8,352	1,797	2,234
	Doubtful Assets- I				
a)	Total outstanding Amount	15,615	28,790	5,047	5,235
b)	Provisions made	5,177	17,838	1,359	1,182
	Doubtful Asset - II				
a)	Total outstanding Amount	28,630	8,332	5,038	2,678
b)	Provisions made	18,151	1,837	1,528	499
	Doubtful Asset - III				
a)	Total outstanding Amount	2,802	543	1,243	37
b)	Provisions made	829	127	337	8
	Loss Assets				
a)	Total outstanding Amount	895	5,638	421	130
b)	Provisions made	895	5,638	421	130
	Total				
a)	**(i) Total outstanding Amount**	**1,034,010**	**1,123,745**	**137,068**	**157,332**
b)	**Provisions made**	**42,566**	**41,306**	**7,982**	**5,874**

Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provision for NPAs represent Expected credit loss in the above table for the Financial Year 2021-22 and 2020-21 .

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

II Details on drawn drown from reserves: ₹ Nil

III Concentration of Public Deposits, Advances, Exposures and NPAs

a Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

₹ in Lakh

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	Total Deposits of twenty largest depositors	Nil	Nil
ii)	Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC		

b Concentration of Loans & Advances: ₹ in Lakh

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	Total Loans & Advances to twenty largest borrowers	3,278	3,744
ii)	Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC.	0.28%	0.29%

c Concentration of all Exposure (including off-balance sheet exposure): ₹ in Lakh

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	Total Exposure to twenty largest borrowers	3,545	3,765
ii)	Percentage of Exposure to twenty largest borrowers/customers to Total Exposure of the HFC on borrower/ customers	0.30%	0.29%

Note: Exposure includes amount outstanding including principal, interest overdue and sanctioned but undisbursed.

d Concentration of NPA ₹ in Lakh

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	Total Exposure to top ten NPA accounts	1,780	1,684

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

e Sector-wise NPAs:

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2022	**As at March 31, 2021**
i)	Housing Loans		
a	Individuals	7.65%	6.85%
b	Builders/Project Loans	-	-
c	Corporates	0.03%	0.03%
d	Others (specify)	-	-
ii)	Non – Housing Loans		
a	Individuals (Mortgage/Commercial)	15.55%	12.81%
b	Builders/Project Loans	-	-
c	Corporates	-	-
d	Others (specify)	-	-

IV Movement of NPAs:

₹ in Lakh

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	**Net NPAs to Net Advances (%)**	5.59%	4.86%
ii)	**Movement of NPAs (Gross)**		
	a) Opening balance**	98,424	71,594
	b) Additions during the year	84,901	45,486
	c) Reductions during the year	(82,575)	(18,656)
	d) Closing balance	100,750	98,424
iii)	**Movement of Net NPAs**		
	a) Opening balance**	60,579	53,202
	b) Additions during the year	59,115	19,393
	c) Reductions during the year	(56,251)	(12,016)
	d) Closing balance	63,443	60,579
iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	a) Opening balance**	37,845	18,392
	b) Provisions made during the year	25,786	26,093
	c) Write-off/write-back of excess provisions	(26,324)	(6,640)
	d) Closing balance	37,307	37,845

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Pursuant to the communication received from National Housing Bank (NHB), the additional provision made by the Company in the previous financial years towards the Standard assets and Non-Performing Assets are reclassified to provisions for Non-Performing Assets.

**Opening Balance is based on EAD as per Ind AS Accounting Standard in compliance with the RBI Master Direction dated February 17, 2021 read with RBI Circular on Ind AS implementation dated March 13, 2020. EAD includes principal, interest overdue, sanctioned but un-disbursed and adjustments relating to effective interest rate. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17DOR.STR.REC.4/ 21.04.048/2021-22 dated April 7, 2021, the Company has carried out asset classification of the borrower accounts as per the extant RBI instructions / IRAC norms, without considering any standstill in asset classification and also done staging of the borrower accounts in accordance with ECL model / framework under Ind AS in the financial statements.

V Overseas Assets

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	Overseas Assets	Nil	Nil

VI Off-balance Sheet SPVs sponsored which are required to be consolidated as per accounting Norms

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	Off-balance Sheet SPVs sponsored	Nil	Nil

VII There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to the total outstanding asset is Nil (Previous Year Nil).

VIII Information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries : The company have operations only in India and does not have any joint venture partners with regard to joint ventures and overseas subsidiaries.

Note 56.4 Disclosures of Complaints:

I Details on Customer Complaints

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i)	No. of complaints pending at the beginning of the year	6	35
ii)	No. of complaints received during the year	98	91
iii)	No. of complaints redressed during the year	102	120
iv)	No. of complaints pending at the end of the year (iv = i+ii-iii)	2	6

Disclosure made above is only for the complaints filed by customers directly on "Grievance Registration and information Database system (GRIDS)"NHB online website having the following URL: http://grids.nhbonline.org.in

Customer complaints details as given above are as identified by the Company and relied upon by the auditors.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 57 Annex III Schedule to the Balance Sheet

₹ in Lakh

Particulars			As At March 31, 2022	
			Amount outstanding	Amount overdue
Liabilities side				
(1)	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:			
	(a)	Debentures : Secured	94,715	-
		: Unsecured	-	-
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	-	-
	(c)	Term Loans	885,693	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	54,340	-
	(f)	Public Deposits	-	-
	(g)	Other Loans	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
	(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	-	-

Assets side				Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
	(a)	Secured		1,169,587
	(b)	Unsecured		1,491
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities			
	(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	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Assets side				Amount outstanding
(5)	Break-up of Investments			
	Current Investments			
	1	Quoted		
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-
	2	Unquoted		
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-
	Long Term investments			
	1	Quoted		
		(i)	Share	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-
	2	Unquoted		
		(i)	Shares	
			(a) Equity	1516
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(6) Borrower group-wise classification of assets financed as in (3) and (4) above: ₹ in Lakh

Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	43	-	43
2	Other than related parties	1,119,439	1,048	1,120,487
	Total	**1,119,482**	**1,048**	**1,120,530**

(7) **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :** ₹ in Lakh

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
(a) Subsidiaries	75	75
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	1,441	1,441
Total	**1,516**	**1,516**

(8) Other information ₹ in Lakh

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	100,750
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	63,443
(iii) Assets acquired in satisfaction of debt	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

₹ in Lakh

Particulars	As At March 31, 2021	
	Amount outstanding	Amount overdue
Liabilities side		
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	49,680	-
: Unsecured	-	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans	996,556	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	74,739	-
(f) Public Deposits	-	-
(g) Other Loans	-	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(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	-	-

Assets side	Amount outstanding
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
(a) Secured	1,276,934
(b) Unsecured	4,143
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
(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	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

Assets side	Amount outstanding
(5) Break-up of Investments	
Current Investments	
1 Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2 Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
Long Term investments	
1 Quoted	
(i) Share	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2 Unquoted	
(i) Shares	
(a) Equity	1,425
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	113	-	113
2 Other than related parties	1,231,432	2,352	1,233,784
Total	**1,231,545**	**2,352**	**1,233,897**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
(a) Subsidiaries	5	5
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	1,420	1,668
Total	**1,425**	**1,673**

(8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	98,424
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	60,579
(iii) Assets acquired in satisfaction of debt	-

Note 58

The previous year figures have been reclassified / regrouped / restated to conform to current year's classification. Amounts of current/previous year have been rounded off to nearest Rupees in lakh, wherever required.

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Place : Mumbai
Date : May 18, 2022

Date : May 18, 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GIC HOUSING FINANCE LIMITED ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of **GIC Housing Finance Limited** (hereinafter referred to as "the Holding Company"), and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated statement of Cash Flows for the year then ended, and notes to Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated 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 the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("the SAs") specified under sub-section 10 of section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated 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 and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of reports of other auditors on separate financial statements of subsidiary Companies audited by them, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

A. Key Audit Matters for Holding Company

Key Audit Matter	How the matter was addressed in our audit
Expected Credit Loss – Impairment of carrying value of loans and advances Under Ind AS 109, Expected Credit Loss (ECL) is required to be determined for recognising impairment loss on financial assets which are stated at amortised cost or carried at fair value through other comprehensive income. The calculation of impairment loss or ECL is based on significant management estimates and judgements, which are as under: • Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL. • Loan staging criteria	**We performed audit procedures set out below:** • Read the Company's Board approved Ind-AS 109 based impairment provisioning Methodology and Estimates policy • Understood and assessed the Company's process and controls on measurement and recognition of impairment in the loan portfolio. • Test checked loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage.

Key Audit Matter	How the matter was addressed in our audit
• Consideration of probability scenarios and forward looking macro-economic factors • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). ECL requires a large variety of data as an input to the model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In our opinion this is considered as a Key Audit Matter in view of the criticality of the item to the **Standalone Financial Statements** and the complex nature of assumptions and judgements exercised by the management.	• Test checked PD and LGD calculation workings performed by management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at portfolio level. • Test checked the calculations of determining Exposure at Default (EAD). • Test checked basis of collateral valuation in the determination of ECL provision. • Performed an assessment of the ECL provision levels at each stage including management's assessment on COVID 19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
IT Systems and controls The Company financial accounting and reporting systems are highly dependent on the effective working of the operating and accounting system. The company has separate software applications for loan management/servicing and accounting. Transfer of data from / to these software are critical for accurate compilation of financial information. Due to extensive volumes, variety and complexity of transactions the operating system is functioning, consistently and accurately, specifically with respect to following: • Interest, Fee income and other charges collected on Loans • Bifurcation of the Loan Portfolio based on maturity pattern and Assets Classification based on ageing of default • Various Report Generated, including the report for Asset Classification & Provision. We have identified 'IT systems and controls' as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture.	We have carried out the following procedures to verify the effectiveness of IT controls: • We obtained an understanding of the Company's business IT environment and key changes if any during the audit period that may be relevant to the audit. • Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis • We have tested and reviewed the reconciliations between the loan origination/ servicing application and the accounting software to mitigate the risk of incorrect data flow to/from separate application software. • We have also obtained management representations wherever considered necessary.

B. Key Audit Matters for Subsidiary Company - GICHFL Financial Services Private Limited- No key audit matters reported by the Subsidiary Company's auditor for the year ended March 31, 2022

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding 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 Annual Report but does not include the Standalone Financial Statements and Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements, or our knowledge obtained in the 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in sub-section 5 of section 134 of the Act with respect to preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total consolidated comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting standard) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the companies included in the Group is responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the Consolidated 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.

ii. 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 Companies Act,2013, we are also responsible for expressing our opinion on whether the Group which are companies incorporated in India, have adequate internal financial controls in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. 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 ability of the Group 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 Consolidated 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 Group to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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 Consolidated Financial Statements of the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matter

a) Consolidated financial statements includes total assets of Rs. 76 lakhs as at March 31, 2022, total revenues of Rs. NIL, total loss after tax of Rs.6 lakhs and net cash inflows amounting to Rs. 75 lakhs, respectively of the subsidiary for the year ended on that date. These financial statements/results have been audited by other auditor, whose reports have been furnished to us by the Management and their opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, is solely based on the reports of other auditor.

b) Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters (a) with respect to our reliance on the work done and the reports of the other auditors.

c) The Holding Company has prepared and presented Consolidated Financial Statements for the first time in FY 2021-22. Hence, previous year comparatives are not available and not presented. Further, Amounts appearing in Consolidated Statement of cash flows for FY 2021-22 are compiled based on unaudited opening cash and cash equivalents as at April 01, 2021, which is neither audited nor reviewed by statutory auditors.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiary as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 aforesaid Consolidated Financial Statements;

    b. in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

    d. in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant Companies (Indian Accounting Standards) Rule, 2015 as amended; ;

    e. on the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

    g. 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 by the Group to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in the 'Other Matters' paragraph:

    i. the Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – Refer Note 40 to the Consolidated Financial Statements.

    ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

    iii. there has been no delay in transferring amounts, required to be transferred, to the Investor, Education and Protection Fund by the companies included in the Group.

    iv. (a) The respective Management of the companies included in the Group have represented to us and their auditor that, to the best of their knowledge and belief, as disclosed in the note 45(x)(i) to the consolidated financial statements, 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 companies included in the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the companies included in the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

    (b) The respective Management of the companies included in the Group have represented, that, to the best of their knowledge and belief, as disclosed in the note 45(x)(ii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the companies included in the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the companies included in the Group shall, whether, 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;

    (c) Based on the audit procedures that have been considered 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 misstatement.

    v. (a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 41 to the Consolidated Financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (b) The Subsidiary Company has neither declared dividend nor paid during the year.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, its subsidiary issued by other auditor included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 22112555AJPHAL3432

Place: Mumbai
Date: May 18, 2022

ANNEXURE A TO INDEPENDENT AUDITOR’S REPORT

(REFERRED TO IN PARAGRAPH 1 (F) UNDER ‘REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS’ SECTION OF OUR REPORT TO THE MEMBERS OF GIC HOUSING FINANCE LIMITED OF EVEN DATE)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION (3) OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE ‘ACT’)

In conjunction with our audit of the Consolidated Financial Statements of GIC Housing Finance Limited (hereinafter referred to as “the Holding Company”), as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of the Company, its subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective management and Board of Directors of the Holding Company and its subsidiary, which are the companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial reporting criteria established by the respective companies 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 (“the 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 the respective 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 Act.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial reporting of the Holding Company and its subsidiary company, which are the companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under sub-section 10 of section 143 of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 with reference to 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to Consolidated Financial Statements, 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial reporting of the Holding Company and its subsidiary, which are the companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements 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 and to the best of our information and according to the explanations given to us and based on consideration of reporting of the other auditors as mentioned in the Other Matters paragraph below, the Holding Company and its subsidiary, which are the companies incorporated in India have, in all material respects, 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 respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our report under clause (i) of sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial reporting these Consolidated Financial Statements, in so far as it relates to the sole subsidiary is based on the corresponding reports of the auditors of such companies incorporated in India.

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 22112555AJPHAL3432

Place: Mumbai
Date: May 18, 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

₹ in Lakh

Particulars	Note No.	As At March 31, 2022
ASSETS		
Financial Assets		
Cash and Cash Equivalents	3	47,776
Bank balance other than cash and cash equivalent	4	404
Receivables		
(i) Trade Receivables	5	22
Loans	6	1,120,530
Investments	7	1,441
Other Financial Assets	8	246
Total Financial Assets		**1,170,419**
Non-Financial Assets		
Current tax assets (net)	9	939
Deferred tax assets (net)	10	12,714
Property, Plant and Equipment	11	183
Right Of Use Assets	12	1,528
Intangible Assets under development	13	2,914
Other intangible assets	14	312
Other Non-Financial Assets	15	629
Assets Held for Sale	16	3,266
Total Non-Financial Assets		**22,485**
TOTAL ASSETS		**1,192,904**
LIABILITIES & EQUITY		
LIABILITIES		
Financial liabilities		
Lease Liabilities	12	1,741
Payables		
Trade Payable	17	
(i) Total outstanding dues of micro enterprises and small enterprises		14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,267
Debt securities	18	149,055
Borrowings (other than debt securities)	19	885,693
Other financial liabilities	20	2,000
Total Financial liabilities		**1,039,770**
Non-Financial Liabilities		
Provisions	21	1,217
Other non financial liabilities	22	841
Total Non-Financial Liabilities		**2,058**
Total Liabilities		**1,041,828**
EQUITY		
Equity Share Capital	23	5,388
Other Equity	24	145,688
Non-Controlling Interest		-
Total Equity		**151,076**
TOTAL LIABILITIES & EQUITY		1,192,904
The accompanying notes form an integral part of financial statements	1-47	

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Murtuza Vajihi
Partner

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Place : Mumbai
Date : May 18, 2022

Date : May 18, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in Lakh

Particulars	Note No.	For the year ended March 31, 2022
Revenue from operations		
Interest income	25	113,532
Dividend income		13
Fee and commission income	26	528
Other operating income	27	905
Total Revenue from operations		**114,978**
Other income	28	662
Total Income		**115,640**
Expenses		
Finance cost	29	70,095
Net loss on derecognition of financial instruments under amortised cost category		58
Impairment of financial instruments, including write-off	30	11,830
Employee benefits expense	31	4,820
Depreciation and amortisation	32	858
Other expenses	33	4,945
Total Expenses		**92,606**
Profit before tax		**23,034**
Tax expense:		
1. Current tax	34	6,400
2. Deferred tax	10	(717)
Profit for the year		**17,351**
Other comprehensive Income		
A. Items that will not be reclassified to profit or loss		
(i) Remeasurement gain/(loss) on defined benefit plan		109
(ii) Net gain/(loss) on equity instrument designated at FVTOCI		21
(iii) Income tax relating to items that will not be reclassified to profit or loss		(33)
B. Items that will be reclassified to profit or loss		-
Other Comprehensive Income (A+B)		**97**
Total Comprehensive Income for the year		**17,448**
Net Profit for the period attributable to:		
(i) Owners of the Company		17,351
(ii) Non-Controlling Interest		-
Other Comprehensive Income attributable to:		
(i) Owners of the Company		97
(ii) Non-Controlling Interest		-
Total Comprehensive Income attributable to:		
(i) Owners of the Company		17,448
(ii) Non-Controlling Interest		-
Earnings per equity share		
Basic (₹)	43	32.22
Diluted (₹)	43	32.22
The accompanying notes form an integral part of financial statements	1-47	

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

Place : Mumbai
Date : May 18, 2022

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Date : May 18, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in Lakh

Particulars	For the year ended March 31, 2022
A. Cash Flow From Operating Activities :	
Profit Before Tax	23,034
Adjustments For :	
Depreciation And Amortisation	858
Impairment of Financial Instruments, including Write-off	11,830
Interest and Dividend Income	(113,545)
Interest Expenses	70,095
Fees & Commission Income	(528)
(Profit)/Loss On Sale of Property Plant & Equipments	(1)
(Profit)/Loss On Sale of Investments	(188)
Remeasurement Gain/(loss) on Defined Benefit Plan	109
Operating Profit Before Working Capital Changes	**(8,336)**
Adjustments For :	
(Increase)/Decrease In Non Financial Assets	(144)
(Increase)/Decrease In Other Financial Assets	17
(Increase)/Decrease In Other Non Financial Assets	(844)
(Increase)/Decrease In Bank Balance other than cash & cash equivalents	(17)
Increase/(Decrease) In Other Non Financial Liabilities	524
Increase/(Decrease) In Trade Payables	371
Increase/(Decrease) In Other Financial Liabilities	(432)
Operating Profit After Working Capital Changes	**(8,861)**
Adjustments For :	
(Increase)/Decrease in Housing Loans	100,651
Asset held for Sale	(1,310)
Fees & Commission Received	539
Interest Received	114,430
Interest Paid	(69,897)
Taxes Paid	(6,955)
Net Cash Used in Operating Activity	**128,597**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in Lakh

Particulars	For the year ended March 31, 2022
B: Cash Flow From Investment Activities	
Payments for Property, Plant & Equipments	(21)
Proceeds from Sale of Property, Plant & Equipments	13
Payments for Intangible assets under Developments	(519)
Purchase Of Investments	(1,925,700)
Sale Of Investments	1,925,888
Dividend Received	13
Net Cash Generated From Investing Activity	**(326)**
C: Cash Flow From Financing Activities	
Proceeds From Borrowings and Debt Securities	585,022
Repayment of Borrowings and Debt Securities	(671,312)
Dividend Paid On Equity Shares	(2,154)
Payment of lease liabilities	(733)
Net Cash Generated From Financing Activity	**(89,177)**
Net Increase/(Decrease) Of Cash & Cash Equivalents(A+B+C)	**39,094**
Cash & Cash Equivalents As At Beginning of the year	8,682
Cash & Cash Equivalents As At the End of the Period	47,776

Note : 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) As direct tax paid above is not specifically identifiable into financing and investing activities, they have been shown under operating activities.

The accompanying notes form an integral part of financial statements 1-47

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

Place : Mumbai
Date : May 18, 2022

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Date : May 18, 2022

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2022
Balance at the beginning of the year	5,388
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the year	5,388
Change in Equity Share Capital	-
Balance at the end of the year	**5,388**

B. Other Equity

₹ in Lakh

Particulars	Reserves and Surplus					Other Comprehensive Income		Total	Non-Controlling Interest
	Securities Premium	Special Reserve (29C (1) of National Housing Bank Act, 1987)	Special Reserve (36(1)(viii) of Income Tax Act, 1961)	General Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Equity instrument through Other Comprehensive Income		
Balance at April 01, 2021	**11,699**	**456**	**51,863**	**64,213**	**2,242**	**(202)**	**123**	**130,394**	**-**
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at April 01, 2021	**11,699**	**456**	**51,863**	**64,213**	**2,242**	**(202)**	**123**	**130,394**	**-**
Total Comprehensive Income	-	-	-	-	17,351	82	15	17,448	-
Dividends	-	-	-	-	(2,154)	-	-	(2,154)	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	9,580	(9,580)	-	-	-	-
Transfer to Special Reserve (Note (a) below)	-	-	5,425	-	(5,425)	-	-	-	-
Balance at March 31, 2022	**11,699**	**456**	**57,288**	**73,793**	**2,434**	**(120)**	**138**	**145,688**	**-**

a) As per Section 29C(1) of 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.

b) The Company has paid dividend of ₹ 4/- per share on the equity shares of face value of ₹ 10/- (40%) each pertaining to FY 2020-21, post approval by the members in the 31st Annual General Meeting held on September 27, 2021.

The accompanying notes form an integral part of financial statements 1-47

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Place : Mumbai
Date : May 18, 2022

Date : May 18, 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 1: Corporate information

GIC Housing Finance Limited ('GICHFL'/ 'the Company') is a Public Limited Company incorporated under the provisions of Companies Act, 1956 with its registered office in Mumbai to carry on the business of Housing Finance in India. The Company is registered with the National Housing Bank ("NHB"). The shares/securities of the Company are listed on the Bombay Stock Exchange and/or the National Stock Exchange.

Note 2: Significant Accounting Policies, Accounting Judgements, Estimates and Assumptions:

2.1: Basis of Preparation and Presentation

a. Statement of Compliance

The Consolidated financial statements of the Company and its subsidiary (together hereinafter referred to as 'Group') have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Group presents its Balance Sheet in the order of liquidity.

b. Basis of preparation of Consolidated Financial Statements

The Group has prepared these Consolidated Financial Statements, which comprise the Consolidated Balance Sheet as at March 31, 2022, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year ended March 31, 2022, and Consolidated accounting policies and Consolidated other explanatory information (together hereinafter referred to as "Consolidated Financial Statements") on the historical cost basis except for certain financial instruments and certain employee benefit assets, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

A historical cost is a measure of value used in accounting in which the price of an asset on the Consolidated balance sheet is based on its nominal or original cost when acquired by the company.

The Consolidated financial statements are prepared on a going concern basis, as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS.

The audited Consolidated financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On May 18, 2022, Board of Directors of the Company approved and recommended the audited Consolidated financial statements for consideration and adoption by the shareholders in its ensuing Annual General Meeting.

The Consolidated financial statements are presented in Indian Rupees (INR/₹) which is also the functional currency of the Group and all values are rounded to the nearest lakh except when otherwise stated.

Control and Significant Influence

Control is achieved when the Company has all the following:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee,
- Has the ability to use its power over investee to affect its returns

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Significant Influence

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

c. Principles of consolidation:

A. The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").

B. The effects of all inter-Group transactions and balances have been eliminated on consolidation. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year by the Group.

C. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as that of the Group, March 31, 2022.

D. The consolidated financial statements of the Group with subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

E. The excess of cost to the Group of its investments in the subsidiary Company over its share of equity of the subsidiary Company, at the dates on which the investments in the subsidiary Company are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary Company as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

List of subsidiary consolidated

Name of the entity	Relationship	Date of Control / Significant influence	Proportion of Ownership Interest (%)
			As at March 31, 2022
GICHFL Financial Services Private Limited	Subsidiary	January 27, 2021	100%

d. Fair Value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at 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 Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 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 measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

e. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Consolidated financial statements and reported amounts of revenues and expenses during the period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

The estimates, judgements and assumptions used are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The management believes that the estimates used in the preparation of Consolidated financial statements are prudent and reasonable.

(i) Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Group determines the business model at a level that reflects how the Group's financial instruments are managed together to achieve a particular business objective.

The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

(ii) Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Group's historical experience and collateral values when determining impairment losses along with 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.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- The classification of loan portfolio into various stages based on the number of days overdue.
- Value of collaterals considered for loan loss allowance.
- Group's criteria for assessing if there has been a significant increase in credit risk. Development of ECL models, including choice of inputs / assumptions used.

(iii) Effective interest rate computation

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cash flows considering the contractual terms of the financial instrument. These estimations are done considering various factors such as historical behaviour patterns of the instrument with respect to average repayment period and cash flows behaviours. Such estimates and assumptions are reviewed by the Group at each reporting date and changes, if any are given effect to.

(iv) Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the Group uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However, in certain cases, the Group adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Group has applied appropriate valuation techniques and inputs to the valuation model.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Information about the valuation techniques and inputs used in determining the fair value of Investments.

(v) Income Taxes

The Group's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

(vi) Provisions and Liabilities

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

(vii) Defined Benefit Plans

The cost of the defined benefit plan and the present value of the 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.

2.2. Significant Accounting Policy

a. Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and include freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

For transition to Ind AS, the Group has elected to adopt as deemed cost, the opening written down value as per Previous GAAP on the transition date of April 1, 2017.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

Depreciation is provided on written down value method ('WDV') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013. Individual assets costing up to ₹ 5,000 are fully depreciated in the year of acquisition. The estimated useful lives of Property, Plant and Equipment are as stated below:

Particulars	Useful lives
Office Equipment	5 years
Buildings	60 years
Furniture & Fixtures	10 years
Vehicle (Motor cycles, scooters and other mopeds)	10 years
Vehicle (Motor cars)	8 years
Computers	3 years
Servers and networks equipment	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on impaired PPE asset is provided on the revised carrying amount of the asset over its remaining useful life.

Property, Plant and Equipment not ready for the intended use on the date of Consolidated Balance sheet are disclosed as "Capital Work-in-progress" and carried at cost.

b. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

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For the year ended March 31, 2022

Intangible Assets i.e. computer software are amortized on a straight line basis over the estimated useful life of 1 year to 5 years.

Amortisation on impaired intangible asset is provided on the revised carrying amount of the asset over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Consolidated Statement of Profit and Loss.

Intangible assets not ready for the intended use on the date of Consolidated Balance sheet are disclosed as "Intangible assets under developments".

c. Assets held for Sale

Assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

The Group repossess properties or other assets to settle outstanding recoverable and the surplus (if any) post auction is refunded to the obligors. These assets physically acquired by the Group under SARFAESI Act, 2002 and where sale is highly probable have been classified as Assets Held for Sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Group is committed to sell these assets. Assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

d. Impairment of Assets other than financials assets

The Group assesses at each Consolidated Balance Sheet date whether there is any indication that an asset other than financial asset may be impaired. If such indication exists, the PPE, intangible assets and investment property are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Consolidated Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

e. Financial Instruments

(i) Recognition

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument. Purchase and sale of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

(ii) Initial measurement

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 (FVTPL)) 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 recognised immediately in Consolidated Statement of Profit and Loss.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

(iii) Financial Assets

A. Classification of Financial Assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value through Profit or Loss (FVTPL)

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised 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. Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual terms of financial assets give rise specify date to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 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 Group determines its business model at the level that best reflects how it manages a group of financial assets to achieve its business objective and is not assessed on instrument to instrument basis, but at a higher level of aggregated portfolios. At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income & impairment losses in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value are classified as at FVTPL. The Group may make an irrevocable election to present certain equity investments measured at fair value through other comprehensive income. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognised in Consolidated Statement of Profit and Loss.

B. Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and/or substantially all the risks and rewards of ownership of

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the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group transfers the financial assets but retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Consolidated Statement of Profit and Loss.

C. Modification of contractual cash flows

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the Group assesses whether this modification results in derecognition. In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and shall recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate.

D. Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Consolidated Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

Original classification	Revised classification	Accounting treatment
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Consolidated Statement of Profit and Loss at the reclassification date.

E. Impairment of Financial Assets

Group recognizes loss allowances using the Expected Credit Loss (“ECL”) model for the financial assets which are not fair valued through profit and loss as per board approved policy. The Group uses expected credit loss (“ECL”) allowance for financial assets, which are not individually significant, and comprise of a large number of homogeneous assets that have similar characteristics.

(i) Measurement of Impairment

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Group has used past data to observe actual defaults for potential credit losses. The estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date; or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group has established a policy to perform an assessment at the end of each reporting period 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 instruments.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12 month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Group records an allowance for the life time expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans shows significant increase in credit risk and/or are considered credit-impaired, the Group records an allowance for the life time expected credit losses.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is an estimate of the exposure at a reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period, PD is calculated based on default summary of past years using historical analysis.
- Loss given default ("LGD") estimates the loss which Group incurs post customer default. It is computed using as value of collateral and it is usually expressed as a percentage of the Exposure at default ("EAD").

(ii) Significant increase in credit risk

The Group monitors all financial assets and loan commitments that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's expert credit assessment.

(iii) Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

(iv) Definition of default

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

Default considered for computation of ECL is based on both qualitative and quantitative indicators such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

F. Write-off

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

(iv) Financial Liabilities and Equity Instruments

A. Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

B. Equity Instrument

An instrument that evidences a residual interest in the assets of an entity after deducting all of its liabilities is an equity instrument. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

C. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

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 amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

D. Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between the Group 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. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement of profit or loss.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

f. Employee Benefits

(i) Defined contribution plan

Defined contribution plans include contributions to Provident Fund, Employees' Pension Scheme and Employee State Insurance Scheme, recognized as employee benefit expenses the Consolidated Statement of Profit and Loss based on the amount of contribution as and when the services are received from the employees.

(ii) Defined benefit plans

For defined benefit retirement benefit plans such as Gratuity plan and compensated absences, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date.

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Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in Consolidated Statement of profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Consolidated Statement of profit or loss.

Past service cost is recognised in Consolidated Statement of profit or loss in the year of a plan amendment or when the Group recognises corresponding restructuring cost whichever is earlier.

For the purpose of gratuity, the Company has obtained a qualifying group gratuity insurance policy from Life Insurance Corporation of India. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Short-term and long-term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

g. Provisions, Contingent Liabilities and contingent assets

Provisions are recognised 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. The increase in the provision due to the passage of time is recognised as interest expense.

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 non-occurrence of one or more uncertain future events not wholly within the control of the Group 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 liabilities are disclosed in the Notes. Contingent assets are not recognised in the Consolidated 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.

When there is a possible obligation or a present obligation, in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

h. Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i. The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

i. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

(i) Income on loans

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and applicable effective interest rate (EIR).

EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. EMI commences once when the entire loan is disbursed. Pending Commencement of EMIs, Pre-EMI interest is payable every month.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the asset. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the gross carrying amount less the allowance for expected credit losses.

Penal Interest and other related charges are recognised as income only when revenue is virtually certain which generally coincides with receipts. .

(ii) Investment Income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of dividend income can be measured reliably).

Income from interest on bank deposits and other interest bearing securities is recognized on the time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Fee and Commission Income

Fee and commission income include fee other than those that are an integral part of EIR. The fee included in this part of the Group's Consolidated Statement of Profit and Loss include, among other things, fee charged for servicing a loan. The Group recognises the fee and commission income in accordance with the terms of the relevant contract / agreement and when it is probable that the Group will collect the consideration.

Fee and commission expenses in respect of services availed are recognised as the services are received.

(iv) Other Income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

j. Leases

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments

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made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise & lease payments in an optional renewal period, if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in Consolidated Statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the Consolidated balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in Consolidated Statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

k. Taxes

(i) Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

(ii) Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Current and Deferred Tax for the year

Current and Deferred tax are recognised in Consolidated Statement of profit or loss, except when they are relating to items that are recognised in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

l. Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost.

m. Foreign currencies

In preparing the Consolidated financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

n. Cash and cash equivalents

Cash and cash equivalent in Consolidated Balance Sheet comprise of cash at bank, cash and cheques on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

o. Statement of Cash Flow

Consolidated Statement of Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the activities of the Group.

p. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Managing Director & CEO is identified as the Chief Operating Decision Maker (CODM) by the management of the Group. CODM has identified only one operating segment of providing loans for purchase, construction, repairs renovation etc. and has its operations entirely within India.

q. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares divided by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

r. 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.

s. Dividend

Final dividend on equity shares are recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Group's Board of Directors.

2.3: Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its consolidated financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its consolidated financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 3 : Cash and Cash Equivalents

₹ in Lakh

Particulars	**As At March 31, 2022**
Cash on Hand	89
Cheques in Hand	965
Balance With Bank :	
In Current Account	2,964
In Deposit Accounts :	
Original Maturity less than 3 months	43,758
Total	**47,776**

Note 4 : Bank balance other than cash and cash equivalent

₹ in Lakh

Particulars	**As At March 31, 2022**
Earmarked balances with banks :	
Unclaimed Dividend Accounts	122
In Deposit Accounts (Note 4.1):	
Original Maturity more than 3 months	282
Total	**404**

Note 4.1 : Fixed Deposits with Banks represent deposits created by the group for the specific purpose of paying the borrowers, excess sale proceeds recovered under SARFAESI Act 2002.

Note 5 : Receivables

₹ in Lakh

Particulars		**As At March 31, 2022**
i)	**Trade receivables**	
	Receivables considered good - unsecured	22
	Total - gross	22
	Less: Impairment loss allowance	-
	Total	**22**

No trade receivables are due from Directors or any other officers of the group either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
For the year ended March 31, 2022

Trade receivables aging schedule

₹ in Lakh

Particulars	As At March 31, 2022 Outstanding from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	20	-	2	-	-	22
(ii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
Total	20	-	2	-	-	22

Note 6 : Loans

At Amortised Cost

₹ in Lakh

Particulars			As At March 31, 2022
(A)	**(i)**	**Term Loans**	
		Individuals	1,170,038
		Corporates	328
		Loans to Staff	712
		Total Gross (A)	**1,171,078**
		Less: Impairment loss allowance (Expected Credit Loss)	50,548
		Total Net (A)	**1,120,530**
(B)	(i)	Secured by tangible assets	1,169,587
	(ii)	Unsecured	1,491
		Total Gross (B)	**1,171,078**
		Less: Impairment loss allowance (Expected Credit Loss)	
		- On Loans secured by tangible assets	50,105
		- On Unsecured Loans	443
		Total Impairment loss allowance (Expected Credit Loss)	**50,548**
		Total Net (B)	**1,120,530**
(C)	(I)	Loans in India	
		Public Sector	-
		Others	1,171,078
		Total Gross (C) (I)	**1,171,078**
		Less: Impairment loss allowance (Expected Credit Loss)	50,548
		Total Net (C) (I)	**1,120,530**
	(II)	Loans outside India	-
		Less: Impairment loss allowance (Expected Credit Loss)	-
		Total Net (C) (II)	**-**
		Total Net (C) (I) and (II)	**1,120,530**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 6.1

(a) Loans given by the group are secured by one or combination of the following securities:

(i) Equitable mortgage of property and / or;

(ii) Assignment of Life Insurance Policies and/or guarantee of solvent guarantors and/or any other acceptable collateral securities wherever applicable, and,

(iii) Corporate Guarantees, wherever applicable.

(b) Pursuant to the RBI circular dated November 12, 2021 "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has implemented the requirements and aligned its definition of default accordingly during the quarter ended December 31, 2021 . On February 15, 2022, RBI allowed deferment till September 30, 2022 of para 10 of the above circular pertaining to upgrade of non-performing assets. However, the Company has not opted for this deferment.

(c) For details of loan to related parties refer note 38.

Note 6.2

An analysis of changes in the gross carrying amount of loans is as follows : ₹ in Lakh

Particulars	2021-2022			
	Stage 1	Stage 2	Stage 3	Total
Opening Balance	**1,131,898**	**64,475**	**98,424**	**1,294,797**
Increase in EAD i.e. new loans disbursed / further increased in existing loans (Net)	111,202	208	47	111,457
Loans repaid in part or full (Net)	(198,931)	(8,676)	(13,193)	(220,800)
Loans derecognised (written off)	-	-	(5,098)	(5,098)
Transfers to Stage 1	27,298	(16,783)	(10,515)	-
Transfers to Stage 2	(66,933)	74,794	(7,861)	-
Transfers to Stage 3	(11,092)	(13,258)	24,350	-
Closing Balance	**993,442**	**100,760**	**86,154**	**1,180,356**

Includes amount w.r.t. sanctioned but un-disbursed consider for ECL of ₹ 9,278 Lakh.

Reconciliation of Expected Credit Loss allowances on loans is given below : ₹ in Lakh

Particulars	2021-2022			
	Stage 1	Stage 2	Stage 3	Total
ECL Opening Balance	**7,818**	**1,517**	**37,845**	**47,180**
Increase in EAD i.e. new loans disbursed / further increased in existing loans (Net)	926	6	14	946
Loans repaid in part or full (Net)	6,871	3,813	(3,164)	7,520
Loans derecognised (written off)	-	-	(5,098)	(5,098)
Transfers to Stage 1	367	(224)	(143)	-
Transfers to Stage 2	(2,565)	2,899	(334)	-
Transfers to Stage 3	(3,592)	(4,029)	7,621	-
ECL Closing Balance	**9,825**	**3,982**	**36,741**	**50,548**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 7 : Investments

₹ in Lakh

Particulars	As At March 31, 2022
At Fair Value Through Other Comprehensive Income	
Equity instruments (Note 7.1)	1,441
At Fair Value Through Profit and Loss	
Debt Securities (Note 7.2)	-
Total	**1,441**
Out of above :	
In India	
At Fair Value Though Other Comprehensive Income	1,441
At Fair Value Though Profit and Loss	-
Outside India	-
Total	**1,441**

Impairment loss allowance recognised on these investments is ₹ Nil.

Note 7.1 : ₹ in Lakh

Investments in Equity Instruments carried at fair value through other comprehensive income - Unquoted, Fully Paid up	**No of Shares/ Units as at**	**Amount as at**
	March 31, 2022	**March 31, 2022**
Others		
LIC Mutual Fund Asset Management Ltd. (Face Value ₹ 10,000/- each)	1,287	1,434
LIC Mutual Fund Trustee Private Ltd. (Face Value ₹ 10/- each)	1,570	6
The Kalyan Janata Sahakari Bank Limited (Face Value ₹ 25/- each)	2,000	1
The Janakalyan Co-op Bank Ltd (Face value ₹ 10/- each)	5,000	-
Total		**1,441**

Investment in equity instruments of The Janakalyan Co-op Bank Ltd costing ₹ 1 lakh has fair value of ₹ Nil as at March 31, 2022.

Note 7.2 : Investment in debt instruments carried at fair value though profit and loss, costing ₹ 850 lakh has fair value of ₹ Nil as at March 31, 2022. Companies in which investment had been made are either under liquidations, not active or active but name have been changed. Details of such changes are not readily available and hence details of investments made are not furnished.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 8 : Other Financial Assets

₹ in Lakh

Particulars	As At March 31, 2022
Security Deposit	
- Unsecured; considered good	190
- Unsecured; considered doubtful	53
Less : Impairment Loss Allowance (Note 37.A.1 (II))	(53)
	190
Staff Advance	47
Other Receivables	9
Total	**246**

Note 9 : Current Tax Assets (net)

₹ in Lakh

Particulars	As At March 31, 2022
Advance Tax (Net of Provision)	939
Total	**939**

Note 10 : Deferred tax assets (net)

₹ in Lakh

Particulars	As At March 31, 2022
Deferred Tax Assets:	
Provision for Expected Credit Loss	12,386
Provision for Employee Benefits	242
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	385
Fair Valuation of Investments	57
Total (A)	**13,070**
Deferred Tax Liabilities:	
Depreciation and Amortization	(356)
Total (B)	**(356)**
Deferred Tax Asset/ (Liability) (net) (A-B)	**12,714**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Movement in Deferred Tax Assets

₹ in Lakh

Particulars	As At April 1, 2021	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2022
Deferred Tax Assets:				
Provision for Expected Credit Loss	11,602	784	-	12,386
Provision for Employee Benefits	280	(11)	(27)	242
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	405	(20)	-	385
Fair Valuation of Investments	63	-	(6)	57
Total (A)	**12,350**	**753**	**(33)**	**13,070**
Deferred Tax Liabilities:				
Depreciation and Amortization	(320)	(36)	-	(356)
Total (B)	**(320)**	**(36)**	**-**	**(356)**
Deferred Tax Asset/ (Liability) (net) (A+B)	**12,030**	**717**	**(33)**	**12,714**

Note 11 : Property, Plant and Equipment

₹ in Lakh

Particulars	Buildings*	Furniture and Fittings	Office Equipment	Computers	Vehicles	Total
Gross carrying value as at April 1, 2021	**84**	**71**	**55**	**156**	**124**	**490**
Additions	-	2	9	2	8	21
Deductions/Adjustments	-	(1)	(5)	(1)	(38)	(45)
Gross carrying value as at March 31, 2022	**84**	**72**	**59**	**157**	**94**	**466**
Accumulated Depreciation as at April 1, 2021	15	37	31	120	71	274
Depreciation for the year	3	8	9	8	16	44
Deductions/Adjustments	-	(1)	(5)	(1)	(28)	(35)
Accumulated Depreciation as at March 31, 2022	18	44	35	127	59	283
Carrying Value as at March 31, 2022	**66**	**28**	**24**	**30**	**35**	**183**

*One building aggregating to gross block ₹ 4 Lakh and net block ₹ 3 Lakh is mortgaged against Secured, Redeemable, Non Convertible Debentures 2020-2021 series -3.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 12 : Right of Use Assets

₹ in Lakh

Particulars	Premises
Gross carrying value as at April 1, 2021	2,317
Additions	756
Deductions/Adjustments	(150)
Gross carrying value as at March 31, 2022	**2,923**
Accumulated Depreciation As at April 1, 2021	895
Depreciation for the year	650
Deductions/Adjustments	(150)
Accumulated Depreciation As at March 31, 2022	1,395
Carrying Value as at March 31, 2022	1,528

Statement showing movement in lease liabilities

₹ in Lakh

Particulars	As at March 31, 2022
Gross carrying value	1,583
Additions for the year	756
Deductions/Adjustments during the year	-
Finance cost accrued during the period	135
Payment of lease liabilities	(733)
Carrying Value	**1,741**

Statement showing break up value of the Current and Non - Current Lease Liabilities

₹ in Lakh

Particulars	As at March 31, 2022
Current lease liabilities	577
Non- Current lease liabilities	1,164

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting period.

₹ in Lakh

Particulars	As at March 31, 2022
	Ind AS 116
Not later than one year	933
Later than one year and not later than three years	1336
Later than three year and not later than five years	556
Later than five years	215
Total	**3,040**

Statement showing amount recognised in Statement of Profit and Loss :

₹ in Lakh

Particulars	As at March 31, 2022
Interest on Lease Liabilities	135
Depreciation on Right of use Assets	650
Total	**785**

Statement showing amount recognised in Statement of Cash Flows :

₹ in Lakh

Particulars	As at March 31, 2022
Total cash outflow for leases	**733**

Note 13 : Intangible Assets under development

₹ in Lakh

Particulars	As at March 31, 2022
Opening balance	2,872
Additions	514
Deductions/Adjustments	(472)
Closing balance	**2,914**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 13.1 Additional Regulatory Information

Intangible assets under development aging schedule

₹ in Lakh

Name of Projects	As at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project Nischay	507	1,435	972	-	2,914

Intangible assets under development completion schedule

₹ in Lakh

Intangible assets under development	As at March 31, 2022			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project Nischay	2,914	-	-	-

Note : The company had embarked on a digital transformation project i.e. Project Nischay, spanning different application software's that has to have seamless data flow and information transfer amongst them during the F.Y. 2019-20. This project was initiated and was to be completed with the help of external consultants. Since the original and increased agreement period with the consultants was over and the project is not completed till date, there have been delays as well as cost overruns vis-à-vis the original plans of going live. The company has now taken the necessary steps, including recruiting personnel to complete the project and is confident that the project will be completed and go live before the end of the F.Y. 2022-23.

Note 14 : Other intangible assets

₹ in Lakh

Particulars	As at March 31, 2022
Gross carrying value at the beginning of the year	-
Additions	476
Deductions/Adjustments	-
Gross carrying value at the end of the year	**476**
Accumulated Depreciation at the beginning of the year	-
Depreciation for the year	164
Deductions/Adjustments	-
Accumulated Depreciation at the end of the year	**164**
Carrying Value at the end of the year	**312**

Note 14.1 Additional Regulatory Information

The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 15 : Other Non-Financial Assets

₹ in Lakh

Particulars	As at March 31, 2022
Unsecured ; Considered Good	
Prepaid Expenses	556
Others	73
Total	**629**

Note 16 : Asset held for Sale

₹ in Lakh

Particulars	As at March 31, 2022
Asset held for Sale	3,266
Total	**3,266**

Note 17 : Payables

₹ in Lakh

Particulars	As at March 31, 2022
Trade Payables	
Total Outstanding dues of micro enterprises and small enterprises	14
Total Outstanding dues of creditors other than micro enterprise and small enterprises	1,267
Total	**1,281**

Note 17.1 The Group had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the Group regarding the status of suppliers under MSMED Act, 2006.

₹ in Lakh

Particulars		As at March 31, 2022
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	14
b)	The amount of interest paid by the Group 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.	-
Total		**14**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Trade payables aging schedule

₹ in Lakh

Particulars	As at March 31, 2022 Outstanding from the date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	4	6	4	-	14
(ii) Others	1,062	92	-	113	1,267
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**1,066**	**98**	**4**	**113**	**1,281**

Note: The declarations received from trade payables during the F.Y. 2021-22 indicated 11 trade payables aggregating to ₹ 6.00 lakh that were presented as trade payables (not MSME) in the financial statements of F.Y. 2020-21. Accordingly, the disclosure requirements pertaining to F.Y. 2020-21 of MSME ageing have been re-presented.

Note 18 : Debt Securities

At Amortised Cost

₹ in Lakh

Particulars	As at March 31, 2022
Secured	
Non-Convertible Debentures (Note 18.1 & 18.2)	94,715
Unsecured	
Commercial Paper (Note 18.2)	54,340
Total (A)	**149,055**
Debt Securities in India	149,055
Debt Securities outside India	-
Total (B)	**149,055**

Note 18.1: For Series-3, Secured, Redeemable Non-Convertible Debentures (NCDs) are secured by way of registered mortgage on an immovable property and charge on identified receivables of the company and For Series-4, 5 & 6, Secured, Redeemable Non-Convertible Debentures (NCDs) are secured by way of charge on identified receivables of the company, with an asset cover of at least 1 time.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 18.2 Terms of repayment & rate of interest in case of Debt Securities.

Non Convertible Debentures at face value repayable at par

₹ in Lakh

Particulars	Maturity Date	Interest Type	Rate of Interest	As At March 31, 2022
3,000 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -3 of ₹ 10,00,000 each	22-Feb-23	Fixed	6.94%	30,000
1,950 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -4 of ₹ 10,00,000 each	30-Mar-23	Fixed	6.94%	19,500
2250 Secured, Redeemable, Non Convertible Debentures 2021-2022 series -5 of ₹ 10,00,000 each	20-Oct-23	Floating (based on average of 3 months T-bill rate plus spread of 3.00%)	6.77%	22,500
2250 Secured, Redeemable, Non Convertible Debentures 2021-2022 series -6 of ₹ 10,00,000 each	7-Jun-23	Floating (based on average of 3 months T-bill rate plus spread of 3.25%)	7.03%	22,500
Total				**94,500**

Commercial paper at face value repayable at par :

₹ in Lakh

Particulars	Maturity Date	Interest Type	Rate of Interest	As At March 31, 2022
4000 units of ₹ 5,00,000 each	17-Jun-22	Fixed	4.70%	20,000
4000 units of ₹ 5,00,000 each	27-May-22	Fixed	4.90%	20,000
3000 units of ₹ 5,00,000 each	26-Aug-22	Fixed	5.40%	15,000
Total				**55,000**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 19: Borrowings (Other than Debt Securities) - At Amortised Cost

₹ in Lakh

Particulars	**As at March 31, 2022**
Secured	
Term Loans (Note 19.1 & 19.2)	
- From Banks	748,193
- From National Housing Bank	132,500
- From Insurance Companies	-
Total (I)	**880,693**
Unsecured	
Short Term Loan from banks (Note 19.2)	5,000
Total (II)	**5,000**
Total (A= I+II)	**885,693**
Borrowings in India	885,693
Borrowings Outside India	-
Total (B)	**885,693**

Note 19.1: The above term loans are secured by way of first/exclusive charge on book-debts equivalent to loan outstanding.

Note 19.2 : Maturity Profile and Rate of Interest in case of Borrowings (Other than Debt Securities)

₹ in Lakh

Particulars	**As at March 31, 2022**			
	Banks (6.50% - 7.10%) (Floating)	**National Housing Bank (6.40% - 6.65%) (Floating)**	**National Housing Bank (4.61% - 6.87%) (Fixed)**	**Total**
Secured Term Loan				
Upto 1 Years	184,244	16,901	8,502	209,647
Over 1 year to 3 years	330,805	41,901	22,651	395,357
Over 3 to 5 years	139,659	19,465	13,599	172,723
Over 5 to 7 years	78,641	4,989	1,828	85,458
Over 7 Years	14,844	2,664	-	17,508
Total	**748,193**	**85,920**	**46,580**	**880,693**

Particulars	**As at March 31, 2022**	
	Banks (4.75%) (Floating)	**Total**
Unsecured Term Loan		
Upto 1 Years	5,000	5,000
Total	**5,000**	**5,000**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 19.3 : The Company has used the borrowings (including debt-securities) from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

Note 20 : Other Financial Liabilities

₹ in Lakh

Particulars	As At March 31, 2022
Unpaid Dividends (Note 20.1)	122
Trade Liabilities	1,713
Staff Dues	30
Statutory Dues	130
Others	5
Total	**2,000**

Note 20.1 : As Required under Section 125 of the Companies Act 2013,The Group has transferred ₹ 21.51 Lakh to Investor Education and Protection Fund (IEPF) during the year. As of March 31, 2022, no amount was due for transfer to the IEPF.

Note 21 : Provisions

₹ in Lakh

Particulars	As At March 31, 2022
Provision for Employee Benefits	
- Leave Encashment	723
- Gratuity	236
Other Provision	
-Unspent amount of CSR (Note 33.2)	258
Total	**1,217**

Note 22 : Other non Financials Liabilities

₹ in Lakh

Particulars	As At March 31, 2022
Prepayments from borrowers	784
Others	57
Total	**841**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 23 : Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2022
AUTHORISED CAPITAL :	
15,00,00,000 Equity shares of ₹ 10 each	15,000
	15,000
ISSUED,SUBSCRIBED & PAID UP:	
5,38,51,066 Equity shares of ₹ 10 each	5,385
Add: Forfeited Shares (Note 23.4)	3
Total	**5,388**

Note 23.1 : Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2022	
	No of Shares	Amount (₹ in Lakh)
Shares outstanding at the beginning of the year	53,851,066	5,385
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	53,851,066	5,385

Note 23.2 : 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 23.3 : Details of Shareholders holding more than 5% shares in Company

Name of Shareholder	As at March 31, 2022	
	No. of Shares held	% of Holding
General Insurance Corporation of India	8,218,802	15.26
The New India Assurance Company Limited	4,656,913	8.65
United India Insurance Company Limited	3,956,000	7.35
Life Insurance Corporation of India	2,750,250	5.11
The Oriental Insurance Company Limited	2,975,024	5.52
National Insurance Company Limited	3,030,100	5.63

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 23.4 : The Company has forfeited 53,800 Equity Shares on which amount originally paid up is ₹ 2,69,000

Note 23.5 : During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

Note 23.6 : Details of Promoters holding

Promoter name	As at March 31, 2022		
	No. of Shares	% of total shares	% Change during the year
(1) General Insurance Corporation of India	8,218,802	15.26%	-
(2) The New India Assurance Company Limited	4,656,913	8.65%	-
(3) United India Insurance Company Limited	3,956,000	7.35%	-
(4) The Oriental Insurance Company Limited	2,975,024	5.52%	-
(5) National Insurance Company Limited	3,030,100	5.63%	-
Total	**22,836,839**	**42.41%**	

Note 24 : Other Equity

₹ in Lakh

Particulars	As at March 31, 2022
Reserves and Surplus	
- Special Reserve	
a. In terms of Section 29C(1) of the National Housing Bank Act,1987	456
b. In terms of Section 36(1)(viii) of the Income tax Act, 1961	57,288
	57,744
- Securities Premium	11,699
- General Reserve	73,793
- Retained earnings	2,434
- Remeasurement of net defined benefit plans	(120)
Other Comprehensive Income	
- Equity instrument through Other Comprehensive Income	138
Total	**145,688**

Refer Statement of Change in Equity for movement in Other Equity

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 25 : Interest income

On financial assets measured at amortised cost

₹ in Lakh

Particulars	For the year ended March 31, 2022
Interest on Loans	113,325
Interest on Fixed Deposit	194
Other Interest	13
Total	**113,532**

Note 26 : Fee and commission income

₹ in Lakh

Particulars	For the year ended March 31, 2022
Fees and Other Charges	425
Insurance Commission	103
Total	**528**

Note 27 : Other operating income

₹ in Lakh

Particulars	For the year ended March 31, 2022
Bad Debts Recovery	905
Total	**905**

Note 28 : Other income

₹ in Lakh

Particulars	For the year ended March 31, 2022
Profit on sale of investments	188
Credit Balance Written Back	308
Profit on sale of Assets held for Sale & PPE	166
Total	**662**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 29 : Finance cost

On financial liabilities measured at amortised Cost

₹ in Lakh

Particulars	**For the year ended March 31, 2022**
Interest on Borrowings	63,634
Interest on Debt Securities	6,326
Interest on Lease Liabilities	135
Total	**70,095**

Note 30 : Impairment on financial instruments, including write-off

₹ in Lakh

Particulars	**For the year ended March 31, 2022**
Impairment on financial instruments	
(On Financial instruments carried at amortised cost)	
- Loans	6,719
- Others	13
Bad debts written off	
- Loans	5,098
	11,830

Note 31 : Employee benefit expenses

₹ in Lakh

Particulars	**For the year ended March 31, 2022**
Salaries and Allowances	3,476
Contribution to Provident and Other Funds	423
Contribution to Defined Benefit Plan	329
Staff Welfare Expenses	592
Total	**4,820**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 32 : Depreciation and amortisation

₹ in Lakh

Particulars	For the year ended March 31, 2022
Depreciation on Property , Plant and Equipment	44
Depreciation on Right of use Assets	650
Amortisations on Intangible Assets	164
Total	**858**

Note 33 : Other expenses

₹ in Lakh

Particulars	For the year ended March 31, 2022
Rent	60
Rates and Taxes	5
Repairs and Maintenance	700
Communications Costs	47
Bank Charges	60
Electricity expenses	63
Insurance Expenses	331
Travelling and Conveyance	151
Printing and Stationery	35
Advertisement & Publicity Expenses	168
Legal and Professional Fees	1,784
Directors Sitting Fees	35
Corporate Social Responsibility (CSR) Expenses (Note 33.2)	1,176
Miscellaneous Expenses	290
Auditor's Remuneration (Note 33.1) :	
Audit Fees	18
Fees for limited review	5
Tax Audit Fees	4
Fees for other services	13
Total	**4,945**

Note 33.1 : Includes GST of ₹ 6 lakh (Previous year ₹ 6 lakh).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 33.2

Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under :

₹ in Lakh

	Particulars	For the year ended March 31, 2022
(a)	Gross amount required to be spent by the Company during the year	329
(b)	Amount spent, utilised and charged during the year on :	
	(i) Construction / acquisition of any Asset	71
	(ii) On purposes other than (i) above :	
	- Contribution to various Funds / Trusts / NGOs / Societies / Agencies and utilisation thereon	-
	- Expenditure on Administrative Overheads for CSR	-
Total of (b)		**71**

Details of unspent amount of CSR obligations

₹ in Lakh

Particulars	For the year ended March 31, 2022
Opening Balance	1,268
Amount required to be spent during the year	329
Amount spent during the year	(1,339)
Closing balance	**258**

Additional Regulatory Information

₹ in Lakh

	Particulars	For the year ended March 31, 2022
(a)	amount required to be spent by the company during the year,	329
(b)	amount of expenditure incurred,	71
(c)	shortfall at the end of the year,	258
(d)	total of previous years shortfall,	-
(e)	reason for shortfall,	Could not find suitable projects
(f)	nature of CSR activities,	Sanitation & Education
(g)	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,	No
(h)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Refer Note 21

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 34 : Income taxes

Income tax expense in statement of profit and loss

₹ in Lakh

Particulars	**For the year ended March 31, 2022**
Current tax expenses:	
In respect of the current year	6,400
Deferred tax (Note 10)	(717)
Total	**5,683**

Reconciliation of income tax expense of the year can be reconciled to the accounting profit as follows :

₹ in Lakh

Particulars	**For the year ended March 31, 2022**
Profit before tax	**23,034**
Statutory income tax rate	25.17%
Tax at statutory income tax rate	5,799
Tax effect of:	
Non-deductible expenses	2,300
Deductions under Income tax Act,1961	
- u/s 36(i)(vii)(d) and 36(i)(viii)	(1,699)
Income tax expense recognised in the statement of profit and loss	**6,400**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 35 : Current and non Current classification - Statement of Assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakh

Particulars	As At March 31, 2022		
	Within 12 Months	After 12 Months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	47,776	-	47,776
Bank Balance other than Cash and Cash Equivalent	404	-	404
Receivables			
(i) Trade Receivables	22	-	22
Loans	60,077	1,060,453	1,120,530
Investments	-	1,441	1,441
Other Financial Assets	83	163	246
Total Financial Assets	**108,362**	**1,062,057**	**1,170,419**
Non-Financial Assets			
Current Tax Assets (net)	-	939	939
Deferred Tax Assets (net)	-	12,714	12,714
Property, Plant and Equipment	-	183	183
Right Of Use Assets	-	1,528	1,528
Intangible Assets under development	-	2,914	2,914
Other intangible assets	-	312	312
Other Non-Financial Assets	-	629	629
Assets Held for Sale	3,266	-	3,266
Total Non-Financial Assets	**3,266**	**19,219**	**22,485**
TOTAL ASSETS	**111,628**	**1,081,276**	**1,192,904**
LIABILITIES & EQUITY			
LIABILITIES			
Financial liabilities			
Lease Liabilities	577	1,164	1,741
Payables			
Trade Payable			
(i) Total outstanding dues of micro enterprises and small enterprises	14	-	14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,267	-	1,267
Debt securities	104,038	45,017	149,055
Borrowings (other than debt securities)	214,647	671,046	885,693
Other Financial Liabilities	2,000	-	2,000
Total Financial liabilities	**322,543**	**717,227**	**1,039,770**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

₹ in Lakh

Particulars	As At March 31, 2022		
	Within 12 Months	After 12 Months	Total
Non-Financial Liabilities			
Provisions	545	672	1,217
Other non financial liabilities	841	-	841
Total Non-Financial Liabilities	**1,386**	**672**	**2,058**
Total Liabilities	**323,929**	**717,899**	**1,041,828**
EQUITY			
Equity Share Capital	-	5,388	5,388
Other Equity	-	145,688	145,688
Total Equity	**-**	**151,076**	**151,076**
TOTAL LIABILITIES & EQUITY	**323,929**	**868,975**	**1,192,904**

Note 36 : Financial Instruments

Note 36.1 : Capital Management

The Group’s objective, when managing Capital, is to safeguard the ability of the Group to continue as a going concern, maintain strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder’s value.

The capital of the Group comprises of Equity Share Capital, Share Premium, other equity reserves, a mix of debt securities and borrowings (other than debt securities). No changes have been made to the objectives, policies and processes from the previous year. However, they are under constant review by the Board.

The Management of the Company monitors the Regulatory capital by overviewing Debt Equity Ratio and makes use of the same for framing the business strategies.

The Debt Equity Ratio of the Group is calculated as below:

₹ in Lakh

Particulars	As at March 31, 2022
Debt securities (a)	149,055
Borrowings (other than debt securities) (b)	885,693
Total Debt (c=a+b)	**1,034,748**
Cash and Cash Equivalents (d)	47,776
Net Debt (e=c-d)	**986,972**
Total Equity (f)	151,076
Net Debt to Equity Ratio (in times) (g=e/f)	6.53

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 36.2 : Financial Instruments by Category

₹ in Lakh

Particulars	As At March 31, 2022			
	FVTPL	FVTOCI	Cost	Amortised Cost
Financial Assets				
Cash and Cash Equivalents	-	-	-	47,776
Bank Balance other than Cash and Cash Equivalent	-	-	-	404
Receivables				
(i) Trade Receivables	-	-	-	22
Loans	-	-	-	1,120,530
Investments	-	1,441	-	-
Other Financial Assets	-	-	-	246
Total Financial Assets	**-**	**1,441**	**-**	**1,168,978**
Financial Liabilities				
Lease Liabilities	-	-	-	1,741
Trade Payable	-	-	-	1,281
Debt securities	-	-	-	149,055
Borrowings (other than debt securities)	-	-	-	885,693
Other Financial Liabilities	-	-	-	2,000
Total Financial Liabilities	**-**	**-**	**-**	**1,039,770**

Note 36.3 : Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Group evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgment and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Group makes judgments on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgments in respect of Level 3 instruments.

Fair Value Hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Level 1 : inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 : inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 : inputs are unobservable inputs for the asset or liability.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

₹ in Lakh

Particulars	As At March 31, 2022		
	Level 1	Level 2	Level 3
Financial Assets			
Investments	-	-	1,441

There were no transfers between Level 1, Level 2 and Level 3 during the year

Valuation technique used to determine fair value

Equity instruments

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3.

Valuation adjustments and other inputs and considerations

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 financial assets does not have a significant impact in its value.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents, Loans, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 37 : Financial Instruments

Note 37 A : Financial Risk Management

Introduction

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Board. While the Group is exposed to various types of risks, the most important among them are liquidity risk, interest rate risk, credit risk, regulatory risk and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Group.

Risk Management Framework

In order to mitigate/transfer the risks, the Group has adopted a Risk Management Policy which provides a framework for identification, assessment, mitigation and reporting of risks.

Board level Risk Management Committee of the Group identifies, reviews and controls key risk areas, across the entire organization.

The role of the Risk Management Committee shall be:

1. review the risk management policies and system periodically and report to the Board.
2. ensure that the risk management system is established, implemented and maintained in accordance with this Policy.
3. assign the responsibilities to Chief Risk Officer of the Group in relation to risk identification and its management.

The Board shall be the ultimate Authority to approve the strategic plans and objectives for Risk Management and Risk Philosophy.

The Group has exposure to following risks arising from the financial instruments:

Note 37.A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as loans, investments, balances with banks and other financials assets.

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. The Group ensures effective monitoring of credit facilities through a portfolio quality review framework.

The Group monitors and manages credit risk on loans at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for Housing Loans. The Group 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, monitoring and reporting of the Credit risk.

Group's customers for housing loans are primarily salaried and self-employed individuals. All retail loans are also subjected to risk based pricing wherein the individual cases are graded on a credit score linked to multiple parameters of appraisal.

The Group's credit officers evaluate credit proposals, basis 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.

Various process controls such as KYC Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. In addition External agencies such as field investigation agencies facilitate a comprehensive due diligence process including visits to offices and homes, Panel Advocates confirmed that the title to the property to be mortgaged with GICHF are clear and marketable and free from all encumbrances, charges etc and Panel valuers are entrusted with the job of ascertaining the genuineness of market value of property as it is an important factor in determining the loan amount.

The loans are fully secured and have full recourse against the borrower. The Group has a equitable mortgage over the borrowers property. Wherever the state laws provide, the memorandum of deposit of title deeds are also registered.

Note 37.A.1 (I) Concentrations of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

71% of the Group's loan outstanding is from borrower's residing across 5 various states of India. The Group has taken a special contingency insurance policy to insured Borrower's collateral security.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 37.A.1 (II) Credit Risk Grading of loans and loss allowances

For effective risk Management, the company monitors its portfolio, based on product, underlying security and credit risk characteristics. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Group applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

Additionally, the Company evaluates risk based on staging as defined below:

The company categorises loan assets into stages based on the Days Past Due status:

- Stage 1: [0-31 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.
- Stage 2: [32-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset)
- Stage 3: [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.

Stage wise Categorisation of Loan Assets:

₹ in Lakh

Particulars	As At March 31, 2022
Stage 1	993,442
Stage 2	100,760
Stage 3	86,154
Total	**1,180,356**

For reconciliations from opening to closing balance of EAD and expected credit loss allowance for loans refer Note 6.2.

Financial Assets measured at Simplified Approach

The Group follows ‘simplified approach’ for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Trade Receivables, and Other Financial Assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Management of the Group expects no defaults in the above mentioned financial assets and insignificant history of defaults has been observed by the Management in the previous years on such Financial Assets. Hence no ECL has been recognised on the above mentioned Financial assets as at the reporting date except other financials assets.

Carrying Value of financials assets wherein impairment loss allowance is measured at simplified approach :

₹ in Lakh

Particulars	As At March 31, 2022
Cash and Cash Equivalents	47,776
Bank balance other than cash and cash equivalent	404
Trade Receivables	22
Other Financial Assets	246

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Reconciliations of Expected Credit loss allowance on financials assets wherein impairment loss allowance is measured at simplified approach :

₹ in Lakh

Particulars	As At March 31, 2022
Opening balance	40
Arising during the year	13
Utilised	-
Closing balance	**53**

Note 37.A.1 (III) Contractual amount outstanding on financial assets that were written off during the reporting year

₹ in Lakh

Particulars	As At March 31, 2022
Write off	5,098

Note 37.A.1 (IV) Collateral and other credit enhancements

The Company is in the business of extending secured loans backed by mortgage of property (residential or commercial). The Company assesses and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Company also requests for additional collateral(s).

The Company after exploring all the possible measures, initiates action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) against the mortgaged properties as a last resort to recover.

Housing Loans include loans amounting to ₹ 43,721 Lakh against which the company has taken possession (including symbolic possession) of the property under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal.

Note 37.A.2 Liquidity Risk

Liquidity risk is the risk resulting from an Organization's inability to meet its obligations as they become due, because of difficulty in liquidating assets (market liquidity risk) or in obtaining adequate funding. The assessment includes analysis of sources and uses of funds, an understanding of the funding markets in which the entity operates and an assessment of the efficacy of a contingency funding plan for events that could arise. Measuring and managing liquidity needs are vital for effective operations of Housing Finance Company. The Company has also constituted Board Level Asset Liability Management (ALM) Committee which measures not only the liquidity positions of Company on on-going basis but also examines how liquidity requirements are likely to revive under different scenarios.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Maturities of Financial Liabilities

The Group's financial liabilities into relevant maturity groupings based on their contractual maturities for essential for an understanding of the timing of the cash flows.

₹ in Lakh

Contractual maturities of financial liabilities As at March 31, 2022	Up to 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	Total
Lease Liabilities (Refer Note (a) below)	255	251	427	1,336	556	215	**3,040**
Trade Payable	1,281	-	-	-	-	-	**1,281**
Debt securities	39,657	14,683	49,698	45,017	-	-	**149,055**
Borrowings (other than debt securities)	20,869	83,430	110,348	395,357	172,723	102,966	**885,693**
Other financial liabilities	2,000	-	-	-	-	-	**2,000**

Note:

(a) Contractual maturities of lease liabilities are on undiscounted basis.

Note 37.A.3 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, equity prices resulting in a loss to earnings and capital.

The Group's exposure to market risk is primarily on account of interest rate risk, price risk and competitions risk. The Group do not have any exposure to foreign exchange rate.

Note 37.A.3 (I) Interest Rate Risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entity's financial condition. The immediate impact of changes in interest rate is on the Net Interest Income (NII) i.e. Net Spread, which would be based on rising interest rate of borrowings and falling interest rate of loans.

The Company is also exposed to interest rate risk as it is into funding of Home Loans which are based on floating interest rates. The Company has Board Level Asset Liability Management (ALM) Committee which meets periodically to review the interest rate risk, asset profile and to identify short term liquidity gaps, if any and to take immediate corrective actions to bridge the same.

(a) Interest rate risk exposure

Total Borrowings (including debt securities) of the Group are as follows:

₹ in Lakh

Particulars	As At March 31, 2022
Floating Rate Borrowings	839,113
Floating Rate Debt Securities	45,017
Fixed Rate Borrowings	46,580
Fixed Rate Debt Securities	104,038
Total Borrowings (including debt securities)	**1,034,748**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

(b) Sensitivity

Impact on the Group's profit before tax if interest rates had been 10 basis points higher / lower of borrowings is given below:

₹ in Lakh

Particulars	Impact on Profit Before Tax
	For the year ended March 31, 2022
Interest rates – increase by 10 basis points (10 bps)	(884)
Interest rates – decrease by 10 basis points (10 bps)	884

Note 37.A.3 (II) Price Risk

The Group's equity investment carry a risk of change in prices. To manage its price risk arising from investment in equity securities, the Group periodically monitors the performance of the investee companies.

(a) Price risk exposure

Total exposure to assets having price risk as under

₹ in Lakh

Particulars	As At March 31, 2022
Market Value of equity investment	1,441

(b) Sensitivity

Impact on the Group's profit before tax if instrument index had been 10 basis points higher / lower of equity investment is given below:

₹ in Lakh

Particulars	Impact on Profit Before Tax
	For the year ended March 31, 2022
increase by 10 basis points (10 bps)	1
decrease by 10 basis points (10 bps)	(1)

Note 37.A.3 (III) Competitions Risk

Competition Risk is the risk to the market share and profitability arising due to competition. It is present across all the businesses and across all the economic cycle with the intensity of competition risk varying due to several factors, like, barriers to entry, industry growth potential, degree of competition, etc.

The Group's business environment is characterized by increased youth population, growing economy, increased urbanization, Government incentives, acceptability of credit in society and rise in nuclear families. Due to all these reasons, the Housing Finance industry has seen a higher growth rate than overall economy and several other industries since past several years. This has led to increase in competition and in turn increased pressure on the existing Companies to maintain/grow market share and profitability. In order to mitigate the risk arising due to competition, the Group has customer centric approach coupled with state of art infrastructure including IT interface.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 38 : Related Party Disclosures

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), details of related parties, nature of the relationship, with whom Group has entered transactions. All these transactions with related parties were carried out in ordinary course of business and on arm's length basis.

i) Related Party Policy:

Related Party Policy is uploaded on the website of the Company and annexed to the Director Report.

ii) Related Parties Transactions:

A. Key Management Personnel

Sr no	Key Management Personnel	For the year ended March 31, 2022
a)	Managing Director & Chief Executive Officer (MD & CEO)	Smt. G Shobha Reddy (From 12-04-2021)
b)	Chief Financial Officer (CFO)	Smt. Varsha Godbole (From 29-10-2021)
		Smt. Radhika B. Iyer (Up to 28-10-2021)
c)	Company Secretary (CS)	Smt. Nutan Singh

B. Directors (Executive or Otherwise)

Sr no	Directors (Executive or Otherwise)		Remarks
a)	Shri. Devesh Srivastava	Non-executive Chairman	From 01-01-2020
b)	Shri. Girish Radhakrishnan	Non-executive Director	Upto 30-06-2021
c)	Smt. Tajinder Mukherjee	Non-executive Director	Upto 30-06-2021
d)	Shri. Atul Sahai	Non-executive Director	Upto 28-02-2022
e)	Smt. Suchita Gupta	Non-executive Director	From 12-02-2020 Upto 03-08-2021 From 11-08-2021
f)	Shri. N S R Chandra Prasad	Independent Director	-
g)	Shri. A K Saxena	Independent Director	-
h)	Smt. Vijayalakshmi R. Iyer	Independent Director	-
i)	Shri. G. Srinivasan	Independent Director Non-executive Director of Subsidiary Co.	Upto 22-12-2021 From 27-01-2021
j)	Shri.Prafulla Chhajed	Independent Director Non-executive Director	From 12-03-2021 Upto 20-12-2021
k)	Smt.Rani Singh nair	Independent Director Non-executive Director	From 12-03-2021
l)	Smt. S.N. Rajeswari	Non-executive Director	From 12-09-2020 Up to 02-03-2021
m)	Shri. V.Ramasamy	Independent Director	Upto 18-12-2020
n)	Shri. Kamlesh Shivji Vikamsey	Independent Director	Upto 18-12-2020
o)	Smt. Mona Mukund Bhide	Independent Director	Upto 18-12-2020
p)	Shri. A.V.Girija Kumar	Non-executive Director	Upto 31-05-2020
q)	Shri Anjan Dey	Non-executive Director	From 12-04-2021
r)	Shri Satyajit Tripathy	Non-executive Director	From 07-10-2021

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Sr no	Directors (Executive or Otherwise)		Remarks
s)	Shri Hitesh Joshi	Non-executive Director	From 07-10-2021
t)	Shri Vaijinath M. Gavarshetty	Independent Director Non-executive Director of Subsidiary Co.	From 06-01-2022 From 15-03-2022
u)	Shri Kishore Garimella	Independent Director	From 06-01-2022
v)	Shri S J Krishnan	Independent Director	From 06-01-2022
w)	Shri. A. V. Muralidharan	Non-executive Director of Subsidiary Co.	From 27-01-2021
x)	Shri. B. Chakrabarti	Non-executive Director of Subsidiary Co.	From 27-01-2021 Upto 01-07-2021

iii) Details of transactions during the year

A Managing Director & CEO ₹ in Lakh

Particulars	**For the year ended March 31, 2022**
Managerial Remuneration	
Short Term Employee Benefits	41
Post-Employment Benefits*	-
Total	**41**

B Chief Financial Officer ₹ in Lakh

Particulars	**For the year ended March 31, 2022**		**Total**
	Smt. Varsha Godbole	**Smt. Radhika B. Iyer**	
Managerial Remuneration			
Short Term Employee Benefits	15	15	30
Post-Employment Benefits*	-	-	-
Total	**15**	**15**	**30**

C Company Secretary ₹ in Lakh

Particulars	**For the year ended March 31, 2022**
	Smt. Nutan Singh
Managerial Remuneration	
Short Term Employee Benefits	16
Post-Employment Benefits*	-
Total	**16**

*The Post-Employment Benefits namely provision for gratuity and leave encashment cannot be determined employee wise since the provision is based on the actuarial valuation of the company as a whole.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

D Sitting Fees paid

₹ in Lakh

Name of the Directors	For the year ended March 31, 2022
Shri. NSR Chandra Prasad	8.10
Smt. Vijayalakshmi Iyer	5.40
Shri. A K Saxena	6.90
Shri. G. Srinivasan	4.50
Shri. Prafulla Chhajed	2.70
Smt. Rani Singh Nair	4.20
Shri Vaijinath M. Gavarshetty	0.90
Shri Kishore Garimella	0.90
Shri S J Krishnan	0.90
Shri. A. V. Muralidharan	0.60
Shri. B. Chakrabarti	0.10
Total	**35.20**

E Interest Income

₹ in Lakh

Name of the Directors and KMP	For the year ended March 31, 2022
Shri. Atul Sahai	1
Smt. Suchita Gupta	3
Shri. Hitesh Joshi	3
Smt. Radhika B. Iyer	-
Smt. Nutan Singh	1

iv) Details of balance at the year end with related parties:

A Outstanding Amount of Loan taken from the Company

₹ in Lakh

Name of the Directors and KMP	As At March 31, 2022
Shri. Atul Sahai	-
Smt. Suchita Gupta	-
Shri. Hitesh Joshi	29
Smt. Radhika B. Iyer	1
Smt. Nutan Singh	13

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

v) Additional Regulatory Information

₹ in Lakh

Type of Borrower	As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	
Directors	29	0.25%
KMPs	14	0.12%
Related parties	-	

Note 39 : Employee Benefits :-

In compliance with the Indian Accounting Standard on 'Employee Benefits' (Ind AS 19), following disclosures have been made :

Defined Contribution Plan:

(i) Pension Scheme

The Company makes contribution to Employees' Pension Scheme, 1995 for all employees and Employee State Insurance Scheme for all eligible employees. The Company has recognized ₹ 29 Lakh (Previous year ₹ 30 Lakh) for Employees' Pension Scheme in the Statement of Profit and Loss. The contributions payable by the Company are at rates specified in the rules of the schemes.

(ii) Provident Fund

An amount of ₹ 390 Lakh (Previous year ₹ 281 Lakh) has been charged to Statement of Profit and Loss on account of this defined benefit scheme.

Defined Benefit Plans:

(i) Gratuity Plan

Gratuity is payable to all the members at the rate of 15 days salary for each completed year of Service.

The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the consolidated financial statements in the period in which the code becomes effective and related rules are published.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2022

Particulars	For the year ended March 31, 2022
Type of Benefit	Gratuity
Country	India
Reporting Currency	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Funded
Starting Period	01/04/2021
Date of Reporting	31/03/2022
Period of Reporting	12 Months

Assumptions (Current Period)

Particulars	For the year ended March 31, 2022
Expected Return on Plan Assets	7.23%
Rate of Discounting	7.23%
Rate of Salary Increase	9.00%
Rate of Employee Turnover	5.60%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)

Table Showing Change in the Present Value of Defined Benefit Obligation **₹ in Lakh**

Particulars	For the Year Ended March 31, 2022
Present Value of Benefit Obligation as at beginning of the period	1,426
Interest Cost	96
Current Service Cost	120
(Benefit Paid From the Fund)	(81)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(1)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(49)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(35)
Present Value of Defined Benefit Obligation as at the end of the year	1,476

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
For the year ended March 31, 2022

Table Showing Change in the Fair Value of Plan Assets ₹ in Lakh

Particulars	For the Year Ended March 31, 2022
Fair Value of Plan Assets at the beginning of the period	1,016
Interest income	67
Contributions by the employer	213
(Benefit paid from the fund)	(81)
Return on plan assets, excluding interest income	25
Fair Value of Plan Assets at the end of the period	**1,240**

Amount recognised in the Balance Sheet ₹ in Lakh

Particulars	For the Year Ended March 31, 2022
(Present Value of Benefit Obligation at the end of the Period)	(1,476)
Fair Value of Plan Assets at the end of the Period	1,240
Funded Status (Surplus/ (Deficit))	(236)
Net (Liability)/Asset Recognized in the Balance Sheet	**(236)**

Net interest cost for current year~ **₹ in Lakh**

Particulars	For the Year Ended March 31, 2022
Present Value of Benefit Obligation at the Beginning of the Period	1,426
(Fair Value of Plan Assets at the Beginning of the Period)	(1,016)
Net Liability/(Asset) at the Beginning	**410**
Interest Cost	96
(Interest Income)	(68)
Net Interest Cost for Current Period	**28**

Expenses recognised in Statement of Profit and Loss ₹ in Lakh

Particulars	For the Year Ended March 31, 2022
Current Service Cost	120
Net Interest Cost	28
Expenses Recognized	**148**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Expenses Recognized in the Other Comprehensive Income (OCI) for current year ₹ in Lakh

Particulars	For the Year Ended March 31, 2022
Actuarial (Gains)/Losses on Obligation For the Period	(83)
Return on Plan Assets, Excluding Interest Income	(26)
Net (Income)/Expense For the Period Recognized in OCI	**(109)**

Balance Sheet Reconciliation ₹ in Lakh

Particulars	As At March 31, 2022
Opening Net Liability	410
Expenses Recognized in Statement of Profit or Loss	148
Expenses Recognized in OCI	(109)
(Employer's Contribution)	(213)
Net Liability/(Asset) Recognized in the Balance Sheet	**236**

Category of Assets ₹ in Lakh

Particulars	As At March 31, 2022
Insurance fund	1240

Information of major categories of plan assets of gratuity fund are not available with the Company and hence not disclosed as per the requirements of Ind AS 19 “Employee Benefits”.

Other Details ₹ in Lakh

Particulars	As At March 31, 2022
Expected Contribution in the Next Year	236

Net interest cost for Next Year ₹ in Lakh

Particulars	For the Year Ended March 31, 2022
Present Value of Benefit Obligation at the Beginning of the Period	1,476
(Fair Value of Plan Assets at the Beginning of the Period)	(1,240)
Net Liability/(Asset) at the Beginning	**236**
Interest Cost	105
(Interest Income)	(88)
Net Interest Cost for Current Period	**17**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Expenses Recognized in the Statement of Profit or Loss for Next Year ₹ in Lakh

Particulars	For the Year Ended March 31, 2022
Current Service Cost	111
Net Interest Cost	17
(Expected Contributions by the Employees)	-
Expenses Recognized	**128**

Maturity Analysis of the Benefit Payments: From the Fund ₹ in Lakh

Projected Benefits Payable in Future Years From the Date of Reporting	For the Year Ended March 31, 2022
1st Following Year	114
2nd Following Year	124
3rd Following Year	136
4th Following Year	102
5th Following Year	131
Sum of Years 6 To 10	571
Sum of Years 11 and above	2,072

Sensitivity Analysis ₹ in Lakh

Projected Benefits Payable in Future Years From the Date of Reporting	For the Year Ended March 31, 2022
Projected Benefit Obligation on Current Assumptions	1,476
Delta Effect of +1% Change in Rate of Discounting	(115)
Delta Effect of -1% Change in Rate of Discounting	134
Delta Effect of +1% Change in Rate of Salary Increase	55
Delta Effect of -1% Change in Rate of Salary Increase	(58)
Delta Effect of +1% Change in Rate of Employee Turnover	11
Delta Effect of -1% Change in Rate of Employee Turnover	(13)

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 Defined 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 Defined 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 Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(ii) Leave Encashment

An amount of ₹ 176 Lakh (Previous year ₹ 220 Lakh) has been charged to Statement of Profit and Loss for this benefit scheme during the year.

Particulars	For the year ended March 31, 2022
Type of Benefit	Privilege Leave
Country	India
Reporting Currency	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Unfunded
Starting Period	01/04/2021
Date of Reporting	31/03/2022
Period of Reporting	12 Months

Assumptions (Closing Period)

Particulars	For the year ended March 31, 2022
Rate of Discounting	7.23%
Rate of Salary Increase	9.00%
Rate of Employee Turnover	5.60%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)

Table Showing Change in the Present Value of Defined Benefit Obligation ₹ in Lakh

Particulars	For the year ended March 31, 2022
Present Value of Benefit Obligation as at beginning of the period	702
Interest Cost	48
Current Service Cost	59
(Benefit Paid Directly by the Employer)	(155)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(18)
Actuarial (Gains)/Losses on Obligations - Due to Experience	87
Present Value of Defined Benefit Obligation as at the end of the year	**723**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period ₹ in Lakh

Particulars	For the year ended March 31, 2022
Actuarial (Gains)/Losses on Obligation For the Period	69
Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss	**69**

Amount recognised in the Balance Sheet ₹ in Lakh

Particulars	For the year ended March 31, 2022
Present Value of Benefit Obligation at the end of the Period	(723)
Fair Value of Plan Assets at the end of the Period	-
Net (Liability)/Asset Recognized in the Balance Sheet	**(723)**

Net Interest Cost for Current Period ₹ in Lakh

Particulars	For the year ended March 31, 2022
Present Value of Benefit Obligation at the Beginning of the Period	702
(Fair Value of Plan Assets at the Beginning of the Period)	-
Net Liability/(Asset) at the Beginning	702
Interest Cost	48
(Interest Income)	-
Net Interest Cost for Current Period	**48**

Expenses recognised in Statement of Profit and Loss ₹ in Lakh

Particulars	For the year ended March 31, 2022
Current Service Cost	60
Net Interest Cost	48
Expected Return on Plan Assets	-
Net Actuarial (Gain) / Loss to be recognised	68
Expenses Recognized	**176**

Balance Sheet Reconciliation ₹ in Lakh

Particulars	For the year ended March 31, 2022
Opening Net Liability	702
Expenses Recognized in Statement of Profit or Loss	176
(Benefit Paid Directly by the Employer)	(155)
Net Liability/(Asset) Recognized in the Balance Sheet	**723**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 40 Commitments and Contingent Liabilities :

a) Commitments :

i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 536 lakh.

ii) As at the balance sheet date there were undrawn credit commitments of ₹ 9,278 lakh representing the loan amounts sanctioned but not disbursed.

b) Contingent Liabilities :

i) Contingent Liabilities : With respect to pending Income Tax disputes of ₹ 195 lakh. The Company has preferred appeal/s against the same and has made payments under protest.

ii) Bank Guarantees:

- ₹ 150 lakh given in favour of Kotak Mahindra Life Insurance Company Ltd. in lieu of premium deposit for “Kotak Term Group Plan” Policy contract to avail Term Group Plan cover for borrowers.
- ₹ 100 lakh given in favour of Future Generali India Life Insurance Company Ltd. in lieu of premium deposit for “Future Generali Loan Suraksha Plan” policy contract to avail Credit Life Group Plan Cover for borrowers.
- ₹ 50 lakh given in favour of Aditya Birla Sun Life Insurance Company Ltd. in lieu of premium deposit for “Aditya Birla Sun Life Insurance Group Asset Assure Plan” policy contract to avail Credit Life Group Plan Cover for borrowers.

Note 41 Proposed Dividend

₹ in Lakh

Particulars	For the Year Ended March 31, 2022
Dividends not recognised at the end of reporting period	
The Board of Directors, have recommended final dividend of ₹ 4.5/- per equity share for March 31, 2022 (₹ 4/- for March 31, 2021). This dividend will be paid after the approval of the members at the AGM.	2,423

Note 42 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole group as one segment of "Financing". Thus, as defined in Ind AS 108 “Operating Segments”, the Group’s entire business falls under this one operational segment.

Further, the Group operates in a single business segment ie. financing, which has similar risks and returns taking into account the organisational structure and the internal reporting systems. No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the company’s total revenue in year ended March 31, 2022. The Group operates in single geography i.e. India and therefore geographical information is not required to be disclosed separately.

Note 43 Earnings Per Share:

Particulars	For the Year Ended March 31, 2022
Profit attributable to Equity Shareholders (₹ in lakh)	17,351
No. of Weighted Average Equity Shares Outstanding During the year (Basic & Diluted)	53,851,066
Nominal Value of Equity Shares (₹)	10
Basic Earnings per Share (₹) (Basic & Diluted)	32.22

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 44 The outbreak of the COVID-19 pandemic had led to a nation-wide lockdown in April-May 2020. This was followed by localised lockdowns in areas with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the second half of fiscal 2021. India experienced a “second wave” of the COVID-19 pandemic in April-May 2021 following the discovery of mutant coronavirus variants, leading to the re-imposition of regional lockdowns. These were gradually lifted as the second wave subsided.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the COVID-19 pandemic will continue to impact the Company's results will depend on ongoing as well as future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

Note 45 Additional Regulatory Information under MCA Notification dated March 24, 2021

(i) Title deeds of immovable properties not held in name of the company

₹ in Lakh

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Non-current Assets Held for Sale (Refer note 16)	Building (492 Properties)	3266	Borrowers to whom loans were given	No	Repossessed between August 2017 to March 2022	Properties repossessed under SARFAESI Act.

Note: Due to the voluminous nature of transactions and sensitivity of the information, individual borrower wise details, in whose name the title deeds are held are not disclosed.

(ii) Details of benami property held

There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(iii) Borrowing secured against current assets

The Group has borrowings (including debt securities) from banks on the basis of security of book debts and immovable property.

(iv) Wilful defaulter

The Group has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

(v) Relationship with Struck off Companies

Amount in ₹

Sr no	Name of struck off Company	Nature of transactions with struck-off Company	Transactions	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
1	Prava Buildcon Private Limited	Shareholder, Number of shares held - 400 equity shares	Dividend Paid	-	None
2	Incotrade Business Solution Private Limited	Shareholder, Number of shares held - 15 equity shares	Dividend Paid	-	None
3	Pratibha Chit Funds Private Limited	Shareholder, Number of shares held - 300 equity shares	Dividend Paid	-	None
4	Agrawal Securities Limited	Shareholder, Number of shares held - 1100 equity share	Dividend Paid	-	None
5	Neepro Trading Company Private Limited	Shareholder, Number of shares held - 162 equity shares	Dividend Paid	-	None
6	Vaishak Shares Limited	Shareholder, Number of shares held - 1 equity share	Dividend Paid	-	None
7	Siddha Papers Private Limited	Shareholder, Number of shares held - 183 equity shares	Dividend Paid	-	None
8	Jalor Finance and Investment Co. (P) Limited	Shareholder, Number of shares held - 100 equity shares	-	2,050.00	None

(vi) Registration of charges or satisfaction with Registrar of Companies

In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

(vii) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(Viii) Ratios

Particulars	As At March 31, 2022
Capital to risk-weighted assets ratio (CRAR) (%)	25.71
Tier I CRAR (%)	24.46
Tier II CRAR (%)	1.25
Liquidity Coverage Ratio (%)	686.44

Note: LCR computation is based on Management estimation of future inflows and outflows and not subjected to audit by auditors.

(ix) Compliance with approved scheme(s) of arrangements

NA

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

(x) Utilisation of borrowed funds and share premium

During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i). 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 Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii). No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, 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;

(xi) Undisclosed Income

The Group does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

(xii) Details of crypto currency or virtual currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 46 Additional information pursuant to para 2 of schedule III on general instructions for the preparations of Consolidated Financial Statements:

₹ in Lakh

Name of Entity in the Group	Net Assets i.e. Total Assets less Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in Lakh)	As % of consolidated profit or loss	Amount (₹ in Lakh)	As % of consolidated Other Comprehensive Income	Amount (₹ in Lakh)	As % of consolidated Total Comprehensive Income	Amount (₹ in Lakh)
GIC Housing Finance Limited	100.00	151,082	100.03	17,357	100.00	97	100.03	17,454
Indian Subsidiary								
GICHFL Financial Services Private Limited	-	(6)	(0.03)	(6)	-	-	(0.03)	(6)
Non-Controlling Interest in subsidiary	-	-	-	-	-	-	-	-
Total	**100.00**	**151,076**	**100.00**	**17,351**	**100.00**	**97**	**100.00**	**17,448**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Note 47 The Group has prepared and presented Consolidated Financial Statements for the first time in FY 2021-22. Hence, previous year comparatives are not available and not presented. Further, amounts appearing in cash flow statement for FY 2021-22 are compiled based on unaudited opening cash and cash equivalents as at April 01, 2021, which is neither audited nor reviewed by statutory auditors.

As per our report attached of even date
For M. P. Chitale & Co.
Chartered Accountants

Murtuza Vajihi
Partner

Place : Mumbai
Date : May 18, 2022

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

Date : May 18, 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures as on March 31, 2022

Part "A": Subsidiaries

₹ in Lakh

Sr no	Particulars	GICHFL Financial Services Private Limited
1	Share Capital	75
2	Reserves & Surplus/Other Equity	(6)
3	Total Assets	76
4	Total Liabilities	7
5	Investments	-
6	Total Turnover	-
7	Profit before Taxation	(6)
8	Provision for taxation	-
9	Profit After Taxation	(6)
10	Proposed Dividend	-
11	% of Shareholding	100%

Reporting period for the subsidiary is same as holding company

For and on behalf of the Board of Directors

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

Varsha Godbole
SVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436

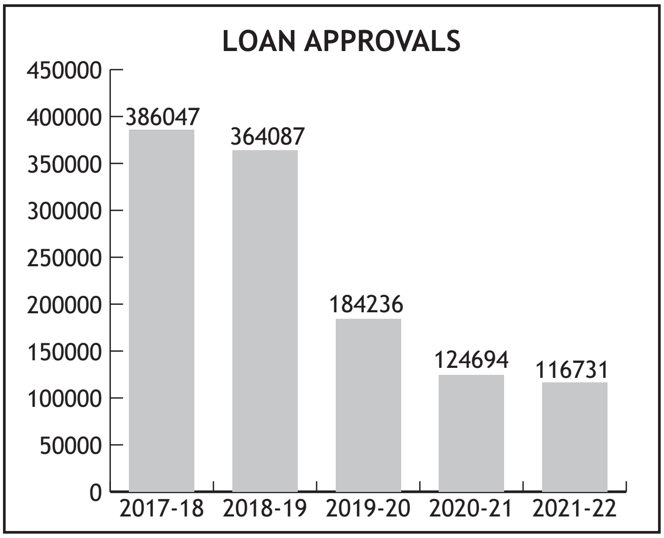
Date : May 18, 2022

FINANCIAL ANALYSIS AND PERFORMANCE MEASURES
Achievements in 2021-22

Loan approvals during the year

During the year, the Company Sanctioned ₹ 1,16,731 Lakh under "Apna Ghar Yojana" (Loan to individuals)

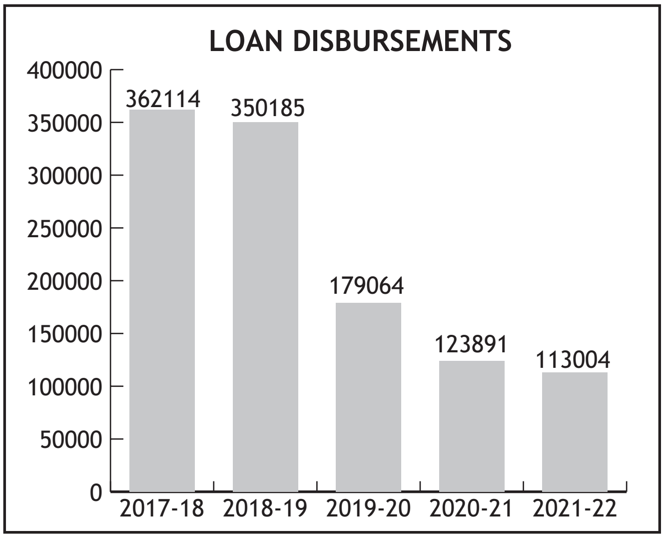
₹ in Lakh



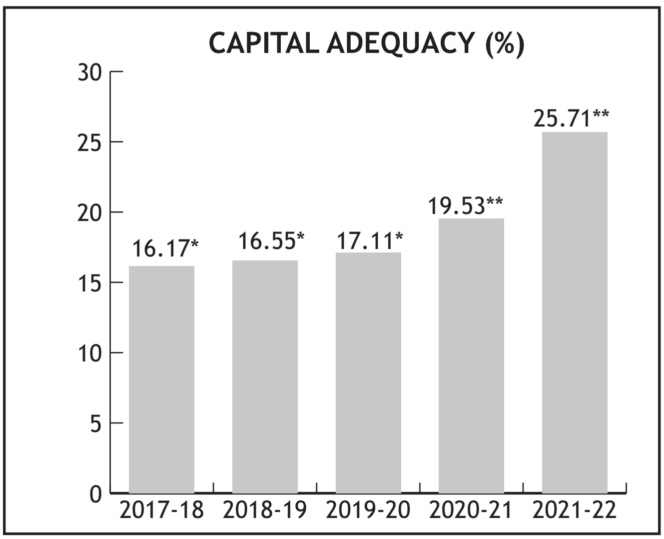
Loan disbursements during the year

During the year, the Company disbursed ₹ 1,13,004 Lakh under "Apna Ghar Yojana" (Loan to individuals)

₹ in Lakh

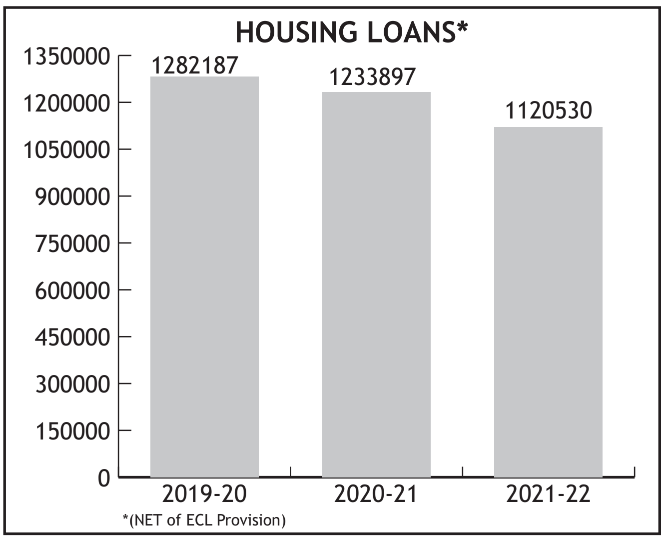


Capital Adequacy
(* as per IGAAP ** as per IND AS)



Housing Loans
(as per IND AS)

₹ in Lakh

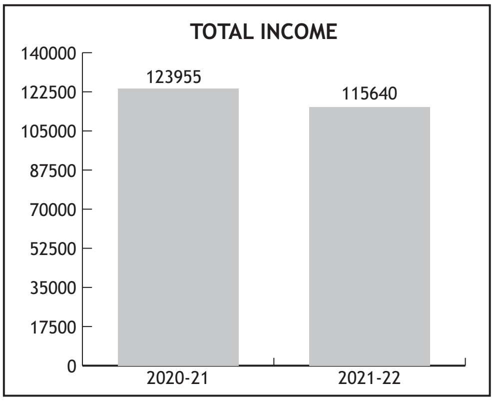


Comparative Statement

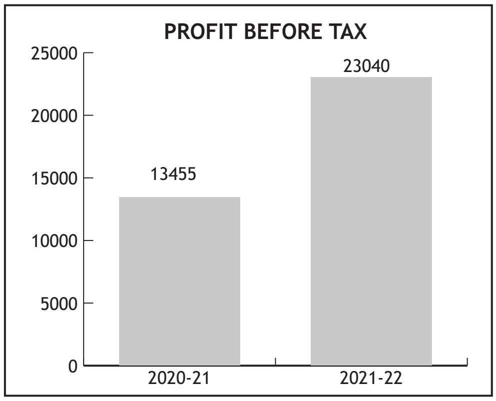
(₹ in Lakh)

Particulars	31.03.2022	31.03.2021
Total Income	1,15,640	1,23,955
Profit Before Tax	23,040	13,455
Profit After Tax	17,357	10,557
Earning per Share (₹)	32.23	19.60
Dividend (%)	45	40
Book Value per Share (₹)	280.55	252.14

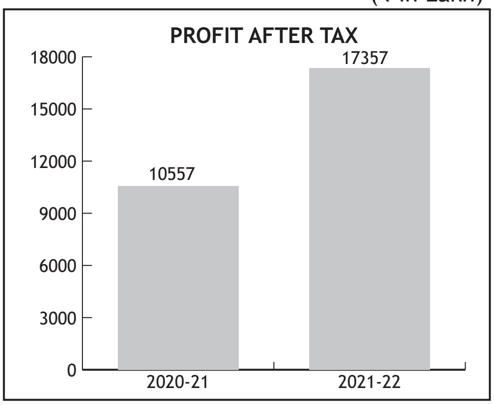
(₹ in Lakh)

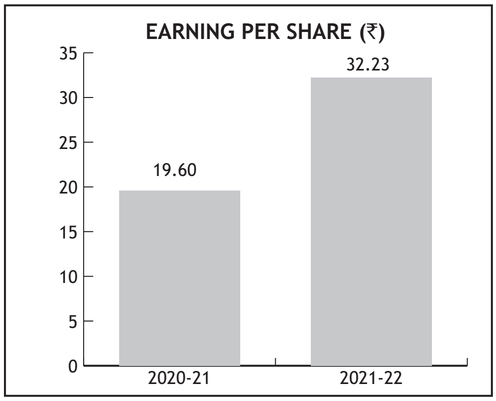


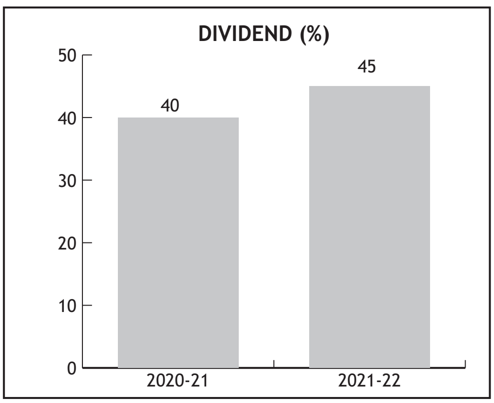
(₹ in Lakh)

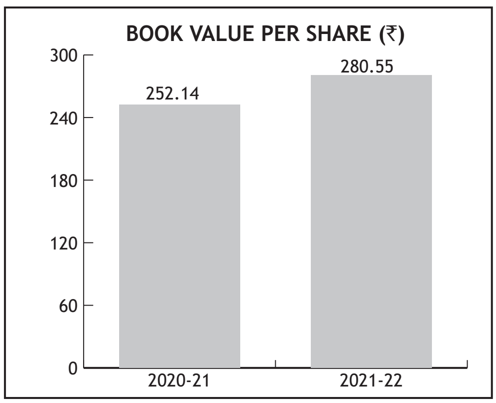


(₹ in Lakh)









INAUGURATION OF OFFICES

Satellite Office at Rewari

Satellite Office at Sangareddy

Satellite Office at Prayagraj

Satellite Office at Kanchipuram

Satellite Office at Panipat

Shifting of Hyderabad Branch Office

MAKING **DREAMS** A CONCRETE **REALITY**

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