GIC HOUSING FINANCE LTD.

GICHFL/SEC/2021 **2nd September, 2021**

To
The Listing Department,
The National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
MUMBAI - 400 051 **Scrip Code: GICHSGFIN**

Dear Sir,

Sub.: Intimation under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. - Submission of Annual Report for F.Y. : 2020-21.
Ref.: Our earlier letter dated 18th August, 2021.

We hereby submit the Annual Report of our Company for F.Y. 2020-21 under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our AGM is scheduled to be held on 27th September, 2021.

This is for your information and record purpose.

Thanking you,

Yours faithfully,

Nutan Singh
Group Executive & Company Secretary

गृहे सौख्यम् विराजते

GIC HOUSING FINANCE LTD.

YOUR ROAD TO A DREAM HOME

गृहे सौख्यम् विराजते



ANNUAL REPORT | 2020-21

GICHF CSR AT A GLANCE



CONSTRUCTION OF PUBLIC TOILETS COMPLEX AT MUMBAI



FREE MEDICINES DISTRIBUTION AT KERALA



GREEN INITIATIVE - SOLAR PANEL INSTALLATION AT KERALA



MEDICAL EQUIPMENT SUPPORT TO TMC - NEW MUMBAI



BLOOD DONATION VAN TO TMC- NEW MUMBAI

CORPORATE INFORMATION

BOARD OF DIRECTORS

1)	Shri Devesh Srivastava	Chairman
2)	Shri Atul Sahai	Director
3)	Shri Anjan Dey	Director
4)	Smt. Suchita Gupta	Director
5)	Shri NSR Chandra Prasad	Director
6)	Shri A. K. Saxena	Director
7)	Smt. Vijayalakshmi Iyer	Director
8)	Shri G. Srinivasan	Director
9)	Shri Prafulla P. Chhajed	Director
10)	Smt. Rani Singh Nair	Director
11)	Smt. G. Shobha Reddy	Managing Director & CEO

KEY MANAGERIAL PERSONNELS

1)	Smt. B. Radhika	Assistant Vice President & Chief Financial Officer
2)	Smt. Nutan Singh	Group Executive & Company Secretary

STATUTORY AUDITORS

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

PRINCIPAL BANKERS

Axis Bank Ltd., Bank of Baroda, Bank of India, Corporation Bank, Canara Bank, Catholic Syrian Bank Ltd., Central Bank of India, Federal Bank, HDFC Bank Ltd., The Hongkong and Shanghai Banking Corporation Ltd., ICICI Bank Ltd., Indian Bank (erstwhile - Allahabad Bank), Indian Overseas Bank, The Jammu & Kashmir Bank Ltd., Karnataka Bank Ltd., Kotak Mahindra Bank Ltd., Punjab National Bank (erstwhile-United Bank of India), State Bank of India, SBI life Insurance Company Ltd., UCO bank, Union Bank of India, United 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 Pvt. Ltd.,
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana-500032.
Tel No. +91 40 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

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31st ANNUAL GENERAL MEETING

Date : September 27, 2021 (Monday)

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 G. Srinivisan	Chairman
2)	Shri NSR Chandra Prasad	Member
3)	Shri Prafulla P. Chhajed	Member

Stakeholders Relationship Committee

1)	Shri G. Srinivasan	Chairman
2)	Shri NSR Chandra Prasad	Member
3)	Shri A. K. Saxena	Member

Nomination and Remuneration Committee

1)	Shri A. K. Saxena	Chairman
2)	Shri NSR Chandra Prasad	Member
3)	Shri G. Srinivasan	Member

Asset Liability Management Committee

1)	Smt. Vijayalakshmi Iyer	Chairperson
2)	Shri A. K. Saxena	Member
3)	Smt. G. Shobha Reddy	Member

Risk Management Committee

1)	Shri NSR Chandra Prasad	Chairman
2)	Smt. Vijayalakshmi Iyer	Member
3)	Smt. G. Shobha Reddy	Member

Corporate Social Responsibility Committee

1)	Shri NSR Chandra Prasad	Chairman
2)	Smt. Rani Singh Nair	Member
3)	Smt. G. Shobha Reddy	Member

MANAGEMENT

1)	Shri Mahesh Ghagre	Senior Vice President
2)	Smt. Varsha Godbole	Senior Vice President
3)	Shri Mukesh Khedekar	Senior Vice President
4)	Shri M. K. Ravi Krishnan	Senior Vice President
5)	Smt. B. Radhika	Assistant Vice President & CFO
6)	Smt. Nutan Singh	Group Executive & Company Secretary

BUSINESS HEADS

Sr. No	Branch Office	Manager
1	Ahmedabad	Arpit Tambi
2	Barasat	Akshay Singh Thakur
3	Bengaluru	C V Vijayavardhini
4	Bhubaneswar	Vinayak Sharad Joshi
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

BUSINESS HEADS

Sr. No	Branch Office	Manager
12	Daimond Harbour	Debjyoti Mitra
13	Dehradun	Amit Kumar Singh
14	Delhi	Priya Srivastava
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	Akash Majumder
23	Hadapsar	Vicky Adtani
24	Hinjewadi	Suresh Narsappa Yelve
25	Hubli	Umesh M Mogaveera
26	Hyderabad	R V K Teja
27	Indore	Kriti Kaul Ogra
28	Jaipur	Sukhendu Acharya
29	Jodhpur	Ganesh Singh Hada
30	Kalyan	Rohit Medhekar
31	Kengeri	V Prajaranjan Reddy
32	Kochi	Abhilash P.S.
33	Kolhapur	Amit Vilas Desai
34	Kolkata	Debjyoti Mitra
35	Kozhikode	Tom Thomson
36	L B Nagar	Mahesh Mogaveera
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	Mahalakshmi Sharma
48	Nellore	Aluri Kishor
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	Lalith Kumar
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	Aswath Kuruvila
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	K Vishnu Vardhan Rao
73	Whitefield	Suvanjan Biswas
74	Yelahanka	Shashank J Reddy



Devesh Srivastava
Chairman



Atul Sahai
Director



Anjan Dey
Director



Suchita Gupta
Director



NSR Chandra Prasad
Director



A. K. Saxena
Director



Vijayalakshmi Iyer
Director



G. Srinivasan
Director



Prafulla P. Chhajed
Director



Rani Singh Nair
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

31st ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty First Annual General Meeting of the Members of **GIC HOUSING FINANCE LTD.** will be held on **Monday, September 27, 2021** at 11.30 A.M. IST through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business(es):

ORDINARY BUSINESS:

Item No. 1: Adoption of Audited Annual Financial Statements for the year ended March 31, 2021 together with the Reports of the Directors and Auditors thereon.

To receive, consider and adopt the audited Annual Financial Statements for the year ended March 31, 2021 together with the Reports of the Directors and Auditors thereon.

Item No. 2: Declaration of Dividend for the year ended March 31, 2021.

To declare dividend of ₹ 4/- per Equity Shares (i.e. 40%) for the financial year ended March 31, 2021.

Item No. 3: Re-appointment of Director, Shri Atul Sahai (DIN 07542308) as Non-Executive Director.

To re-appoint a Director in place of Shri Atul Sahai (DIN 07542308) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4: Appointment of Shri Prafulla P. Chhajed (DIN 03544734) as Independent Director.

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

"RESOLVED THAT Shri Prafulla P. Chhajed (DIN 03544734) who was appointed as an Additional Director of the Company pursuant to Article 127 of Articles of Association of the Company with effect from March 12, 2021 and who holds office up to the conclusion of 31st Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director of the Company, be and is hereby appointed as an Independent Director of the Company upto the conclusion of 33rd AGM of the Company, and his period of Office shall not be liable to retire by rotation."

Item No. 5: Appointment of Smt. Rani Singh Nair (DIN 09103000) as Independent Director.

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

"RESOLVED THAT Smt. Rani Singh Nair (DIN 09103000) who was appointed as an Additional Director of the Company pursuant to Article 127 of Articles of Association of the Company with effect from March 12, 2021 and who holds office up to the conclusion of 31st Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing her candidature for the Office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, upto the conclusion of 33rd AGM of the Company and her period of office shall not be liable to retire by rotation."

Item No. 6: Appointment of Shri Anjan Dey (DIN 09107033) as Non-Executive Director.

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

"RESOLVED THAT Shri Anjan Dey (DIN 09107033) who was appointed as an Additional Director of the Company pursuant to Article 127 of Articles of Association of the Company with effect from April 12, 2021 and who holds office up to the conclusion of 31st Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of Office shall be liable to retire by rotation."

Item No. 7: Appointment of Smt. G. Shobha Reddy (DIN 09133433) as Managing Director & CEO.

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

"RESOLVED THAT Smt. G. Shobha Reddy (DIN 09133433), who was appointed as an Additional Director of the Company pursuant to the Article 127 of Articles of Association of the Company with effect from April 12, 2021 and who holds office upto the conclusion of 31st Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, is eligible for appointment as Managing Director & CEO of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and subject to approval of the shareholders at their meeting and any other approvals, as may be applicable, Smt. G. Shobha Reddy be and is hereby appointed as Managing Director & CEO, on and from April 12, 2021 till her superannuation on February 28, 2023 at the remuneration she is entitled to in accordance with the Service Regulations applicable in the pay scale for General Manger cadre of National Insurance Company Limited with any modifications, revisions, thereof, if any that might take place from time to time, and also eligible for perquisites and performance incentives as applicable for the post of Managing Director & CEO in our Company subject to ceiling limits prescribed by Schedule V to the Companies Act, 2013."

Item No. 8: Appointment of Smt. Suchita Gupta (DIN 08697650) as Non-Executive Director.

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

"RESOLVED THAT Smt. Suhita Gupta (DIN 08697650) who was appointed as an Additional Director of the Company pursuant to Article 127 of Articles of Association of the Company with effect from August 11, 2021 and who holds office up to the conclusion of 31st Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the Office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of Office shall be liable to retire by rotation."

Item No. 9: 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 and Section 71 of the Companies Act, 2013 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, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 including any amendment, modification, variation or re-enactment thereof, Listing Regulations, 2015, 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, consent of the Members of the Company, be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Secured/Unsecured Redeemable Non-Convertible Debentures (NCDs)/Bonds of ₹ **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 a period of 1 (One) year from the date of passing this Resolution which is within the overall limits of the Company as approved by Members from time to time."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to the Officials of the Company, to give effect to the aforesaid Resolution."

Item No. 10: Related Party Transactions upto an aggregate limit of ₹ 2,000 crores only.

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

"RESOLVED THAT approval of the Members of the Company be and is hereby accorded to enter into agreement(s) / transaction(s) with Related Parties (namely GICHFL Financial Services Pvt. Ltd. (wholly owned subsidiary company), General Insurance Corporation of India, The New India Assurance Company Ltd., The Oriental Insurance Company Ltd., United India Insurance Company Ltd., National Insurance Company Ltd. and any other person/entity which may be termed as Related Party in accordance with statutory/ regulatory provisions of the law) in the ordinary course of business at arm's length basis for the purpose of raising funds through issue of NCDs / Bonds, to take property/properties on lease / rent, to avail / render any services or any other kind of transactions which construe to be Related Party Transactions up to an aggregate limit of ₹ **2,000 crores (Rupees Two Thousand Crores only)** till the conclusion of 32nd AGM from the date of this Resolution including the transaction(s) already entered into with such party / parties."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to the Officials of the Company, to give effect to the aforesaid Resolution."

Place: Mumbai
Date: August 11, 2021

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 Executive & Company Secretary

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated January 13, 2021 and SEBI vide its circular dated January 15, 2021 permitted the holding of the Annual General Meeting ("AGM") due in year 2021 through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations,2015 or SEBI (LODR) Rgulations, 2015") and SEBI & MCA Circular(s), the AGM of the Company is being held through VC / OAVM (herein after called as e-AGM).
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and proxy need not be a member of the company. The proxies in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting. Since this e-AGM is being held pursuant to the SEBI & MCA circular(s) through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence, the proxy form and attendance slip are not annexed to this notice.
3. Since the e-AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
4. 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.
5. Members can raise questions during the meeting or in advance 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.
6. 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.
7. 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.
8. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 17(11) of SEBI (LODR) Regulations, 2015, in respect of item no(s). **3 to 10** is given below and forms part of the Notice.
9. A brief profile of the Directors seeking appointment and/or re-appointment & their shareholding details is furnished and forming part of the notice as per Regulation 36(3) & Regulation 26(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
10. The Register of Members and Share Transfer Books of the Company will remain closed from **September 18, 2021 (Saturday)** to **September 27, 2021 (Monday) (both days inclusive)** in connection with the Annual General Meeting and for the purpose of payment of dividend for the year 2020-21.
11. 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:

a) Whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ Registrar and Share Transfer agent on or before **September 17, 2021 (Friday)**, and

b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on **September 17, 2021 (Friday)** furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.

12. 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 NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants/Demand Drafts will be posted to their registered addresses, which may get delayed due to the pandemic situation.

13. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electricity / Telephone Bill, Driving License or a copy of the Passport/Aadhar Card and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company/ RTA.

14. Members are requested to update their PAN Number and Bank Account Particulars in the records of Company by sending the self-attested PAN Card copy and Original Cancelled cheque either to the Company directly or to the Registrar and Share Transfer Agent viz. M/s. KFin Technologies Pvt. Ltd., Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032.

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

16. 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 Registrar and Share Transfer Agent viz. **M/s. KFin Technologies Pvt. Ltd.**, Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032. Members holding shares in dematerialised form has to send their "nomination" request to the respective Depository Participant(s).

17. Pursuant to proviso to Regulation 40 of SEBI (LODR) Regulations, 2015, trading in the securities of the company which are held in physical form are restricted except in case of transmission or transposition. Accordingly, shareholders who continue to hold their shares and other types of securities of listed companies in physical form will not be able to lodge the shares with company / RTA for further transfer. Hence, Shareholders are requested to convert their physical securities in demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the Company/ RTA.

18. 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 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 has sent final reminder letters to individual shareholders (at the address particulars available with the Company/RTA) to claim their unclaimed dividend before transferring the same to IEPF for F.Y. 2013-14 and also issued News Paper Notice in this regard. List of shareholders whose dividend remain unclaimed is also updated on the website of the Company. During the year 2020-21, the Company has deposited a sum of Rs. 18,77,090/- (Rupees Eighteen Lakh Seventy Seven Thousand and Ninety only) to Investor Education and Protection Fund of the Central Government, on account of unclaimed/ unpaid dividend for the year 2012-13.

19. Pursuant to the provisions of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 Notified by MCA effective from September 7, 2016, all the shares in respect of which Dividend has not been claimed/paid by/to the shareholders respectively for seven consecutive years or more would be transferred to IEPF Suspense Account. The list of shareholders, whose shares are due for transfer have been updated on the website of the Company at https://gichfindia.com/pdf/IEPF-TRF-CASES-LIST_201314_31032021.pdf

20. Those Members who have not encashed or received their dividend for the financial years 2013-14 to 2019-20 are requested to approach our Registrar and Share Transfer Agent viz. **M/s. KFin Technologies Pvt. Ltd.,** Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032.

21. The Members holding shares in more than one folio are requested to consolidate their folios by sending a request letter to the Company or to the Registrar and Share Transfer Agent of the Company. Consolidation of folios would facilitate one stop tracking of all corporate benefits and would reduce time and effort required for monitoring multiple folios. Consolidation of share certificates also helps in saving costs in case of dematerialisation and also provides convenience in holding shares physically.

22. All Documents as referred to in 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.

23. **Dispatch of Annual Report & process for registration of email id for obtaining copy of Notice and Annual Report**

a) In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the e-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 Pvt. Ltd. (e-Voting Service Provider) at https://evoting.kfintech.com

b) The Notice of e-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.

c) 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 mode are requested to register their email ID with the Company or RTA, for receiving the e-AGM Notice and Annual Report. Requests can also be made by sending an email to the Company/RTA or by logging into https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

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

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

a. Members will be able to attend the e-AGM through VC / OAVM or view the live webcast of the e-AGM at https://emeetings.kfintech.com/ by using their remote e-voting login credentials and selecting the 'Event-6189' for Company's e-AGM.

b. 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 e-AGM Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

c. Members may join the e-AGM through laptops, smartphones, tablets or ipads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the e-AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox. Please note that participants connecting from mobile devices or tablets or through laptops 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 glitches.

d. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the schedule time of the e-AGM. However, the participation of members having shareholding of 2% and above, Promoters, Institutional Investors, Directors and KMPs is not restricted on first come first serve basis. Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.

e. Members, holding shares as on the cut-off date and who would like to speak or express their views or ask questions during the e-AGM may register themselves as speakers at https://emeetings.kfintech.com and clicking on "Speaker Registration". Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the e-AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the e-AGM.

f. Alternatively, Members holding shares as on the cut-off date may also visit https://emeetings.kfintech.com and click on the tab 'Post Your Queries' and post their queries / views /questions in the window provided, by mentioning their name, demat account number / folio number, email ID and mobile number.

g. In case of any query and / or assistance required, relating to attending the e-AGM through VC / OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC / OAVM' user manual available at the download Section of https://evoting.kfintech.com or contact M/s. KFin Technologies Pvt. Ltd. at the email ID evoting@kfintech.com for any further clarifications / technical assistance that may be required.

25. **Procedure for remote e-Voting and Voting during the e-AGM -**

a. Members are requested to attend and participate at the ensuing 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 Pvt. Ltd.. Members may cast their votes using an electronic voting system from a place other than the venue of the e-AGM ("remote e-voting").

d. The remote e-voting period commences on **September 23, 2021 (Thursday) (at 9.00 a.m.) and ends on September 26, 2021 (Sunday) (at 5.00 p.m.).** 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 Pvt. Ltd. ("KFin") 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.

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").

g. Individual Members having demat account(s) would be able to cast their vote without having to register again with the e-voting service provider ("ESP") i.e. KFin, thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access the e-voting facility.

26. **The process and manner for remote e-voting and joining and voting at the e-AGM are explained below -**

Step 1: Access to Depositories e-voting system in case of individual Members holding shares in demat mode.

Step 2: Access to KFin e-voting system in case of Members holding shares in physical and non-individual Members in demat mode.

Step 3: Access to join the e-AGM on KFin system and to participate and vote thereat.

DETAILS ON STEP-1:

Individual Members holding shares in demat mode -

1 Individual Members holding Shares in demat mode with NSDL

A. Existing Internet-based Demat Account Statement ("IDeAS") facility Users:

1. Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile.

2. 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.

3. 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.
4. Click on company name i.e. 'GIC Housing Finance Limited' or e-voting service provider i.e. KFin.
5. 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.

B. Those not registered under Internet-based Demat Account Statement ("IDeAS") :

1. Visit https://eservices.nsdl.com for registering and Select "Register Online for IDeAS Portal"
2. Visit the e-voting website of NSDL https://www.evoting.nsdl.com/.
3. 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.
4. 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.
5. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.
6. Click on company name i.e. GIC Housing Finance Limited or e-voting service provider name i.e. KFin after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the e-AGM.
7. 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

2 Individual Members holding securities in demat mode with CDSL

A. Existing user who have opted for Electronic Access To Securities Information ("Easi / Easiest") facility:

1. Visit https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com
2. Click on New System Myeasi.
3. Login to MyEasi option under quick login.
4. Login with the registered user ID and password.
5. Members will be able to view the e-voting Menu. 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 authenciation.

B. User not registered for Easi / Easiest

1. Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering.
2. Proceed to complete registration using the DP ID, Client ID (BO ID), etc.
3. After successful registration, please follow the steps given in point no. 1 above to cast your vote.

C. Alternatively, by directly accessing the e-voting website of CDSL

1. Visit www.cdslindia.com
2. Provide demat Account Number and PAN

3. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.
4. 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.
5. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.

3 Individual Members login through their demat accounts / Website of Depository Participant

1. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.
2. Once logged-in, Members will be able to view e-voting option.
3. 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.
4. Click on options available against 'GIC Housing Finance Limited or KFin.
5. 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**

DETAILS ON STEP 2 :

Access to KFin e-Voting system in case of members holding shares in physical and non-individual members in demat mode-

I. Login method for e-voting for Members other than Individual's Members holding shares in demat mode and Members holding securities in physical mode.

A. Members whose email IDs are registered with the Company / Depository Participants(s), 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:

1. Launch internet browser by typing the URL: https://emeetings.kfintech.com/
2. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 6189, 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.
3. After entering these details appropriately, click on "LOGIN".
4. 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.

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

6. On successful login, the system will prompt the Member to select the E-Voting Event Number for GIC Housing Finance Limited. and click on "Submit"

7. 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.

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

9. Voting has to be done for each item of the notice separately. In case a Member does not desire to cast their vote on any specific item, it will be treated as abstained.

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

11. 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).

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

1. Members who have not registered their email address, thereby not being in receipt of the Annual Report, Notice of e-AGM and e-voting instructions, may temporarily get their email address and mobile number submitted with KFin, by writing to them at einward.ris@kfintech.com.

2. Members are requested to follow the process as guided in point no. 23 above to capture the email address and mobile number for receiving the soft copy of the e-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.

3. Alternatively, Members may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the request letter, duly signed, providing their email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of e-AGM and the e-voting instructions.

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

DETAILS ON STEP-3:

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

A. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the e-AGM of the Company through VC/OAVM and e-voting during the meeting.

1. Members will be able to attend the e-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.

2. After logging in, click on the Video Conference tab and select the EVENT number of the Company i.e. 6189.

3. 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.

27. 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. Mr. 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 e-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.

28. KPRISM- Mobile service application by KFin –

Members are requested to note that, our Registrar and Share Transfer Agent have launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our investors. Now you can download the mobile app and see your portfolios serviced by KFINTECH. Check Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRSIM". Alternatively you can also scan the QR code given below and download the android application.

Website
https://kprism.kfintech.com/

Play Store - https://play.google.com/store/apps/details?id=com.karvy.kprismv3
(Android mobile application)

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 17(11) AND 26(4)OF SEBI (LODR) REGULATIONS, 2015 AND ADDITIONAL INFORMATION AS PER REGULATION 36 OF SEBI (LODR) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2.

Item No. 3 : Reappointment of Shri Atul Sahai (DIN 07542308), as Non-Executive Director of the Company.

Being ordinary business item, below information is provided as per Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2.

Shri Atul Sahai (DIN 07542308), aged 59 years, a Post Graduate is a Non-Executive Director of our Company who was originally appointed in our Board on February 1, 2019 and his appointment was approved by Shareholders in 29th AGM held on September 19, 2019 and whose period of office is liable to retire by rotation.

Shri Atul Sahai is also Chairman and Managing Director of The New India Assurance Company Limited. He is a Direct Recruit Officer of the 1984 batch and got his first joining at The New India Assurance Co. Ltd. where he has handled many Departments till October 2012 like Personnel, Claims, Accounts, Development & Management of Business, Technical (U/W & Claims), I.T. (Project Manager), Investment Operations, Recruitment, HR etc. He joined The Oriental Insurance Company Ltd. in 2012 as DGM and elevated to the cadre of General Manager in August, 2015. He took charge as CMD of The New India Assurance Co. Ltd. on December 4, 2018. Shri Atul Sahai has been National Head for underwriting and claims for liability and miscellaneous Line of Business. He was instrumental in formulating policies in consultation with GIPSA for Personal lines Insurance Policies sold through the Banks named Pradhan Mantri Suraksha Bima Yojana.

Shri Atul Sahai has attended 3 meetings during the year out of total 7 Board Meetings.

The other Directorships/ Committee memberships of Shri Atul Sahai are as follows:

Name of the Company	Board Membership	Statutory Committee Membership
The New India Assurance Co. Ltd.	Chairman & MD	· Risk Management Committee – Chairman · Corporate Social Responsibility Committee – Chairman · Stakeholders Relationship Committee - Member · Nomination and Remuneration Committee – Member
Agriculture Insurance Co. Ltd.	Director	· Audit Committee – Member
Health Insurance TPA of India Ltd.	Director	· Risk Management Committee - Member

Shri Atul Sahai does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Shri Atul Sahai, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

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

Item No. 4: Appointment of Shri Prafulla P. Chhajed (DIN 03544734) as Independent Director.

Shri Prafulla P. Chhajed (DIN 03544734), aged 54 years, a fellow and practicing member of the Institute of Chartered Accountants of India and a Law graduate from Government Law College (GLC) Mumbai. He was appointed as an Additional Director (Independent Director) on the Board of our Company on March 12, 2021 upto the conclusion of 31st AGM.

Shri Prafulla P. Chhajed is the Managing Partner at M/s. Mayur Chhajed & Co., Chartered Accountants, Mumbai. He is a Past President of ICAI (FY 2019-20). He has served as member and chairman of various committees and working groups constituted by ICAI. He was also appointed as member of SEBIs Primary Market Advisory Committee and IRDAIs Insurance Advisory Committee on accounting issues.

The appointment of Shri Prafulla P. Chhajed was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Shri Prafulla P. Chhajed as Independent Director who shall hold office upto the conclusion of 33rd Annual General Meeting of the Company and whose Period of office shall not be liable to retire by rotation.

Your Director meets all the criteria of Independence as mentioned under Section 149(6) of Companies Act, 2013 read with rules made thereunder and SEBI Listing Regulations.

Shri Prafulla P. Chhajed has attended 1 meeting during the year out of total 1 Board Meeting held post his appointment.

The other Directorships/ Committee memberships of Shri Prafulla Chhajed are as follows:

Name of the Company	Board Membership	Statutory Committee Membership
SBI Mutual Fund Trustee Company Pvt. Ltd.	Director	· Audit Committee – Chairman
Indian Institute of Insolvency Professionals Of ICAI (Section 8 Co.)	Director	-
ICAI Registered Valuers Organisation (Section 8 Company)	Director	-
Extensible Business Reporting Language (XBRL) India (Section 8 Company)	Director	-
Intercontinental Forum Of Entrepreneurs And Professionals (Section 8 Company)	Director	-

Shri Prafulla P. Chhajed does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Shri Prafulla P. Chhajed, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

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

ITEM NO. 5: Appointment of Smt. Rani Singh Nair (DIN 09103000) as Independent Director.

Smt. Rani Singh Nair (DIN No. 09103000), aged 64 years, a Master of Science in Fiscal Studies from University of Bath (United Kingdom) and Master of Arts (Part 1), Western History from University of Lucknow was appointed as Additional Director (Independent Director) of our Company on March 12, 2021 upto the conclusion of 31st AGM.

Smt. Rani Singh Nair, retired IRS officer (1979 batch) is Ex-Chairperson of Central Board of Direct Taxes and Special Secretary to Government of India in 2016. She also holds degree in Certificate Programme in Global Leadership in University of Pennsylvania, USA and IIM - Bengaluru. Smt. Nair has served in many senior positions, both Income Tax department and on deputation to the department of revenue and Expenditure in the Ministry of Finance, and in a regulatory authority viz Pension Fund Regulatory and Development Authority (PFRDA). The Prime Minister's Award for Excellence in Public Administration (2012-13) was awarded to the Income Tax department for the period that she served as Director General, Directorate of Systems.

The appointment of Smt. Rani Singh Nair was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Smt. Rani Singh Nair as Independent Director who shall hold office upto the conclusion of 33rd Annual General Meeting of the Company and whose Period of office shall not be liable to retire by rotation.

Your Director meets all the criteria of Independence as mentioned under Section 149(6) of Companies Act, 2013 read with rules made thereunder and SEBI Listing Regulations.

Smt. Rani Singh Nair has attended 1 meeting during the year out of total 1 Board Meeting held post her appointment.

The other Directorships/ Committee memberships of Smt. Rani Singh Nair are as follows:

Name of the Company	Board Membership	Statutory Committee Membership
NIL		

Smt. Rani Singh Nair does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Smt. Rani Singh Nair, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

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

ITEM NO. 6: Appointment of Shri Anjan Dey (DIN 09107033) as Non-Executive Director.

Shri Anjan Dey (DIN 09107033), aged 57 years, a Bachelor of Science, Member of Insurance Institute of India and Master of Business Administration (MBA) was appointed as Additional Director (Non-Executive Director) on the Board of our Company on April 12, 2021 upto the conclusion of 31st AGM.

Shri Anjan Dey is also 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 begin 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 10.03.2021.

The appointment of Shri Anjan Dey was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Shri Anjan Dey, as Non-Executive Director whose period of office shall be liable to retire by rotation.

Since Shri Anjan Dey was appointed as Additional Director on April 12, 2021 i.e. post end of FY 2020-21 and accordingly, status of attendance of Board Meetings does not apply.

The other Directorships/ Committee memberships of Shri Anjan Dey are as follows:

Name of the Company	Board Membership	Statutory Committee Membership
The Oriental Insurance Co. Ltd	CMD	· CSR Committee – Chairman · Risk Management Committee – Chairman
Health Insurance TPA of India Ltd.	Director	-
Agriculture Insurance Company of India Ltd.	Director	-
The Industrial Credit Company Ltd.	Director	-

Shri Anjan Dey does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Shri Anjan Dey none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the Resolution at Item No. 6 to be passed as an Ordinary Resolution.

ITEM NO. 7: Appointment of Smt. G. Shobha Reddy (DIN 09133433) as Managing Director & CEO.

Smt. G. Shobha Reddy (DIN 09133433), aged 58 years, a Post-Graduate from Andhra Pradesh University, was appointed as Additional Director and Managing Director & CEO on the Board of our Company on April 12, 2021 until her superannuation on February 28, 2023 at the remuneration she is entitled to in accordance with the Service Regulations applicable in the pay scale for General Manger cadre of National Insurance Company Limited with any modifications, revisions, thereof, if any that might take place from time to time, and also eligible for perquisites and performance incentives as applicable for the post of Managing Director & CEO in our Company subject to ceiling limits prescribed by Schedule V to the Companies Act, 2013.

Smt. G. Shobha Reddy brings with her more than 35 years of rich experience of insurance industry. She has joined insurance industry as Direct Recruit Officer of The New India Assurance Company Limited in 1985 and has worked pan India in various capacities. She has been involved with challenging and path breaking successful initiatives in her assignments which brought about paradigm shift in working in the area of her assigned functions. The Centralised claims hubs and the Alternate Business Channel Departments e-initiatives and e- commerce activities stand testimony to her efforts in The New India Assurance Company Ltd. In National Insurance Company Ltd., her sustained efforts contributed towards significant improvement in the margins in the portfolios assigned to her. She has exposure in handling retail, large and corporate customers requirements emanating from various channels of distribution.

The appointment of Smt. G. Shobha Reddy was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Smt. G. Shobha Reddy, as Managing Director & CEO whose period of office shall not be liable to retire by rotation.

Since Smt. G. Shobha Reddy was appointed as Additional Director & MD & CEO on April 12, 2021 i.e. post end of FY 2020-21 and accordingly, status of attendance of Board Meetings does not apply.

The other Directorships/ Committee memberships of Smt. G. Shobha Reddy are as follows:

Name of the Company	Board Membership	Statutory Committee Membership
LIC Mutual Fund Asset Management Ltd.	Director	-
GICHFL Financial Services Pvt. Ltd.	Director	-

Smt. G. Shobha Reddy does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Smt. G. Shobha Reddy, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the Resolution at Item No. 7 to be passed as an Ordinary Resolution.

ITEM NO. 8: Appointment of Smt. Suchita Gupta (DIN 8697650) as Non-Executive Director.

Smt. Suchita Gupta (DIN 8697650), aged 57 years, holding master's degree in Commerce and a bachelor's degree in Law 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"). She was appointed as Additional Director (Non-Executive Director) on the Board of our Company on August 11, 2021 upto the conclusion of 31st AGM.

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.

The appointment of Smt. Suchita Gupta was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Smt. Suchita Gupta, as Non-Executive Director whose period of office shall be liable to retire by rotation.

Since Smt. Suchita Gupta was appointed as Additional Director on August 11, 2021 i.e. post end of FY 2020-21 and accordingly, status of attendance of Board Meetings does not apply.

The other Directorships/ Committee memberships of Smt. Suchita Gupta are as follows:

Name of the Company	Board Membership	Statutory Committee Membership
National Insurance Co. Ltd.	CMD	CSR Committee - Chairperson Nomination & Remuneration Committee-Member
Agriculture Insurance Company of India Ltd.	Director	Risk Management Committee – Member

Smt. Suchita Gupta does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Smt. Suchita Gupta none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the Resolution at Item No. 8 to be passed as an Ordinary Resolution.

Item No. 9: 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 Secured/Unsecured 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) to 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 Secured/Unsecured Redeemable Non-Convertible Debentures (NCDs) / bonds on a Private Placement basis, for an aggregate amount upto ₹ **2500 crores (Rupees Two Thousand Five Hundred Crores only)** which is within the overall limits of the Company as approved by Members from time to time.

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. 9 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 forth at Item No. 9 to be passed as Special Resolution.

ITEM NO. 10: Related Party Transactions upto an aggregate limit of ₹ 2,000 crores only.

Pursuant to provisions of the Companies Act, 2013 and in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the transactions in the nature of raising of funds through NCDs/Bonds, taking property on lease/ rent, availing of services in the ordinary course of business or any other kind of transactions entered into by the Company up to an aggregate limit of ₹ **2000 Crores (Rupees Two Thousand Crores Only)** which though in the ordinary course of business may be construed to be related party transactions with the conflict of interest, it is therefore proposed to Shareholders to approve as an Ordinary Resolution.

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 forth at Item No. 10 to be passed as an Ordinary Resolution.

Place: Mumbai
Date: August 11, 2021

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 Executive & Company Secretary

DIRECTORS' REPORT

Dear Members,

The Directors' have pleasure in presenting the 31st Annual Report of your Company and the Audited Financial Statements for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

PARTICULARS	March 31, 2021	March 31, 2020
Total Income	1,24,033	1,25,491
Less: Interest expenditure	82,287	94,538
Overheads	27,843	19,113
Depreciation & amortization	448	613
Profit Before Tax	13,455	11,227
Provision for Tax	5,211	4,302
Deferred Tax Assets	(2,313)	2,364
Profit After Tax	10,557	4,561
Other Comprehensive Income	(7)	(82)
Total Comprehensive Income	10,550	4,479
Profit brought forward	1,160	3,646
Profit available for appropriation	11,710	8,125

IMPORTANT FINANCIAL RATIOS

PARTICULARS	March 31, 2021	March 31, 2020
Return on Net Worth (%)	7.77	3.55
Return on Total Assets (%)	0.83	0.34
Book Value per share (Rs.)	252.14	234.55
Earnings per share (Rs.)	19.60	8.47
Debt Equity Ratio (times)	8.26	9.30
Average cost of funds (%)	7.16	8.07
Average yield on advances (%)	9.69	9.53
Net Interest Margin (%)	2.53	1.25

DIVIDEND

Your Directors recommend payment of dividend for the year ended March 31, 2021 of ₹ 4/- per equity share of ₹ 10/- each (i.e. 40%). The total dividend outgo for the current year would amount to ₹ 21.54 crores, as against ₹ 10.77 Crores in the previous year. The dividend payout ratio for the current year will be 20.26% as against 23.61% of previous year.

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 ₹ 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.pdf

HIGHLIGHTS OF BUSINESS PERFORMANCE

Income, Profit, Loan Approvals and Disbursements

Total income for the year under review is ₹ 1,240 crores as against ₹ 1,254.91 crores for the year 2019-20. Profit before tax for the year ended is ₹ 134.55 crores and Profit after tax for the year ended is ₹ 105.57 crores as against ₹ 112.27 crores and ₹ 45.61 crores respectively for the previous year.

The Company's main thrust continues to be on Individual Loans. New loans approved during the year amounted to ₹ 1,247 crores and loans disbursed during the year are ₹ 1,239 crores as against ₹ 1,849 crores and ₹ 1,790 crores respectively for the previous year. The Retail Loan portfolio as at March 31, 2021 stood at ₹ 12,339 crores as compared to ₹ 12,822 crores for the previous year.

During the year under review, your Company has made impairment of financial instruments (provisioning) to the extent of ₹ 185.17 crores as against ₹ 99.70 crores provided for in the FY 2019-20.

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 ₹ 1,285 crores from banks during the year as compared to ₹ 2,475 crores during the previous year. The aggregate of term loans outstanding as at the end of the financial year stood at ₹ 8,093 crores as against ₹ 8,939 crores as at the end of the previous year.

B. Refinance from National Housing Bank (NHB)

With the continued support of National Housing Bank (NHB), your Company availed refinance amounting to ₹ 116 crores during the year under review as against ₹ 150 crores in the previous year. The refinance facility outstanding as on March 31, 2021 is ₹ 1,823 crores as against ₹ 2,064 crores as at the end of the previous year.

C. Short term Loan and Commercial Papers

During the FY 2020-21, your Company has raised resources by issuing Commercial Papers and also resorted to short term borrowings from the banks and the total outstanding amount as on March 31, 2021 is ₹ 797 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 ₹ 495 Crores as on March 31, 2021 on private placement basis (Previous year was 'Nil" issue/outstanding/redemption). Your Company has created charge in favor of Debenture Trustee on outstanding value of NCDs and is also maintaining appropriate Asset Cover. Your company is having sufficient liquidity to honour 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.

AMOUNTS TRANSFERRED TO RESERVES

The Company has transferred ₹ 45.70 crore to Special Reserve u/s 36(1)(viii) of the Income-Tax Act, 1961 and an amount of ₹ 39 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 CAR prescribed for the present is 14%.

The Capital Adequacy Ratio of the Company as at March 31, 2021 is 19.53% as against 17.11% as at March 31, 2020.

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, 2021.

CORPORATE AGENCY BUSINESS (IRDAI REGISTRATION NO.: CA0651)

Your Company have been issued Certificate of Registration (Registration no. CA0651) to act as Corporate Agent (Composite i.e for Life & Non-Life Insurance) 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")', "Future Generali India Life Insurance Company Ltd. ("FGLI")" 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 and details of the same are available at Notes to Accounts section of the Annual Report.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

COVID-19 Pandemic and its Impact on the Company:

The Covid-19 pandemic has impacted most economies and banking systems globally, including India. The nation-wide lockdown in April-May 2020 substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy. These developments resulted in regulatory measures like moratorium on payment of dues and standstill in asset classification to mitigate the economic consequences on borrow etc. It also resulted in increase in provisioning reflecting higher actual and expected additions to non-performing loans following the cessation of moratorium and asset classification standstill. The current second wave of Covid-19 pandemic, where the number of new cases has increased significantly in India, has resulted in re-imposition of localised/regional lockdown measures in various parts of the country. The impact of the second wave on the Company's results remains uncertain and dependent on future developments, which are often outside of the Company's control and accordingly, actuals may differ from the estimates used in the preparation of the financial statements on the reporting date.

The impact, including credit quality and provision, of the Covid-19 pandemic, on company, is uncertain and will depend on the spread of Covid-19, the effectiveness of current and future steps taken by the governments and central bank to mitigate the economic impact, steps taken by the company and the time it takes for economic activities to return to pre-pandemic levels. The Companies capital and liquidity position is strong.

HOLDING AGM

AGM of your Company is scheduled to be held on September 27, 2021 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 ₹ 1500 crores as A1+.
- For Fund Based Long Term Loan Programme of ₹ 100 crores as AA+ STABLE.
- For Non-Convertible Debentures Borrowing Programme of ₹ 505 crores AA+ STABLE.

ICRA Rating

- For Commercial Paper (₹1500 crores)/ short term loan (₹ 1000 crores) programmes of ₹ 2500 crores as A1+.
- As per the Basel-II requirements - For Fund Based Long Term Loan Programme of ₹ 12,500 crores as AA+ (Negative).
- For Non-Convertible Debentures Borrowing Programme of ₹ 550 crores as AA+ (Negative).

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

No new Branch(s) were opened during the year under review. The total number of Offices as on March 31, 2021 are 75. Your Company is focusing on 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 Section 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 2020-21**

   The ratio of the remuneration of Managing Director to the median remuneration of the employees of the Company for the FY 2020-21 was 3.45:1

   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 2020-21**

   The percentage increase in remuneration in the financial year for the Managing Director & CEO was 7.72%.

   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 7.37% and 8.02% respectively.

3. **Percentage increase in the median remuneration of employees in FY 2020-21**

   The percentage increase in the median remuneration of employees in the financial year was 10.26%.

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

   The work force strength of Your Company as on March 31, 2021 is 319.

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 % increase in remuneration of the employees other than managerial personnel in the last financial year was 10.26% and that of Managerial remuneration was 7.72% 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 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed as **Annexure A** to this report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark.

SECRETARIAL COMPLIANCE REPORT

In terms of SEBI Circular no. CIR/CFD/CMD1/27/2019 dated February 08, 2019, Secretarial Compliance Report issued by M/s. Makarand M. Joshi & Company, Company Secretaries is annexed as **Annexure B**. Secretarial Compliance Report does not contain any qualification, reservation or adverse remark.

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 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., Chartered Accountants i.e. Statutory Auditors of the Company shall hold the office for a period of 3 years from their original date of Appointment i.e. from September 19, 2019 to September 18, 2022.

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) were 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 7 ('Seven') 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 are disclosed in Corporate Governance Report of the company which forms part of the Annual Report.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNELS

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. S. N. Rajeswari	Additional Director (Non-Executive)	September 12, 2020	Appointed by Board
2	Shri Prafulla P. Chhajed	Additional Director (Independent)	March 12, 2021	Appointed by Board
3	Smt. Rani Singh Nair	Additional Director (Independent)	March 12, 2021	Appointed by Board
Cessation(s)				
1	Shri V. Ramasamy	Independent Director	December 18, 2020	Completion of 2 terms
2	Shri Kamlesh S. Vikamsey	Independent Director	December 18, 2020	Completion of 2 terms
3	Smt. Mona Bhide	Independent Director	December 18, 2020	Completion of 2 terms
4	Smt. S. N. Rajeswari	Non-Executive Director	March 2, 2021	Resignation due to VRS from Promoter Company
5	Smt. Neera Saxena	Managing Director & CEO	March 31, 2021	Resignation due to Elevation in Promoter Company

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(s)	Category	Effective Date	Mode of Appointment/ Cessation
1	Smt. G. Shobha Reddy	Additional Director & Managing Director & CEO	April 12, 2021	Appointed by Board
2	Shri Anjan Dey	Additional Director (Non-Executive)	April 12, 2021	Appointed by Board
3	Smt. Suchita Gupta	Non-Executive Director	August 3, 2021	Resignation due to elevation in Promoter Company
		Additional Director (Non-Executive)	August 11, 2021	Appointment by Board

DETAILS OF APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

Shri Prafulla P. Chhajed and Smt. Rani Singh Nair was appointed as Additional Directors (Independent Directors), Shri Anjan Dey and Smt. Suchita Gupta as Additional Directors (Non-Executive Directors) and Smt. G. Shobha Reddy as Additional Director & Managing Director & CEO upto the conclusion of this 31st AGM of the Company and they offer themselves for appointment as Independent Directors, Non-Executive Directors and Managing Director & CEO respectively. Your Company has received notice(s) in writing from shareholder(s) as per section 160 of the Companies Act, 2013 for their appointment(s).

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 Atul Sahai (DIN No. 07542308), Director is due to retire by rotation and, being eligible, offers himself for reappointment.

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 appointment of the 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 for the office of Director in our Company.

Your Independent Directors (Including Directors Appointed during the year) 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 and appointment of above Directors and the related resolutions on the subject are included in the notice convening the 31st Annual General Meeting of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

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 and Compliance with Code of Conduct for Independent Directors as specifies 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 in its meeting held on April 12, 2021.

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-Programme-for-Independent-Directors.pdf

STATEMENT FOR 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 Transactions pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which annexed as **Annexure D** to the Directors' Report. The said policy is also available on the website of the Company at https://gichfindia.com/pdf/RELATED-PARTY-TRANSACTION-POLICY-JULY-2016.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 E** to the Directors report which is having NIL Report.

CORPORATE SOCIAL RESPONSIBILTY (CSR) POLICY U/S 135 OF 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 F** to this report. The CSR policy of the Company is available on the website at https://gichfindia.com/pdf/CSR-Policy.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 Personnels (KMPs') and Senior Management of the Company. The Nomination and Remuneration policy is available on the website at https://gichfindia.com/pdf/NOMINATION-AND-REMUNERATION-POLICY-JULY-2016.pdf of the Company and also enclosed as **Annexure G**.

BUSINESS RESPONSIBIITY REPORT

As per Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure 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 H** to Directors' Report.

EXTRACT OF ANNUAL RETURN AS PER SECTION 92

Annual Return is available on the website of the company under the 'Head Disclosure' at https://gichfindia.com/Shareholders%20Information,%20Disclosures%20and%20Complainces.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 2020-21, Share Capital structure of your company remain unchanged and there were 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 of 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 https://gichfindia.com/pdf/Whistle%20Blower%20Policy.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 2020-21	NIL
Number of Complaint disposed off during the financial year 2020-21	NIL
Number of Complaint pending as on end of the financial year 2020-21	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.

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 declare that all the Directors and Senior Management have complied with the said Code of Conduct for Directors & Senior Management for FY 2020-21 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 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

Pursuant to Board approval for investment in incorporation of Subsidiary Company, during the year under review, your company has incorporated on January 27, 2021, a wholly owned subsidiary company named as GICHFL Financial Services Private Limited for business purpose which will become operational from FY 2021-22 onwards. Apart from this, there were no other companies which have become or ceased to be the subsidiaries, joint ventures or associate companies of your Company.

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. All the payments made to Managing Director are disclosed in Corporate Governance Report of the Company.

DEMATERIALISATION OF SHARES 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, 5,35,45,323 equity shares are in dematerialised form, (5,35,29,628 shares as on March 31, 2020) which is 99.43% (99.41% as on March 31, 2020) of the total shares as on March 31, 2021.

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 2021-22 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 2012-13 amounting to ₹ 18,77,090/-, which has not been claimed by shareholders, has been transferred to Investor Education and Protection Fund (IEPF) during the month of October 2020.

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) Suspense Account. We have transferred total 12,518 no. of equity shares to IEPF during the year and as on March 31, 2021, total no. of 1,47,735 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 along with proper explanation relating to 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, 2021 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 for their support and continued refinance assistance, Banks, CP holders, NCD holders for their Short Term & Long term funding support.

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.

Your Directors express deep condolence to the 3 employees who lost their lives due to COVID-19 pandemic.

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: August 11, 2021

Annexure A

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2021

[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.

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, 2021 (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, 2021 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investments, 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 **(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;

  (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 **(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) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc.

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 law applicable specifically to the Company:

(i) National Housing Bank Directions, 2010;

(ii) The National Housing Bank Act, 1987;

(iii) Master Circulars to Housing finance Companies;

(iv) 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 Director, Non-Executive Directors and Independent Directors. .

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 was 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 obtained shareholder approval in its Annual General Meeting dated December 18, 2020 for the following resolutions:
    - Making offer(s) or invitation(s) to subscribe to Redeemable Non-Convertible Debenture (NCDs)/Bonds of ₹ 1500 Crores (Rupees Fifteen Hundred Crores only) in one or more series/tranches on a private placement basis during a period of 1 (One) year from the date of passing this Resolution which is within the overall limits of the Company as approved by Members from time to time
    - Alteration of Articles of Association for deletion of clauses relating to 'Common Seal'
2. The Company has incorporated a Wholly Owned Subsidiary called "GICHFL Financial Services Private Limited" on January 27, 2021.
3. NHB vide its letter dated December 28, 2020 bearing no. NHB(ND)/DOS/ DMC / 07984/2020 directed the Company to pay penalty of ₹ 47,000/- on accounts of delay and non-submission of returns. On the basis of further examination & representations made by the Company, NHB decided to reduce the penalty amount to ₹ 16,000.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
F005533C000518342
Peer Review No: P2009MH007000

Place: Mumbai
Date: June 25, 2021

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 providea 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

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
F005533C000518342
Peer Review No: P2009MH007000

Place: Mumbai
Date: June 25, 2021

ANNEXURE B

SECRETARIAL COMPLIANCE REPORT

For Financial year ended March 31, 2021

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 March 31, 2021 ('Audit Period') in respect of compliance with the provisions of:

  (a) the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and

  (b) the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

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

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

e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**

f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

h) 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 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
Not Applicable		

  (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.
Not Applicable				

(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

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667C000518420
Peer Review No :P2009MH007000

Place: Mumbai
Date: June 25, 2021

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
6th Floor, National Insurance Building 14,
Jamshedji Tata Road, Churchgate, Mumbai 400020

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on explanations furnished to us by the Company & its officers, 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 companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on March 31, 2021.

Table A

Sr. No.	Name of the Director(s)	Director Identification Number	Date of appointment in Company
1	Shri Devesh Srivastava	08646006	01/01/2020
2	Shri Girish Radhakrishnan	08268834	26/11/2018
3	Smt. Tajinder Mukherjee	08227563	26/11/2018
4	Shri Atul Sahai	07542308	01/02/2019
5	Smt. Suchita Gupta	08697650	12/02/2020
6	Shri Sri Ramachandra Prasad Nalam	01386757	26/10/2017
7	Shri Ajit Kumar Saxena	05308801	01/11/2019
8	Smt. Vijayalakshmi Rajaram Iyer	05242960	01/11/2019
9	Shri Gopalan Srinivasan	01876234	19/12/2019
10	Shri Prafulla Premsukh Chhajed	03544734	12/03/2021
11	Smt. Rani Singh Nair	09103000	12/03/2021
12	Smt. Neera Saxena	08189646	03/08/2018

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

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN- F00667C000369705

Place: Mumbai
Date: May 31, 2021

ANNEXURE D

POLICY ON RELATED PARTY TRANSACTIONS

SCOPE AND PURPOSE

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, GIC Housing Finance Limited ("GICHF" or "the Company") has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also as per Regulation 23, Listed Company is required to formulate a policy on materiality of related party transactions and dealing with related party transactions.

In light of the above, GICHF has framed this Policy on Related Party Transactions ("Policy"). This Policy has been adopted by the Board of Directors of the Company.

OBJECTIVE OF THE POLICY

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Listing Regulation, 2015 and any other laws and regulations as may be applicable to the Company.

PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS

The Company shall not enter into any contract or arrangement with a Related Party without the approval of the Audit Committee. Prior approval of the Audit Committee shall be obtained for all Related Party Transactions.

The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions:

- The name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
- The indicative base price / current contracted price and the formula for variation in the price, if any; and
- Such other conditions as the Audit Committee may deem fit.

The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company.

The Audit Committee may grant omnibus approval for related party transactions repetitive in nature which shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act, 2013 and the Rules framed there under and obtain approval of the Board and or its shareholders, as applicable, for such contract or arrangement.

All material related party transactions, other than those with Exempted Wholly Owned Subsidiaries (if any) will be placed for approval of the shareholders of the Company.

MATERIALITY THRESHOLD

A transaction with a related party is considered material if the transaction / transactions to be entered into, either individually or taken together with previous transactions with such related party during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

DISCLOSURES

Company shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or arm's length basis along with the justification for entering into such transaction.

ANNEXURE E

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

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: August 11, 2021

ANNEXURE F

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	1	1
2	Smt. Suchita Gupta*	Non-Executive Director, Member	1	1
3	Smt. Neera Saxena**	Managing Director & CEO, Member	1	1

* Smt. Suchita Gupta ceased to be CSR Committee member w.e.f. August 3, 2021 and Smt. Rani Singh Nair was appointed as CSR Committee member w.e.f. August 5,2021.

** Smt. Neera Saxena ceased to be MD & CEO of the Company & Member of CSR Committee w.e.f. March 31, 2021 and Smt. G. Shobha Reddy was appointed as MD & CEO & Member of CSR Committee w.e.f. April 12, 2021.

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 https://gichfindia.com/Committees%20of%20the%20Board.html
- CSR Policy https://gichfindia.com/pdf/CSR-Policy.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 ₹)	Amount required to be setoff for the financial year, if any (in ₹)
NIL			

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

Sr. No.	Financial Year	₹ in crores
a)	2019-2020	112.27
b)	2018-2019	247.06
c)	2017-2018	271.83
d)	Total	631.16
e)	Average net profit (before tax) for 3 years	210.39

7. CSR Obligation for FY 2020-21

Sr. No.	Particulars	Amount (in ₹)
7 (a)	Prescribed CSR Expenditure/Budget for F.Y. 2020-21 (two percent of the amount as in item 6).	₹ 4.2078 crores
7 (b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
7 (c)	Amount required to be set off for the financial year	Nil
7 (d)	Total CSR obligation for the financial year (7a+7b+7c)	₹ 4.2078 Crores

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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.
2,64,48,000	Nil	NA	NA	NA	NA

b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project Duration
				State	District	
1	TaTa Memorial Centre – Medical Assistance	Item (I) - Promoting Health Care including Preventive Health care.	Yes	Maharashtra	Mumbai	As per Companies Act, 2013

(7)	(8)	(9)	(10)	(11)	
Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				Name	CSR Registration No.
₹ 1,13,48,000	1,13,48,000	Nil	Direct	NA	NA

(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(s)	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).
1	Contribution to PM CARES Fund	Item (Viii)- Contribution to PM CARES Fund	NA
2	Balance Contribution to Shri Sankaradeva Nethralaya	Item (I) - Promoting Health Care including Preventive Health care.	Yes

(5)		(6)	(7)	(8)	
Location of the Project		Amount spent for The project(s) (in ₹).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency.	
State	District			Name	CSR Registration no.
NA	NA	1,50,00,000	Direct	NA	NA
Assam	Guwahati	1,00,000	Direct	NA	NA

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)**	**₹ 2,64,48,000**
g.	**Excess amount for set off, if any**	

Sr. No.	Particulars	Amount (In ₹)
i	Two percent of average net profit of the company as per section 135(5)	₹ 4.2078 crores
ii	Total amount spent for the Financial Year	₹ 2.6448 Crores
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 years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year(s) (in ₹).	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. (in ₹)
				Name of the Fund(s)	Amount (in ₹)	Date of Transfer	
1	2017-18	Nil	Nil	Nil	NA	NA	₹ 9.11 Cr
2	2018-19	Nil	₹ 6.01 cr	Swachh Bharat Kosh	1.94 Cr	07/03/2019	
				PM National Relief Fund	1.93 Cr	07/03/2019	
				Clean Ganga Fund	1.94 Cr	27/02/2019	₹ 7.70 Cr
3	2019-20	Nil	₹ 1.92 cr	Nil	NA	NA	₹ 10.75

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.**
1	TMC	TaTa Memorial Centre - Medical Assistance	2019-20	Maximum period as per Companies Act, 2013

(6)	(7)	(8)	(9)
Total amount Allocated for the Project (in ₹).	**Amount spent on the project in the reporting Financial Year (in ₹).**	**Cumulative amount spent at the end of Reporting Financial Year. (in ₹)**	**Status of the project - Completed /Ongoing.**
₹ 1,13,48,000	₹ 1,13,48,000	₹ 1,13,48,000	Completed

*Total amount allocated for the project was ₹ 1.15 Cr.; However actual CSR expenses were ₹ 1.1348 Cr. and Balance amount is credited back to unspent CSR budget of the Company.

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).	1. 20th January, 2021 2. 29th January, 2021 3. 29th April, 2021 4. 29th April, 2021
2	Amount of CSR spent for creation or acquisition of capital asset.	1. ₹ 25,00,000 2. ₹ 18,48,000 3. ₹ 40,00,000 4. ₹ 30,00,000
3	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	ACTREC, Tata Memorial Centre, Kharghar, Navi Mumbai – 410210, India
4	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	1. Blood donation Van 2. Portable Ultrasound machine 3. OSLD Dosimetry system 4. OPG-cum-CBCT (imaging machine)

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 spent ₹ 2,64,48,000/- in the last financial year. Other CSR Proposals are also being evaluated and same are under consideration by the Company.

For GIC Housing Finance Limited

Sd/-
G. Shobha Reddy
Managing Director & CEO

For GIC Housing Finance Limited

Sd/-
NSR Chandra Prasad
Committee Chairman

ANNEXURE G

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 ("Listing Regulations, 2015"), the Board of Directors of every Listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Nomination and 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 1st October, 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 H

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	2020-2021
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)	1. Housing Loan, 2. 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	 NA (No overseas presence as of date). We have total 75 Offices all over India.
10	Markets served by the Company – Local/State/National/ International	Pan India

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 53.851066 Cr.
2	Total Turnover (INR)	₹ 1,240.33 Cr.
3	Total profit after taxes (INR)	₹ 105.57 Cr.
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.17%
5	List of activities in which expenditure in 4 above has been incurred:-	• Promoting Health care by donating Medical equipments. • Contribution to PM CARES Fund

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. which is incorporated on January 27, 2021.

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)

Subsidiary Company has filed Declaration of Commencement of Business with ROC- Mumbai on May 14, 2021 i.e. event after end of reporting period and hence same is not applicable.

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:

No.	Particulars	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 research on 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
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.html								

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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.								

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

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

* 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.

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, on the website of the Company **(www.gichfindia.com)** and files the same online on NSE & BSE websites.

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?

Not Applicable

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 132 Complaints were received during the financial year 2020- 21, from various stakeholders (housing loan applicants, borrowers) out of which 125 complaints were resolved satisfactorily as at March 31, 2021.

   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.

2. **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.

3. **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.

4. **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 and service providers by patronizing them to supply / provide different services required by the Company for its day to day administration / operation.

5. **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 minimises 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. :** 319
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.:** 266
3. **Please indicate the Number of permanent women employees. :** 71
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 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 solar plant

Distributed free medicine to cancer patients, Donated Eye care medical equipment for poor and needy patients, Construction of Sulabh Complex under Sanitation activity as part of CSR Initiatives, Donated Blood donation vehicle and contributed to PM Cares fund and other approved funds.

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?**

   Not Applicable

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 75 offices (March 31, 2021) throughout the Country. Company as a part of its CSR activity, contributed to PM CARES Fund to fight against COVID-19 Pandemic and also donated medical equipment's to TaTa Memorial Centre.

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 follow-up 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.1.50 Crore and donated Medical equipments of Rs. 1.13 crore (approx.) to TaTa Memorial Centre – Kharghar .

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.

Based on the response from the local public and other stakeholders, we are sure that the due to our CSR Contribution, public at large got benifitted.

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.

5.31 %

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

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: August 11, 2021

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 strengething 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.

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 spread across the country.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The Company has a dedicated team of 319 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 [Note No. 36], 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	2019-20	2020-21	% Change	Detail reason for change in Ratio (if Change is >25%)
Cost to Income Ratio	63.89	67.77	6.07	-
Cost of Borrowed Funds (%)	8.07	7.16	(11.28)	-
Interest Coverage Ratio	1.16	1.39	19.83	-
Debt Service Coverage Ratio	0.25	0.22	(12.00)	-
Return on Net worth (%)	3.55	7.77	118.87	Total Comprehensive Income increased from ₹ 4,479 Lakh to ₹ 10,550 Lakh.
Return on Total Assets (%)	0.34	0.83	144.12	Total Comprehensive Income increased from ₹ 4,479 Lakh to ₹ 10,550 Lakh.
Price Earnings Ratio	7.01	5.94	(15.26)	-
Operating Profit Margin (%)	8.95	10.85	21.23	-
Net Profit Margin (%)	3.63	8.51	134.44	Net Profit after tax increased from ₹ 4,561 Lakh to ₹ 10,557 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

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 are 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 12 members as on March 31, 2021. Most of the members of the Board are Non-Executive Directors. During the year, Board met 7 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 18.12.2020	
1	Shri Devesh Srivastava	Non-Executive Director & Chairman	6	Yes	Nil
2	Shri Girish Radhakrishnan	Non-Executive Director	2	Yes	Nil
3	Shri Tajinder Mukherjee	Non-Executive Director	4	No	Nil
4	Shri Atul Sahai	Non-Executive Director	3	Yes	Nil
5	Smt. Suchita Gupta	Non-Executive Director	7	Yes	Nil
6	Shri NSR Chandra Prasad	Non-Executive/ Independent Director	7	Yes	Nil
7	Shri A.K. Saxena	Non-Executive/ Independent Director	7	Yes	Nil
8	Smt. Vijayalakshmi R. Iyer	Non-Executive/ Independent Director	4	No	Nil
9	Shri G. Srinivasan	Non-Executive/ Independent Director	7	Yes	Nil
10	Shri Prafulla P. Chhajed (Appointed on 12.03.2021)	Non-Executive/ Independent Director	1	NA	Nil
11	Smt. Rani Singh Nair (Appointed on 12.03.2021)	Non-Executive/ Independent Director	1	NA	Nil
12	Smt. Neera Saxena (till 31.03.2021)	Managing Director & CEO	7	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 18.12.2020	
1	Shri V. Ramasamy (till December 18, 2020)	Independent Director	3	Yes	Nil
2	Shri Kamlesh S. Vikamsey (till December 18, 2020)	Independent Director	4	Yes	Nil
3	Smt. Mona Bhide (till December 18, 2020)	Independent Director	4	No	Nil
4	Smt. S. N. Rajeswari (till March 2, 2021)	Non-Executive Director	3	Yes	Nil
5	Smt. Neera Saxena (till March 31, 2021)	MD & CEO	7	Yes	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.

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 received by them. There is no inter-se relationship between Directors of the company.

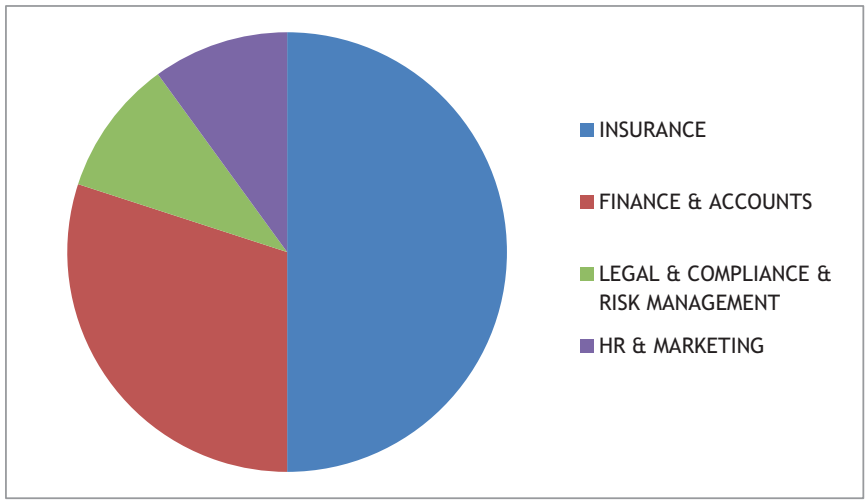
As provided in Section 189(1) of the Companies Act, 2013, your Company maintains Register of Contracts and Register containing details of Companies and Firms (if any) in which Directors are interested.

Details of Directorship & Committee Membership 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
		Member	Chairman/ Chairperson		
Shri Devesh Srivastava	5	7	2	General Insurance Corporation of India (GIC-Re)	Managing Director (Executive)
Shri Girish Radhakrishnan	3	0	2	-	-
Smt. Tajinder Mukherjee	3	2	3	-	-
Shri Atul Sahai	3	4	2	The New India Assurance Company Limited	Managing Director (Executive)
Smt. Suchita Gupta	0	0	0	-	-
Shri NSR Chandra Prasad	3	0	0	-	-
Shri A. K. Saxena	0	0	0	-	-
Smt. Vijayalakshmi Iyer	10	4	5	Aditya Birla Capital Limited	Director
				Religare Enterprises Limited Director	Director
				Magma Fincorp Limited Director	Director
				ICICI Securities Limited Director	Director
				Computer Age Management Services Limited Director	Director
Shri G. Srinivasan	5	4	2	-	-
Shri Prafulla P. Chhajed	5	0	1	-	-
Smt. Rani Singh Nair	0	0	0	-	-
Smt. Neera Saxena	0	0	0	-	-

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, Human Resource and Risk Management. 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.
2	Shri Girish Radhakrishnan	Post Graduate	Risk Management, Insurance, HR & Marketing,
3	Smt. Tajinder Mukherjee	Graduate and F-III (Insurance)	Finance & Accounts, Insurance, HR & Marketing, Management.
4	Shri Atul Sahahi	Post Graduate	IT, Investment, HR, Insurance, Marketing.
5	Smt. Suchita Gupta	C.S., M.Com, LL.B.	Legal & Compliance, Accounts & Finance.
6	Shri NSR Chandra Prasad	Graduate and F-III (Insurance)	Insurance & HR, Risk Management.
7	Shri A. K. Saxena	Masters - Vety. Science, LL.B.	Legal & Insurance.
8	Shri Vijayalakshmi R. Iyer	Post Graduate & AII - Banking and Finance	Finance & Accounts and Risk Management.
9	Shri G. Srinivasan	ICWAI (CMA) & F-III (Insurance)	Finance & Accounts, Insurance
10	Shri Prafulla P. Chhajed	CA, LLB	Legal, Accounts & Finance.
11	Smt. Rani Singh Nair	Post Graduate, IIM (Bengaluru)	Taxation & Management
12	Smt. Neera Saxena	Post graduate	Finance & Accounts, Insurance, Marketing.

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. Prafulla P. Chhajed and Rani Singh Nair were appointed as Independent Directors and Familiarisation programme was conducted on March 25, 2021. The detail of familiarisation programmes is updated on the website of the Company https://gichfindia.com/pdf/Familiarisation-Programme-for-Independent-Directors.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, 2015. 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,2015 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 Seven times during the year on June 29, 2020; September 12, 2020; October 12, 2020; November 11, 2020; January 11, 2021; February 12, 2021; March 25, 2021. 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 G. Srinivasan, Director, as the Chairman of the Committee, Shri NSR Chandra Prasad and Shri Prafulla P. Chhajed; 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 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 Four times during the year under review on June 29, 2020; September 12, 2020; November 11, 2020; February 12, 2021. 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: 4

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri V. Ramasamy (till December 18, 2020)	3
2	Shri Kamlesh Vikamsey (till December 18, 2020)	3
3	Shri G. Srinivasan	4
4	Shri NSR Chandra Prasad (Inducted on 22-01-2021)	1
5	Smt. Suchita Gupta (From 18-12-2020 till 03-08-2021)	1
6	Shri Prafulla Chhajed (Inducted on 05-08-2021)	NA

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 Shri G. Srinivasan; 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. Any other criteria, as fixed by the Committee from time to time.

The Company Secretary acts as the Secretary to the Committee. The Committee met 2 times during the year under review on September 11, 2020 and March 12, 2021.

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

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri A K Saxena	2
2	Shri NSR Chandra Prasad (Inducted on December 18, 2020)	1
3	Shri G. Srinivasan (Inducted on December 18, 2020)	1
4	Smt. Mona Bhide (till December 18, 2020)	1
5	Shri V. Ramasamy (till December 18, 2020)	1

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 Shri G. Srinivasan, Director, as the Chairman of the Committee, Shri NSR Chandra Prasad and Shri A K Saxena; Directors are its other members. The Chairman 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 Committee meets as and when require to approves the periodical transfers/ transmissions, issue of duplicate shares, Rematerialisation, Name deletion etc… The Board Committee reviews the queries and complaints received from the shareholders and the steps taken for their redressal, reconciliation of share capital, shareholding pattern. During the year under review, 1 complaint was received, which were replied/ resolved to the satisfaction of the shareholders. There are no pending share transfers.

The Committee met 1 time during the year under review on November 10, 2020.

Attendance Record of Directors: Number of Committee Meetings held: 1

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Smt. Mona Bhide (till December 18, 2020)	1
2	Shri G. Srinivasan	1
3	Shri NSR Chandra Prasad	1
4	Shri A K Saxena (Inducted on December 18, 2020)	NA

Ms. Nutan Singh (Group Executive & Company Secretary) is Compliance officer of the Committee.

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

ASSET LIABILITY MANAGEMENT COMMITTEE

Asset Liability Management Committee 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). The Committee consists of 3 Directors namely Smt. Vijayalakshmi Iyer as Chairperson of the Committee; Shri A. K. Saxena and Smt. G. Shobha Reddy are the Members of the Committee.

The Committee met 1 time during the year under review on February 11, 2021

Attendance Record of Directors: Number of Committee Meetings held: 1

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Smt. Vijayalakshmi Iyer	1
2	Shri A K Saxena	1
3	Smt. Neera Saxena (till March 31, 2021)	1
4	Smt. G. Shobha Reddy (Inducted on April 12, 2021)	NA

Mrs. Nutan Singh (Group Executive & Company Secretary) is Compliance officer of the Committee.

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 3 Directors namely Shri NSR Chandra Prasad, Director as Chairman, Smt. Vijayalakshmi R. Iyer, Smt. G. Shobha Reddy are the Members of Committee.

During the year under review Committee met 3 times on September 11, 2020; November 10, 2020 and February 11, 2021.

Attendance Record of Directors: Number of Committee Meetings held: 3

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri NSR Chandra Prasad	3
2	Smt. Vijayalakshmi Iyer	2
3	Smt. Neera Saxena (till March 31, 2021)	3
4	Smt. G. Shobha Reddy (Inducted on April 12, 2021)	NA

Mrs. Nutan Singh (Group Executive & 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, which shall be submitted to the Board on time to time basis.

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

During the year Committee met on February 11, 2021.

Attendance Record of Directors: Number of Committee Meetings held: 1

Sr. No.	Name of the Director(s)	Number of Meeting(s) Attended
1	Shri NSR Chandra Prasad	1
2	Smt. Rani Singh Nair (From August 5, 2021)	NA
3	Smt. Suchita Gupta (From December 18, 2020 to August 03, 2021)	0
4	Smt. Neera Saxena (Till March 31, 2021)	1
5	Smt. G. Shobha Reddy (Inducted on April 12, 2021)	NA

Mrs. Nutan Singh (Group Executive & 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 (₹)
1	Shri NSR Chandra Prasad	4,50,000
2	Shri A. K. Saxena	3,30,000
3	Smt. Vijayalakshmi Iyer	2,40,000
4	Shri G. Srinivasan	4,20,000
5	Shri Prafulla P. Chhajed (Inducted on March 12, 2021)	30,000
6	Smt. Rani Singh Nair (Inducted on March 12, 2021)	30,000
7	Shri V. Ramasamy (till December 18, 2020)	2,10,000
8	Shri Kamlesh S. Vikamsey (till December 18, 2020)	2,10,000
9	Smt. Mona Bhide (till December 18, 2020)	1,80,000

The quantum of sitting fees paid to the Members of Internal Committee are as follows:

Sr No.	Name of the Member(s)	Sitting Fees Paid (Rs.)
1	Shri B. Chakrabarti	1,20,000
2	Shri M. K. Garg	1,20,000
3	Shri A. V. Muralidharan	1,20,000
4	Shri Kamlesh S. Vikamsey	1,20,000

The details of the Remuneration paid to the Managing Director & CEO for the year 2020-21 are as follows:

Particulars	Smt. Neera Saxena (MD & CEO)*
Salary	29,22,431
Salary Arrears	0
• Leave Encashment,	1,08,500
• LTS	2,01,000
• other allowances	0
Performance Incentive	3,50,000
Contribution to Pension and Other funds	1,46,355
Perquisites	5,65,200
Total	**42,93,486**

*. Smt. Neera Saxena Ceased to be the MD & CEO w.e.f. March 31, 2021.

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 Agreements. The financial results of the Company are uploaded on the Company's website. The Company's website address is https://gichfindia.com/Financials.html

ANNUAL GENERAL MEETINGS (AGMs)

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

Year	Date	Time	Location
2017-18	August 2, 2018	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4th Floor, General Jagannath Bhosale Marg, Mumbai – 400021.
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.

DETAILS OF SPECIAL RESOLUTIONS PASSED IN THE LAST THREE YEARS

Date of AGM/Postal Ballot/EGM	Number of Resolution(s)	Details
August 2, 2018 (AGM)	6	1. Reappointment of Shri V. Ramasamy (DIN 00490988), Independent Director. 2. Reappointment of Shri Kamlesh S. Vikamsey (DIN 00059620), Independent Director. 3. Reappointment of Smt. Mona Bhide (DIN 05203026), Independent Director. 4. Increase in the Borrowing Powers of the Company. 5. Creation of Charge on Movable and Immovable Properties. 6. Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.
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'

POSTAL BALLOT

1. Details of Special Resolutions passed through postal ballot in the financial year 2020-21 : Nil
2. Person who conducted the postal ballot exercise: Not Applicable
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(if any) 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 note no. 36 of the 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, NHB levied total penalty of Rs.16,000/- plus GST in connection with the delay in submission and/or non-submission of Returns. There was no other strictures or penalties imposed by Securities and Exchange Board of India or by the Stock Exchange/s or any statutory authority for non-compliance of any matter related to the capital markets.

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 Regulations, 2015 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 to 27 and all the applicable clauses of Regulation 46 of SEBI (LODR) Regulations, 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 2020-21 is in Compliance with the requirements of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) SUBSIDIARIES

During the year under review, your company has incorporated wholly owned subsidiary named as GICHFL Financial Services Pvt. Ltd. Subsidiary Company has received Certificate of Commencement of Business on May 14, 2021 i.e. after end of Financial Year 2020-21.

f) Related Party Transaction Policy is available at the website of the Company at https://gichfindia.com/pdf/RELATED-PARTY-TRANSACTION-POLICY-JULY-2016.pdf

g) A certificate from Practicing Company Secretary that none of the Director on Board as on March 31, 2021 have been disqualified from being appointed as Director of the Company, forms part of the Directors' report.

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

During the year under review, Company has paid total ₹ 41.60 lakhs towards Audit Fees, Tax Audit Fees and Fees for limited review/other services.

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 2020-21 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

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: August 11, 2021

SHAREHOLDERS INFORMATION

1. Thirty First Annual General Meeting

Date: September 27, 2021

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, 2020 to March 31, 2021

3. Financial Calendar for the year 2021-22. (Provisional)

Results for the first quarter ended on June 30, 2021 (Subject to Limited Review).	Adopted on August 11, 2021
Results for the second quarter ending September 30, 2021 (Subject to Limited Review).	Before the mid of November, 2021
Results for the third quarter ending December 31, 2021 (Subject to Limited Review).	Before the mid of February, 2022
Audited Results for the financial year ending March 31, 2022.	Before the end of May, 2022
Annual General Meeting for the year ending March 31, 2022	Before the end of September, 2022

4. Book Closure

The Register of Members and Share Transfer books are closed keeping in view the Scheduled date of the Annual General Meeting. For the year under reference the above registers/ books would be closed **from September 18, 2021 (Saturday) to September 27, 2021 (Monday) (both days inclusive)** and was notified accordingly.

5. Listing of Shares & Non-Convertible Debentures

Equity Shares - The equity shares issued by the Company are listed on the BSE Limited 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 ₹ 495 Crores and Listing fees as prescribed have been paid to BSE Ltd.

Security Code for Equity shares and NCDs

National Stock Exchange of India Limited:	**BSE Limited:**
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 Script Code : 973005 & 973115
	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 5,35,45,323 equity shares which is 99.43 % of the paid-up Equity Capital are in dematerialised as on March 31, 2021.

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 are posted to the beneficial owners to their addresses as per the information furnished by the NSDL & CDSL as on the date of Book Closure. Dividend will be paid on or after October 7, 2021 (Thursday).

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) (₹)		QUOTE (₹)	
	High	Low	High	Low
April, 2020	33717.62	27590.95	77.55	59.55
May, 2020	32424.10	30028.98	70.25	63.15
June, 2020	35430.43	33228.80	92.25	68.40
July, 2020	38492.95	35414.45	100.70	88.15
August, 2020	39467.31	36939.60	122.50	87.30
September, 2020	39302.85	36553.60	107.05	90.05
October, 2020	40794.74	38697.05	106.50	94.70
November, 2020	44523.02	39757.58	112.10	101.65
December, 2020	47751.33	44618.04	120.65	105.75
January, 2021	49792.12	46285.77	127.75	114.5
February, 2021	52154.13	48600.61	141.8	117.75
March, 2021	51444.65	48440.12	141.4	115.1

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

MONTH	INDEX (SENSEX) (₹)		QUOTE (₹)	
	High	Low	High	Low
April, 2020	9859.90	8083.80	77.55	59.50
May, 2020	9580.30	8823.25	70.35	63.20
June, 2020	10471.00	9813.70	92.40	68.45
July, 2020	11300.55	10430.05	101.00	88.30
August, 2020	11647.6	10891.6	122.75	87.30
September, 2020	11604.55	10805.55	106.95	90.10
October, 2020	11971.05	11416.95	106.55	94.75
November, 2020	13055.15	11669.15	111.90	101.70
December, 2020	13981.95	13109.05	120.75	105.90
January, 2021	14644.7	13634.6	127.65	114.55
February, 2021	15314.7	14281.2	141.90	118.00
March, 2021	15245.6	14324.9	141.40	115.10

9. Distribution of Shareholding as at March 31, 2021

DESCRIPTION	HOLDER (S)		HOLDING (S)	
	FOLIOS	%	SHARES	%
Upto 5000	62533	89.09	7238159	13.44
5001 – 10000	3911	5.57	3174149	5.89
10001 – 20000	1955	2.79	2991184	5.55
20001 – 30000	698	0.99	1789946	3.32
30001 – 40000	291	0.41	1045348	1.94
40001 – 50000	231	0.33	1094312	2.03
50001 - 100000	322	0.46	2380665	4.42
More than 100000 & Above	251	0.36	34137303	63.39
TOTAL	**70192**	**100.00**	**53851066**	**100**

10. Shareholding pattern as at March 31, 2021.

Sr. No.	Description	Cases	Shares	% Equity
1	BANKS	3	2551	0.00
2	CLEARING MEMBERS	146	218038	0.40
3	FOREIGN NATIONALS	1	200	0.00
4	FOREIGN PORTFOLIO - CORP	3	73046	0.14
5	H U F	1689	1259996	2.34
6	I E P F	1	147735	0.27
7	INSURANCE COMPANIES	1	3050250	5.66
8	BODIES CORPORATES	470	1968594	3.66
9	MUTUAL FUNDS	1	662000	1.23
10	NBFC	2	5100	0.01
11	NON RESIDENT INDIANS	750	673064	1.25
12	NRI NON-REPATRIATION	375	270445	0.50
13	PROMOTER COMPANIES	5	22836839	42.41
14	RESIDENT INDIVIDUALS	66735	22638133	42.04
15	TRUSTS	10	45075	0.08
	Total	**70192**	**53851066**	**100**

11. Compliance Officer:

Ms. Nutan Singh

Group Executive & Company Secretary

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

13. Plant Location: Not Applicable

14. 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.

15. Registrar, Share Transfer Agent & Shareholders Correspondence

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

16. Share Transfer System

All the Share transfers for the Company are processed by **M/s. KFin Technologies Private Limited**, Registrar and Share Transfer Agent and approved by the Committee constituted for the said purpose which meets on fortnightly basis.

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 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 is accepting claims for release of unclaimed Dividend from Shareholders for F.Y. 2013-14 till September 20, 2021 and post that Company will proceed for transfer of unclaimed Dividend relating to FY 2013-14 to IEPF authority as per IEPF rules.

BANK ACCOUNT PARTICULARS

The Members holding shares in physical mode are requested to furnish original cancelled cheque containing their latest bank account number/ particulars (comprising 15 digits or otherwise, as the case may be), to Company or directly to the Registrar and Share Transfer Agent for updation in the records of the Company so that all the cash benefits as may be declared by Company, can be credited to their Bank Account directly.

DIVIDEND PAYMENT THROUGH NECS

The dividend warrants in respect of the shares held in electronic/ demat mode as of the date of Book Closure would be posted to the beneficial owners to their addresses as per the information furnished by the NSDL and CDSL. The Company will arrange to remit the dividend through NECS, to those beneficial owners with bank account number/ particulars (comprising 15 digits or otherwise, as the case may be), subject to availability of NECS facility at such Centres as notified by the Reserve Bank of India.

NOMINATION

Shareholders of the Company holding physical shares in single name are requested to nominate a person of their choice by submitting the prescribed nomination form i.e., Form SH-13, in duplicate, to the Company or to its Registrar & Share Transfer Agent. Shareholders holding shares in dematerialised form are requested to contact their Depository Participant.

PUBLICATION OF FINANCIAL RESULTS

The financial results are well published in the Financial Express (English) and Loksatta (Marathi) during the year.

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 declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2020-21.

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: August 11, 2021

CEO/CFO CERTIFICATION

We, Radhika Balasubramanian, Asst. Vice President & 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 31/3/2021 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 31/3/2021, 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 31/3/2021

   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

Sd/-

Radhika Balasubramanian

Asst. Vice President & CFO

For and on behalf of the Board of Directors

Sd/-

G. Shobha Reddy

Managing Director & CEO

Place: Mumbai

Date: August 11, 2021

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members,
GIC Housing Finance Limited

We have examined the compliance of conditions of Corporate Governance by GIC Housing Finance Limited ("the Company") for the year ended on March 31, 2021, as stipulated inRegulations 17 to 27 and clauses (b) to (i) 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.

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) of sub-regulation (2) of Regulation 46 and Para C, D and Eof Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533C000518353
Peer Review No: P2009MH007000

Place: Mumbai
Date: June 25, 2021

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of GIC Housing Finance Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 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 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 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.

Emphasis of Matter

We draw attention to Note 42 to the Financial Statements on possible effects of COVID-19 pandemic.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the 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 Profit before Tax for F.Y. 20-21 was ₹ 13,455 lakh after considering an impairment of ₹ 18,517 lakh vis-à-vis Profit before Tax for F.Y. 19-20 was ₹ 11,227 lakh after considering an impairment of ₹ 9,970 lakh. 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 • Calculation of Probability of Default (PD) and Loss Given Default (LGD).	We performed audit procedures set out below: • Read the Company's Ind-AS 109 based impairment provisioning 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 basis of collateral valuation in the determination of ECL provision.

Key Audit Matter	How the matter was addressed in our audit
• Consideration of probability scenarios and forward looking macro-economic factors 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. COVID-19 pandemic situation and the lockdown in the country coupled with the moratorium and restructuring granted by RBI has cast an uncertainty on the timing and manner in which the Company would be able to collect the contractual cashflows in the form of repayments from its borrowers. In our opinion this is considered as a Key Audit Matter in view of the criticality of the item to the Financial Statements and the complex nature of assumptions and judgements exercised by the management.	• 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's financial accounting and reporting systems are highly dependent on the effective working of the operating and accounting system. 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 on Loans • Bifurcation of the Loan Portfolio based on maturity pattern • Various Report Generated, including the report for Asset Classification & Provision. Our audit outcome is dependent on the effective functioning of such operating and accounting system.	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 IT system by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis. • We also tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit and performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements. • We have also obtained management representations wherever considered necessary.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's report and Management Discussion & Analysis (MD&A) report but does not include the Financial Statements and our auditor's report thereon. The Director's report and MD&A report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the 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.

Management's Responsibilities for the 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 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 the accounting standards specified under section 133 of the Act. 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 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 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 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 Financial Statements, including the disclosures, and whether the 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 Financial Statements of the financial year ended March 31, 2021 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, 2016 ("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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d. in our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

   e. on the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the other directors is disqualified as on March 31, 2021, 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 Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 38 to the Financial Statements.

      ii. the Company 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 Company.

3. As required by Section 197(16) of the Act, 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 during the year is in accordance with the provisions of Section 197 of the Act.

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

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 21112555AAAACD7565

Place: Mumbai
Date: June 28, 2021

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 Property, Plant and Equipment.

(b) Property, Plant and Equipment of the Company has been physically verified by the Management during the year. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business. We are 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 of acquired buildings, are held in the name of the Company as at the balance sheet date.

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

(iii) (a) According to information and explanations furnished to us, during the year the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the Register maintained u/s 189 of The Companies Act, 2013. Therefore, reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) According to information and explanation given to us and the records examined by us, in case of the secured housing loans granted to the parties listed in the register maintained under Section 189 of the Act in earlier years, the borrowers are regular in payment of principal & interest, as stipulated.

(c) There is no amount overdue for more than ninety days in respect of the Housing loan granted to parties listed in the register maintained under Section 189 of the Act.

(iv) According to information and explanation given to us and the records examined by us, the Company has not advanced any loan or given guarantee or provided security during the year covered under section 185 of the Act. Consequently, requirement of clause (iv) of the order pertaining to compliance with section 185 of the Act is not applicable. The Company has complied with section 186 (1) of the Act in respect of investments made. The Company being housing finance company, nothing contained in section 186, except sub-section (1), shall apply.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year, and hence reporting under paragraph 3(v) of the Order is not applicable.

(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. Hence, reporting under paragraph 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 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, sales-tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amounts 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 information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company has not taken loans or borrowings from government.

(ix) 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, except for amounts aggregating to ₹ 44,729 lakh, which were initially utilised for repayment of existing term loans and/or payment of general expenses instead of onward lending, which were rectified subsequently by way of disbursements for onward lending. Apart from money raised by way of term loan and debt instruments, the Company has not raised any moneys by way of initial public offer / further public offer.

(x) According to the information and explanations given to us, no material fraud by Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the records, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

(xiii) According to the information and explanations given to us and on the basis of our examination of the records, the Company is in compliance with Section 177 and 188 of the Act where applicable, for all transactions with the related parties.

(xiv) 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 paragraph 3(xiv) of the Order is not applicable.

(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) In our opinion and according to information and explanation given to us, the Company is not required to be registered under section 45-IA Reserve Bank of India Act, 1934.

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

Murtuza Vajihi
Partner
Membership No.: 112555
UDIN: 21112555AAAACD7565

Place: Mumbai
Date: June 28, 2021

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 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, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 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 Financial Statements included obtaining an understanding of internal financial controls with reference to 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements.

A Company's internal financial control with reference to 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 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial control with reference to 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 Financial Statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to 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: 21112555AAAACD7565

Place: Mumbai
Date: June 28, 2021

Balance Sheet

as at March 31, 2021

₹ in Lakh

Particulars	Note No.	As At March 31, 2021	As At March 31, 2020
ASSETS			
Financial Assets			
Cash and Cash Equivalents	3	8,676	11,063
Bank balance other than cash and cash equivalent	4	387	388
Receivables			
(i) Trade Receivables	5	33	-
Loans	6	1,233,897	1,282,197
Investments	**7**	1,425	1,358
Other Financial Assets	8	277	406
Total Financial Assets		**1,244,695**	**1,295,412**
Non-Financial Assets			
Current tax assets (net)	9	353	935
Deferred tax assets (net)	10	12,030	9,714
Property, Plant and Equipment	11	216	240
Right Of Use Assets	12	1,422	1,637
Intangible Assets under development	13	2,872	1,344
Other Non-Financial Assets	14	540	606
Assets Held for Sale		1,956	-
Total Non-Financial Assets		**19,389**	**14,476**
TOTAL ASSETS		**1,264,084**	**1,309,888**
LIABILITIES & EQUITY			
LIABILITIES			
Financial liabilities			
Lease Liabilities	12	1,583	1,735
Payables			
Trade Payable	15		
(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	1,711
Debt securities	16	124,419	74,753
Borrowings (other than debt securities)	17	996,556	1,100,341
Other financial liabilities	18	3,187	3,851
Total Financial liabilities		**1,126,655**	**1,182,395**
Non-Financial Liabilities			
Current tax liabilities (net)	19	113	206
Provisions	20	1,534	978
Total Non-Financial Liabilities		**1,647**	**1,184**
Total Liabilities		**1,128,302**	**1,183,579**
EQUITY			
Equity Share Capital	21	5,388	5,388
Other Equity	22	130,394	120,921
Total Equity		**135,782**	**126,309**
TOTAL LIABILITIES & EQUITY		**1,264,084**	**1,309,888**
The accompanying notes form an integral part of financial statements	1-51		

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

Murtuza Vajihi
Partner

Place : Mumbai
Date : June 28, 2021

For and on behalf of the Board of Director

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

B. Radhika
AVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436
Date : June 28, 2021

Statement of Profit And Loss

for the year ended March 31, 2021

₹ in Lakh

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Interest income	23	121,846	124,386
Fee and commission income	24	205	359
Net gain on derecognition of financial instruments under amortised cost category		596	-
Other operating income	25	380	-
Total Revenue from operations		**123,027**	**124,745**
Other income	26	1,006	746
Total Income		**124,033**	**125,491**
Expenses			
Finance cost	27	82,287	94,538
Net loss on derecognition of financial instruments under amortised cost category		-	82
Impairment of financial instruments, including write-off	28	18,517	9,970
Employee benefits expense	29	4,346	4,253
Depreciation and amortisation	30	448	613
Other expenses	31	4,980	4,808
Total Expenses		**110,578**	**114,264**
Profit before tax		**13,455**	**11,227**
Tax expense:			
1. Current tax	32	5,175	3,800
2. Deferred tax	10	(2,313)	2,364
3. Current tax expenses relating to prior years	32	36	502
Profit for the year		**10,557**	**4,561**
Other comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurement gain/(loss) on defined benefit plan		(72)	(117)
(ii) Net gain/(loss) on equity instrument designated at FVTOCI		62	8
(iii) Income tax relating to items that will not be reclassified to profit or loss		3	27
B. Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income (A+B)		**(7)**	**(82)**
Total Comprehensive Income for the year		**10,550**	**4,479**
Earnings per equity share			
Basic (₹)	41	19.60	8.47
Diluted (₹)	41	19.60	8.47
The accompanying notes form an integral part of financial statements	1-51		

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

Murtuza Vajihi
Partner

Place : Mumbai
Date : June 28, 2021

For and on behalf of the Board of Director

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

B. Radhika
AVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436
Date : June 28, 2021

Statement of Cash Flows

for the year ended March 31, 2021

₹ in Lakh

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**Cash Flow From Operating Activities :**		
	Profit Before Tax	13,455	11,227
	Adjustments For :		
	Depreciation And Amortisation	448	613
	Impairment of Financial Instruments, including Write-off	18,517	9,970
	Interest Income	(121,846)	(124,386)
	Interest Expenses	82,287	94,538
	Fees & Commission Income	(205)	(359)
	(Profit)/Loss On Sale of Property Plant & Equipments	-	(1)
	(Profit)/Loss On Sale of Investments	(190)	(336)
	Remeasurement Gain/(loss) on Defined Benefit Plan	(72)	(117)
	Operating Profit Before Working Capital Changes	**(7,606)**	**(8,851)**
	Adjustments For :		
	(Increase)/Decrease In Non Financial Assets	322	(2,186)
	(Increase)/Decrease In Trade Receivables	(33)	-
	(Increase)/Decrease In Other Financial Assets	(38)	67
	(Increase)/Decrease In Other Non Financial Assets	(1,889)	(178)
	(Increase)/Decrease In Bank Balance other than cash & cash equivalents	1	(15)
	Increase/(Decrease) In Other Non Financial Liabilities	(7,603)	283
	Increase/(Decrease) In Trade Payables	(805)	557
	Increase/(Decrease) In Other Financial Liabilities	(253)	2,479
	Operating Profit After Working Capital Changes	**(17,904)**	**(7,844)**
	Adjustments For :		
	(Increase)/Decrease in Housing Loans	37,984	(15,189)
	Fees & Commission Received	237	284
	Interest Received	121,803	123,035
	Interest Paid	(82,287)	(94,538)
	Taxes Paid	(5,045)	(3,580)
	Net Cash Used in Operating Activity	**54,788**	**2,168**
B:	**Cash Flow From Investment Activities**		
	Payments for Property, Plant & Equipments	(42)	(63)
	Proceeds from Sale of Property, Plant & Equipments	1	7
	Payments for Intangible assets under Developments	(1,528)	(1,344)
	Purchase Of Investments	(1,583,655)	(1,438,500)
	Sale Of Investments	1,583,840	1,438,837
	Net Cash Generated From Investing Activity	**(1,384)**	**(1,063)**

₹ in Lakh

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
C:	**Cash Flow From Financing Activities**		
	Proceeds From Borrowings and Debt Securities	794,214	1,028,306
	Repayment of Borrowings and Debt Securities	(848,489)	(1,019,076)
	Dividend Paid On Equity Shares	(1,077)	(2,961)
	Dividend Distribution Tax paid	-	(609)
	Payment of lease liabilities	(439)	(552)
	Net Cash Generated From Financing Activity	**(55,791)**	**5,108**
	Net Increase/(Decrease) Of Cash & Cash Equivalents(A+B+C)	**(2,387)**	**6,213**
	Cash & Cash Equivalents As At Beginning of the year	11,063	4,850
	Cash & Cash Equivalents As At the End of the Period	**8,676**	**11,063**
Components Of Cash And Cash Equivalents			
Cash on Hand		115	37
Cheque in Hand		1,346	362
Balance With Bank :			
In Current Accounts		7,215	10,664
Balance as per Statement of Cash Flows		8,676	11,063

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.

The accompanying notes form an integral part of financial statements 1-51

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

Murtuza Vajihi
Partner

Place : Mumbai
Date : June 28, 2021

For and on behalf of the Board of Director

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

B. Radhika
AVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436
Date : June 28, 2021

Statement of change in equity

for the year ended March 31, 2021

a) Equity Share Capital:

₹ in Lakh

Particulars	No of Equity Share Capital	₹	Forfeited Shares (in ₹)	Total
Balance at April 01, 2019	**53,851,066**	**5,385**	**3**	**5,388**
Change in Equity Share Capital	-	-	-	-
Balance at March 31, 2020	**53,851,066**	**5,385**	**3**	**5,388**
Change in Equity Share Capital	-	-	-	-
Balance at March 31, 2021	**53,851,066**	**5,385**	**3**	**5,388**

b) Other Equity (refer note 22):

₹ in Lakh

Particulars	Reserves & Surplus					Other Comprehensive Income		Total
	Special Reserve (29C (1) of National Housing Bank Act, 1987)	Special Reserve (36(1)(viii) of Income Tax Act, 1961)	Securities Premium	General Reserve	Retained Earning	Remeasurement of net defined benefit plans	Equity instrument through Other Comprehensive Income	
Balance at April 01, 2019	**456**	**44,168**	**11,699**	**60,043**	**3,636**	**(60)**	**70**	**120,012**
Profit for the year	-	-	-	-	4,561	-	-	4,561
Dividends & Tax on dividends	-	-	-	-	(3,570)	-	-	(3,570)
Transfer to General Reserve	-	-	-	270	(270)	-	-	-
Transfer to Special Reserve (Note (a) below)	-	3,125	-	-	(3,125)	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	(88)	6	(82)
Balance at March 31, 2020	**456**	**47,293**	**11,699**	**60,313**	**1,232**	**(148)**	**76**	**120,921**
Profit for the year	-	-	-	-	10,557	-	-	10,557
Dividends & Tax on dividends (Note (b) below)	-	-	-	-	(1,077)	-	-	(1,077)
Transfer to General Reserve	-	-	-	3,900	(3,900)	-	-	-
Transfer to Special Reserve (Note (a) below)	-	4,570	-	-	(4,570)	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	(54)	47	(7)
Balance at March 31, 2021	**456**	**51,863**	**11,699**	**64,213**	**2,242**	**(202)**	**123**	**130,394**

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 ₹ 2/- per share on the equity shares of face value of ₹ 10/- (20%) each pertaining to FY 2019-20, post approval by the members in the 30th AGM held on December 18, 2020.

The accompanying notes form an integral part of financial statements 1-51

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

Murtuza Vajihi
Partner

Place : Mumbai
Date : June 28, 2021

For and on behalf of the Board of Director

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

B. Radhika
AVP & Chief Financial Officer

Nutan Singh
Company Secretary
ACS No. : 27436
Date : June 28, 2021

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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 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 Financial Statements

The Company has prepared these Financial Statements, which comprise the Balance Sheet as at March 31, 2021, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity for the year ended March 31, 2021, 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 June 28, 2021, 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.

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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

(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.

(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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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 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 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 SARFASI 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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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.

(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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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.

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

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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.

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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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.

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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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.

(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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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.

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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 3 : Cash and Cash Equivalents

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Cash on Hand	115	37
Cheques in Hand	1,346	362
Balance With Bank :		
In Current Account	7,215	10,664
Total	**8,676**	**11,063**

Note 4 : Bank balance other than cash and cash equivalent

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Earmarked balances with banks :		
Unclaimed Dividend Accounts	117	133
In Deposit Accounts (Note 4.1):		
Original Maturity more than 3 months	270	255
Total	**387**	**388**

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, 2021	As At March 31, 2020
i) Trade receivables		
Receivables considered good - unsecured	33	-
Total - gross	33	-
Less: Impairment loss allowance	-	-
Total	**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 Financial Statements

for the year ended March 31, 2021

Note 6 : Loans
At Amortised Cost

₹ in Lakh

Particulars			As At March 31, 2021	As At March 31, 2020
(A)	(i)	Term Loans		
		Individuals	1,279,973	1,317,878
		Corporates	328	328
		Loans to Staff	776	811
		Total Gross (A)	**1,281,077**	**1,319,017**
		Less: Impairment loss allowance (Expected Credit Loss)	47,180	36,820
		Total Net (A)	**1,233,897**	**1,282,197**
(B)	(i)	Secured by tangible assets	1,276,934	1,318,707
	(ii)	Unsecured	4,143	310
Total Gross (B)			**1,281,077**	**1,319,017**
Less: Impairment loss allowance (Expected Credit Loss)				
-		On Loans secured by tangible assets	45,389	36,510
-		On Unsecured Loans	1,791	310
Total Impairment loss allowance (Expected Credit Loss)			**47,180**	**36,820**
Total Net (B)			**1,233,897**	**1,282,197**
(C)	(I)	Loans in India		
		Public Sector	-	-
		Others	1,281,077	1,319,017
		Total Gross (C) (I)	**1,281,077**	**1,319,017**
		Less: Impairment loss allowance (Expected Credit Loss)	47,180	36,820
		Total Net (C) (I)	**1,233,897**	**1,282,197**
	(II)	Loans outside India	-	-
		Less: Impairment loss allowance (Expected Credit Loss)	-	-
		Total Net (C) (II)	**-**	**-**
	Total Net (C) (I) and (II)		**1,233,897**	**1,282,197**

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) Housing Loans include loans amounting to ₹ 20,971 Lakh (Previous Year ₹ 24,726 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.

(c) Loans outstanding are presented net of loan written off aggregating to ₹ 6,553 lakh (Previous Year ₹ 6,459 lakh). Against loans written off as at March 31, 2021, 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 aggregating to ₹ 8,880 lakh (Previous Year ₹ 3,679 lakh) and held such properties for disposal.

(d) For details of loan to related parties refer note 36.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 6.2

An analysis of changes in the gross carrying amount of loans is as follows :

₹ in Lakh

Particulars	2020-2021				2019-2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	**1,196,898**	**50,525**	**71,594**	**1,319,017**	**1,211,680**	**59,345**	**37,863**	**1,308,888**
Increase in EAD i.e. new loans disbursed / further increased in existing loans (Net)	124,379	629	205	**125,213**	160,241	424	208	**160,873**
Loans repaid in part or full (Net)	(133,144)	(2,694)	(7,042)	**(142,880)**	(133,597)	(7,037)	(3,651)	**(144,285)**
Loans derecognised (written off)	-	-	(6,553)	**(6,553)**	-	-	(6,459)	**(6,459)**
Transfers to Stage 1	16,508	(14,288)	(2,220)	**-**	14,579	(13,031)	(1,548)	**-**
Transfers to Stage 2	(43,422)	46,263	(2,841)	**-**	(35,022)	36,044	(1,022)	**-**
Transfers to Stage 3	(29,321)	(15,960)	45,281	**-**	(20,983)	(25,220)	46,203	**-**
Closing Balance	**1,131,898**	**64,475**	**98,424**	**1,294,797**	**1,196,898**	**50,525**	**71,594**	**1,319,017**

Includes amount w.r.t. sanctioned but un-disbursed consider for ECL of ₹ 13,720 Lakh (Previous Year ₹ Nil)

Reconciliation of Expected Credit Loss allowances on loans is given below :

₹ in Lakh

Particulars	2020-2021				2019-2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Opening Balance	**15,815**	**2,613**	**18,392**	**36,820**	**16,252**	**9,505**	**7,581**	**33,338**
Increase in EAD i.e. new loans disbursed / further increased in existing loans (Net)	768	12	54	**834**	1,974	21	38	**2,033**
Loans repaid in part or full (Net)	(449)	1,391	15,137	**16,079**	4,179	(550)	4,279	**7,908**
Loans derecognised (written off)	-	-	(6,553)	**(6,553)**	-	-	(6,459)	**(6,459)**
Transfers to Stage 1	147	(127)	(20)	**-**	181	(164)	(17)	**-**
Transfers to Stage 2	(1,011)	1,078	(67)	**-**	(1,850)	1,896	(46)	**-**
Transfers to Stage 3	(7,452)	(3,450)	10,902	**-**	(4,921)	(8,095)	13,016	**-**
ECL Closing Balance	**7,818**	**1,517**	**37,845**	**47,180**	**15,815**	**2,613**	**18,392**	**36,820**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 7 : Investments ₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
At Cost		
Equity instruments (Note 7.1)	5	-
At Fair Value Though Other Comprehensive Income		
Equity instruments (Refer Note 7.2)	1,420	1,358
At Fair Value Though Profit and Loss		
Debt Securities (Refer Note 7.3)	-	-
Total	**1,425**	**1,358**
Out of above :		
In India		
At Cost	**5**	**-**
At Fair Value Though Other Comprehensive Income	**1,420**	**1,358**
At Fair Value Though Profit and Loss	**-**	**-**
Outside India	**-**	**-**
Total	**1,425**	**1,358**

Impairment allowance recognised on these investments is ₹ Nil (Previous year ₹ Nil).

Note 7.1 : ₹ in Lakh

Investments in Equity Instruments - Unquoted, Fully Paid up	No of Shares/Units as at		Amount as at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
In Wholly Owned Subsidiary				
GICHFL Financials Services Private Limited (Face value ₹ 10/- each)*	50,000	-	5	-
Total			**5**	**-**

*The wholly owned subsidiary company incorporated in January 2021 has not been consolidated since the only transaction by that subsidiary company as of March 31, 2021 is issue of share capital aggregating to ₹ 5.00 lakh and financial statements of that subsidiary company are not required to be prepared since the financial year of the subsidiary company ends on March 31, 2022.

Note 7.2 : ₹ in Lakh

Investments in Equity Instruments - Unquoted, Fully Paid up	No of Shares/Units as at		Amount as at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Others				
LIC Mutual Fund Asset Management Ltd. (Face Value ₹ 10,000/- each)	1,287	1,287	1,414	1,353
LIC Mutual Fund Trustee Private Ltd. (Face Value ₹ 10/- each)	1,570	1,570	5	4
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			**1,420**	**1,358**

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, 2021

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 7.3 :

Investment in debt instruments costing ₹ 850 lakh (previous year ₹ 850 lakh) has fair value of ₹ Nil (previous year ₹ Nil) as at March 31, 2021. 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, 2021	As At March 31, 2020
Security Deposit		
- Unsecured; considered good	182	236
- Unsecured; considered doubtful	40	28
Less : Impairment Loss Allowance (Note 35.A.1 (II))	(40)	(28)
	182	**236**
Staff Advance	58	64
Other Receivables	37	106
Total	**277**	**406**

Note 9 : Current Tax Assets (net)

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Advance Tax (Net of Provision)	353	935
Total	**353**	**935**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 10 : Deferred tax assets (net)

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Deferred Tax Assets:		
Provision for Expected Credit Loss	11,602	9,068
Provision for Employee Benefits	280	247
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	405	217
Fair Valuation of Investments	63	78
Others	-	478
Total (A)	**12,350**	**10,088**
Deferred Tax Liabilities:		
Depreciation and Amortization	(320)	(374)
Total (B)	**(320)**	**(374)**
Deferred Tax Asset/ (Liability) (net) (A-B)	**12,030**	**9,714**

Movement in Deferred Tax Assets

₹ 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
Depreciation and Amortization	(374)	54	-	(320)
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	**9,714**	**2,313**	**3**	**12,030**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	As At April 1, 2019	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2020
Deferred Tax Assets:				
Provision for Expected Credit Loss	10,719	(1,651)	-	9,068
Provision for Employee Benefits	233	(15)	29	247
Depreciation and Amortization	46	(420)	-	(374)
Adjustments pertaining to Income and expense recognition based on Expected Interest Rate	279	(62)	-	217
Fair Valuation of Investments	111	(31)	(2)	78
Others	663	(185)	-	478
Total	**12,051**	**(2,364)**	**27**	**9,714**

Tax expenses for the year ended March 31, 2020 reflect changes made vide Taxations Laws (Amendment) Ordinance 2019 as applicable to the Company, resulting in a reversal of Deferred Tax Assets aggregating to ₹ 3,883 Lakh for the year ended March 31, 2020. Consequently, Deferred Tax Assets have been reduced with a corresponding charge to Profit and Loss Account.

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, 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**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	Buildings	Furniture and Fittings	Office Equipment	Computers	Vehicles	Total
Gross carrying value as at April 1, 2019	**84**	**35**	**46**	**138**	**114**	**417**
Additions	-	21	13	21	8	63
Deductions/Adjustments	-	-	(4)	(2)	(18)	(24)
Gross carrying value as at March 31, 2020	**84**	**56**	**55**	**157**	**104**	**456**
Accumulated Depreciation as at April 1, 2019	**8**	**15**	**20**	**50**	**40**	**133**
Depreciation for the year	4	12	12	50	22	100
Deductions/Adjustments	-	-	(4)	(2)	(11)	(17)
Accumulated Depreciation as at March 31, 2020	**12**	**27**	**28**	**98**	**51**	**216**
Carrying Value as at March 31, 2020	**72**	**29**	**27**	**59**	**53**	**240**

*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.

Note 12 : Right of Use Assets

₹ in Lakh

Particulars	Premises
Gross carrying value as at April 1, 2020	**2,150**
Additions	365
Deductions/Adjustments	(198)
Gross carrying value as at March 31, 2021	**2,317**
Accumulated Depreciation As at April 1, 2020	**513**
Depreciation for the year	382
Deductions/Adjustments	-
Accumulated Depreciation As at March 31, 2021	**895**
Carrying Value as at March 31, 2021	**1,422**

₹ in Lakh

Particulars	Premises
Gross carrying value as at April 1, 2019	**1,512**
Additions	638
Deductions/Adjustments	-
Gross carrying value as at March 31, 2020	**2,150**
Accumulated Depreciation As at April 1, 2019	**-**
Depreciation for the year	513
Deductions/Adjustments	-
Accumulated Depreciation As at March 31, 2020	**513**
Carrying Value as at March 31, 2020	**1,637**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Statement showing movement in lease liabilities ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Gross carrying value	**1,735**	**1,512**
Additions for the year	365	638
Deductions/Adjustments during the year	(203)	-
Finance cost accrued during the period	125	137
Payment of lease liabilities	(439)	(552)
Carrying Value	**1,583**	**1,735**

Statement showing break up value of the Current and Non-Current Lease Liabilities ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	344	332
Non-Current lease liabilities	1,239	1,403

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, 2021	As at March 31, 2020
	Ind AS 116	Ind AS 116
Not later than one year	443	451
Later than one year and not later than three years	777	828
Later than three year and not later than five years	409	524
Later than five years	239	319
Total	**1,868**	**2,122**

Statement showing amount recognised in Statement of Profit and Loss : ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on Lease Liabilities	125	137
Depreciation on Right of use Assets	382	513
Total	**507**	**650**

Statement showing amount recognised in Statement of Cash Flows : ₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Total cash outflow for leases	439	552

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 13 : Intangible Assets under development

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1,344	-
Additions	1,528	1,344
Deductions/Adjustments	-	-
Closing balance	**2,872**	**1,344**

Note 14 : Other Non-Financial Assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured : Considered Good		
Prepaid Expenses	483	555
Capital Advance	1	26
Others	56	25
Total	**540**	**606**

Note 15 : Payables

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Trade Payables		
Total Outstanding dues of micro enterprises and small enterprises	4	4
Total Outstanding dues of creditors other than micro enterprise and small enterprises	906	1,711
Total	**910**	**1,715**

Note 15.1 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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	4	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	**4**	**4**

Note 16 : Debt Securities - At Amortised Cost

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Secured		
Non-Convertible Debentures (Note 16.1 & 16.2)	49,680	-
Unsecured		
Commercial Paper (Note 16.2)	74,739	74,753
Total (A)	124,419	74,753
Debt Securities in India	**124,419**	**74,753**
Debt Securities outside India	**-**	**-**
Total (B)	**124,419**	**74,753**

Note 16.1: The above Secured, Redeemable Non-Convertible Debenture are secured by way of first/specific charge on book-debts with a asset cover of 1 time & mortgage on immovable property.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 16.2: 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	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	6.94%	30,000
1,950 Secured, Redeemable, Non Convertible Debentures 2020-2021 series -4 of ₹ 10,00,000 each	30-Mar-23	6.94%	19,500
Total			**49,500**

Commercial paper at face value repayable at par : ₹ in Lakh

Particulars	Maturity Date	Rate of Interest	As At March 31, 2021
4,000 Units of ₹ 5,00,000 each	09-Apr-21	3.90%	20,000
3,000 Units of ₹ 5,00,000 each	29-Apr-21	3.88%	15,000
2,000 Units of ₹ 5,00,000 each	07-May-21	3.57%	10,000
4,000 Units of ₹ 5,00,000 each	21-May-21	3.67%	20,000
2,000 Units of ₹ 5,00,000 each	04-Jun-21	3.75%	10,000
Total			**75,000**

₹ in Lakh

Particulars	Maturity Date	Rate of Interest	As At March 31, 2020
4,000 Units of ₹ 5,00,000 each	09-Apr-20	5.97%	20,000
3,000 Units of ₹ 5,00,000 each	17-Apr-20	5.95%	15,000
4,000 Units of ₹ 5,00,000 each	06-May-20	5.74%	20,000
4,000 Units of ₹ 5,00,000 each	24-Apr-20	5.95%	20,000
Total			**75,000**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 17 : Borrowings (Other than Debt Securities) - At Amortised Cost

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Secured		
Term Loans (Note 17.1 & 17.2)		
- From Banks	809,267	887,778
- From National Housing Bank	182,289	206,438
- From Insurance Companies	-	6,125
Total (I)	**991,556**	**1,100,341**
Unsecured		
Short Term Loan from banks (Note 17.2)	5,000	-
Total (II)	**5,000**	**-**
Total (A= I+II)	**996,556**	**1,100,341**
Borrowings in India	996,556	1,100,341
Borrowings Outside India	-	-
Total (B)	**996,556**	**1,100,341**

Note 17.1: The above term loans are secured by way of first/specific charge on book-debts equivalent to loan outstanding.

Note 17.2: Maturity Profile and Rate of Interest in case of Borrowings (Other than Debt Securities)

₹ in Lakh

Particulars	As at March 31, 2021			
	Banks (6.70% - 7.50%)	Insurance Companies	National Housing Bank (4.61% - 8.30%)	Total
Secured Term Loan				
Upto 1 Years	183,262	-	37,003	220,265
Over 1 year to 3 years	345,445	-	67,742	413,187
Over 3 to 5 years	166,888	-	54,240	221,128
Over 5 to 7 years	73,726	-	16,375	90,101
Over 7 Years	39,946	-	6,929	46,875
Unsecured Term Loan				
Upto 1 Years	5,000	-	-	5,000
Total	**814,267**	**-**	**182,289**	**996,556**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	As at March 31, 2020			
	Banks (7.70% - 8.75%)	Insurance Companies (7.90%)	National Housing Bank (4.61% - 9.50%)	Total
Upto 1 Years	159,899	875	25,403	186,177
Over 1 year to 3 years	376,177	1,750	67,742	445,669
Over 3 to 5 years	228,233	1,750	65,647	295,630
Over 5 to 7 years	78,478	1,750	34,934	115,162
Over 7 Years	44,991	-	12,712	57,703
Total	**887,778**	**6,125**	**206,438**	**1,100,341**

Note 18 : Other Financial Liabilities

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Unpaid Dividends (Note 18.1)	117	133
Others		
Trade Liabilities	3,024	3,433
Staff Dues	30	48
Statutory Dues	16	237
Total	**3,187**	**3,851**

Note 18.1 : As Required under Section 125 of the Companies Act 2013,The Company has transferred ₹ 18.77 Lakh (Previous Year ₹ 16.87 Lakh) to Investor Education and Protection Fund (IEPF) during the year. As of March 31, 2021, no amount was due for transfer to the IEPF.

Note 19 : Current Tax Liabilities (net)

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Provision for Tax (Net of Advance Tax)	113	206
Total	**113**	**206**

Note 20: Provisions

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Provision for Employee Benefits		
- Leave Encashment	702	591
- Gratuity	410	387
Other Provision		
- Unspent amount of CSR	422	-
Total	**1,534**	**978**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 21 : Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
AUTHORISED CAPITAL :		
15,00,00,000 Equity shares of ₹ 10 each	15,000	15,000
(PY 2019-20: 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
(PY 2019-20: 5,38,51,066 Equity Shares of ₹ 10 each)		
Add: Forfeited Shares (Note 21.4)	3	3
Total	**5,388**	**5,388**

Note 21.1 : Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2021		As at March 31, 2020	
	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 21.2: 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 Financial Statements

for the year ended March 31, 2021

Note 21.3 : Details of Shareholders holding more than 5% shares in Company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	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	3,050,250	5.66	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 21.4: The Company has forfeited 53,800 Equity Shares on which amount originally paid up is ₹ 2,69,000

Note 21.5: 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 22 : Other Equity

₹ in Lakh

Particulars		As at March 31, 2021	As at March 31, 2020
(i)	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	51,863	47,293
		52,319	**47,749**
(ii)	Securities Premium	11,699	11,699
(iii)	General Reserve	64,213	60,313
(iv)	Retained earnings	2,242	1,232
(v)	Remeasurement of net defined benefit plans	(202)	(148)
(vi)	Equity instrument through Other Comprehensive Income	123	76
Total		**130,394**	**120,921**

Note 23 : Interest Income

On Financial Assets measured at Amortised Cost

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Loans (Note 47)	121,846	124,386
Total	**121,846**	**124,386**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 24 : Fees and Commission

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fees and Other Charges	116	290
Insurance Commission	89	69
Total	**205**	**359**

Note 25 : Other operating income

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Bad Debts Recovery	380	-
Total	**380**	**-**

Note 26 : Other Income

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit on sale of investments	190	366
Dividend Income	-	7
Credit Balance Written Back	773	260
Interest on Fixed Deposit	16	102
Others	27	11
Total	**1,006**	**746**

Note 27 : Finance Cost

On Financial liabilities measured at Amortised Cost ₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Borrowings	79,345	86,628
Interest on Debt Securities	2,817	7,773
Interest on Lease Liabilities	125	137
Total	**82,287**	**94,538**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 28 : Impairment on Financial Instruments, including write-off

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Impairment on Financial Instruments		
(On Financial instruments carried at amortised cost)		
- Loans	11,946	3,483
- Others	12	28
Bad debts written off		
- Loans	6,553	6,459
- Others	6	-
Total	**18,517**	**9,970**

Note 29 : Employee Benefit Expenses

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and Allowances	3,056	3,026
Contribution to Provident and Other Funds	316	303
Contribution to Defined Benefit Plan	358	392
Staff Welfare Expenses	616	532
Total	**4,346**	**4,253**

Note 30 : Depreciation and Amortisation

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Property , Plant and Equipment	66	100
Depreciation on Right of use Assets	382	513
Total	**448**	**613**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 31 : Other Expenses

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	426	201
Rates and Taxes	8	11
Repairs and Maintenance	603	468
Communications Costs	41	59
Bank Charges	38	38
Electricity expenses	64	81
Insurance Expenses	599	290
Travelling and Conveyance	99	147
Printing and Stationery	37	76
Advertisement & Publicity Expenses	47	185
Legal and Professional Fees	2,036	2,746
Directors Sitting Fees	26	35
Corporate Social Responsibility (CSR) Expenses (Note 31.2)	651	192
Miscellaneous Expenses	263	256
Auditor's Remuneration (Note 31.1) :		
Audit Fees	14	12
Fees for limited review	4	3
Tax Audit Fees	2	2
Fees for other services	22	6
Total	**4,980**	**4,808**

Note 31.1 : Includes GST of ₹ 6 lakh (Previous year ₹ 3 lakh).

Note 31.2

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, 2021	For the year ended March 31, 2020
(a)	Gross amount required to be spent by the Company during the year		422	497
(b)	Amount spent, utilised and charged during the year on :			
	(i)	Construction / acquisition of any Asset	-	-
	(ii)	On purposes other than (i) above :		
		- Contribution to various Funds / Trusts / NGOs / Societies / Agencies and utilisation thereon*	229	192
		- Expenditure on Administrative Overheads for CSR	-	-
Total			**229**	**192**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

*The Company had unspent expenditure towards Corporate Social Responsibility aggregating to ₹ 1,075 Lakh pertaining to Financial years 2014-15 to 2019-20. Amount of expenditure incurred in financial year 2020-21 aggregating to ₹ 229 Lakh reflecting in table above is towards such unspent amount of earlier years. Therefore entire amount of CSR aggregating to ₹ 422 Lakh pertaining to financial year 2020-21 remains unspent resulting in total unspent CSR of ₹ 1,268 Lakh as at March 31, 2021.

Details of unspent amount of CSR obligations

₹ in Lakh

Particulars	Amount
Opening Balance	**1,075**
Amount required to be spent during the year	422
Amount spent during the year	(229)
Closing balance	**1,268**

Note 32 : Income Taxes

Income Tax Expense in statement of profit and loss

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expenses:		
In respect of the current year	5,175	3,800
In respect of prior years (Net)	36	502
Total Current Tax	**5,211**	**4,302**
Deferred tax (Refer note 10)	(2,313)	2,364
Total	**2,898**	**6,666**

Reconciliation of Income Tax Expense of the year can be reconcilied to the accounting Profit as follows :

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	13,455	11,227
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	3,387	2,826
Adjustment in respect current tax of earlier year (Net)	36	502
Tax effect of:		
Non-deductible expenses	3,247	1,966
Income not subject to tax	-	(2)
Deductions under Income tax Act,1961		
- u/s 36(i)(vii)(d) and 36(i)(viii)	(1,421)	(982)
- u/s 80G	(38)	-
Others	-	(8)
Income tax expense recognised in the statement of profit and loss	**5,211**	**4,302**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 33: 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, 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**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	As At March 31, 2021		
	Within 12 Months	After 12 Months	Total
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**

₹ in Lakh

Particulars	As At March 31, 2020		
	Within 12 Months	After 12 Months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	11,063	-	11,063
Bank Balance other than Cash and Cash Equivalent	388	-	388
Receivables			
(i) Trade Receivables	-	-	-
Loans	54,218	1,227,979	1,282,197
Investments	-	1,358	1,358
Other Financial Assets	223	183	406
Total Financial Assets	**65,892**	**1,229,520**	**1,295,412**
Non-Financial Assets			
Current Tax Assets (net)	-	935	935
Deferred Tax Assets (net)	-	9,714	9,714
Property, Plant and Equipment	-	240	240
Right Of Use Assets	-	1,637	1,637
Intangible Assets under development	-	1,344	1,344
Other Non-Financial Assets	-	606	606
Assets Held for Sale	-	-	-
Total Non-Financial Assets	**-**	**14,476**	**14,476**
TOTAL ASSETS	**65,892**	**1,243,996**	**1,309,888**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	As At March 31, 2020		
	Within 12 Months	After 12 Months	Total
LIABILITIES & EQUITY			
LIABILITIES			
Financial liabilities			
Lease Liabilities	332	1,403	1,735
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	1,711	-	1,711
Debt securities	74,753	-	74,753
Borrowings (other than debt securities)	186,177	914,164	1,100,341
Other Financial Liabilities	3,851	-	3,851
Total Financial liabilities	**266,828**	**915,567**	**1,182,395**
Non-Financial Liabilities			
Current tax liabilities (Net)	206	-	206
Provisions	277	701	978
Total Non-Financial Liabilities	**483**	**701**	**1,184**
Total Liabilities	**267,311**	**916,268**	**1,183,579**
EQUITY			
Equity Share Capital	-	5,388	5,388
Other Equity	-	120,921	120,921
Total Equity	**-**	**126,309**	**126,309**
TOTAL LIABILITIES & EQUITY	**267,311**	**1,042,577**	**1,309,888**

Note 34 : Financial Instruments

Note 34.1 : 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.

Notes Forming Part of Financial Statements

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The Debt Equity Ratio of the Company is calculated as below:

₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Debt securities (a)	124,419	74,753
Borrowings (other than debt securities) (b)	996,556	1,100,341
Total Debt (c=a+b)	1,120,975	1,175,094
Cash and Cash Equivalents (d)	8,676	11,063
Net Debt (e=c-d)	1,112,299	1,164,031
Total Equity (f)	**135,782**	**126,309**
Net Debt to Equity Ratio (in times) (g=e/f)	**8.19**	**9.22**

Note 34.2 : Financial Instruments by Category

₹ 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**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

Particulars	As At March 31, 2020		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
Cash and Cash Equivalents	-	-	11,063
Bank Balance other than Cash and Cash Equivalent	-	-	388
Receivables			
(i) Trade Receivables	-	-	-
Loans	-	-	1,282,197
Investments	-	1,358	-
Other Financial Assets	-	-	406
Total Financial Assets	**-**	**1,358**	**1,294,054**
Financial Liabilities			
Lease Liabilities	-	-	1,735
Trade Payable	-	-	1,715
Debt securities	-	-	74,753
Borrowings (other than debt securities)	-	-	1,100,341
Other Financial Liabilities	-	-	3,851
Total Financial Liabilities	**-**	**-**	**1,182,395**

Note 34.3 : 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.

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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, 2021		
	Level 1	Level 2	Level 3
Financial Assets			
Investments	-	-	**1,425**

₹ in Lakh

Particulars	As At March 31, 2020		
	Level 1	Level 2	Level 3
Financial Assets			
Investments	-	-	**1,358**

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.

Note 35 : Financial Instruments

Note 35 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.

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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 35.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 35.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.

72% (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 35.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

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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 31,2021	As At March 31,2020
Stage 1	1,131,898	1,196,898
Stage 2	64,475	50,525
Stage 3	98,424	71,594
Total	**1,294,797**	**1,319,017**

For reconciliations from opening to closing balance of loans 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.

Carrying Value of financials assets wherein impairment loss allowance is measured at simplified approach :

₹ in Lakh

Particulars	As At March 31,2021	As At March 31,2020
Cash and Cash Equivalents	8,676	11,063
Bank balance other than cash and cash equivalent	387	388
Trade Receivables	33	-
Other Financial Assets	277	406

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Reconciliations of Expected Credit loss allowance on financials assets wherein impairment loss allowance is measured at simplified approach :

₹ in Lakh

Particulars	As At March 31,2021	As At March 31,2020
Opening balance	28	-
Arising during the year	12	28
Utilised	-	-
Closing balance	40	28

Note 35.A.1 (III) Contractual amount outstanding on financial assets that were written off during the reporting year

₹ in Lakh

Particulars	As At March 31,2021	As At March 31,2020
Write off	6,553	6,459

Note 35.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 ₹ 20,971 Lakh (Previous Year ₹ 24,726 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 Financial Statements

for the year ended March 31, 2021

Note 35.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, 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**

₹ in Lakh

Contractual maturities of financial liabilities As at March 31, 2020	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)	117	113	221	828	524	319	**2,122**
Trade Payable	1,715	-	-	-	-	-	**1,715**
Debt securities	74,753	-	-	-	-	-	**74,753**
Borrowings (other than debt securities)	9,494	88,057	88,626	445,669	295,630	172,865	**1,100,341**
Other financial liabilities	3,851	-	-	-	-	-	**3,851**

Note:

(a) Contractual maturities of lease liabilities are on undiscounted basis.

Note 35.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.

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Note 35.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 Company are as follows: ₹ in Lakh

Particulars	As At March 31, 2021	As At March 31, 2020
Floating Rate Borrowings	938,640	1,031,090
Fixed Rate Borrowings	57,916	69,251
Fixed Rate debt securities	124,419	74,753
Total Borrowings (including debt securities)	**1,120,975**	**1,175,094**

(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, 2021	For the year ended March 31, 2020
Interest rates – increase by 10 basis points (10 bps)	(939)	(1,031)
Interest rates – decrease by 10 basis points (10 bps)	939	1,031

Note 35.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, 2021	As At March 31, 2020
Market Value of equity investment	1,420	1,358

(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, 2021	For the year ended March 31, 2020
increase by 10 basis points (10 bps)	1	1
decrease by 10 basis points (10 bps)	(1)	(1)

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Note 35.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 36 : 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, 2021	For the year ended March 31, 2020
a)	Managing Director & Chief Executive Officer (MD & CEO)	Smt. Neera Saxena (Upto 31-03-2021)	Smt. Neera Saxena
b)	Chief Financial Officer (CFO)	Smt. Radhika B. Iyer	Shri. S. Sridharan (Upto 31-12-2019)
			Smt. Radhika B. Iyer (From 11-02-2020)
c)	Company Secretary (CS)	Smt. Nutan Singh	Shri. S. Sridharan (Upto 31-12-2019)
			Smt. Nutan Singh (From 11-02-2020)

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for the year ended March 31, 2021

C. Directors (Executive or Otherwise)

Sr no	Directors (Executive or Otherwise)		Remarks
a)	Shri. Devesh Srivastava	Non-executive Chairman	From 01-01-2020
b)	Smt. Alice G Vaidyan	Non-executive Chairperson	Upto 13-08-2019
c)	Shri. Girish Radhakrishnan	Non-executive Director	-
d)	Smt. Tajinder Mukherjee	Non-executive Director	-
e)	Shri. Atul Sahai	Non-executive Director	-
f)	Smt. Suchita Gupta	Non-executive Director	From 12-02-2020
g)	Shri. N S R Chandra Prasad	Independent Director	-
h)	Shri. A K Saxena	Independent Director	From 01-11-2019
i)	Smt. Vijayalakshmi R. Iyer	Independent Director	From 01-11-2019
j)	Shri. G. Srinivasan	Independent Director	From 19-12-2019
k)	Shri.Prafulla Chhajed	Independent Director	From 12-03-2021
l)	Smt.Rani Singh nair	Independent Director	From 12-03-2021
m)	Smt. S.N. Rajeswari	Non-executive Director	From 12-09-2020 Upto 02-03-2021
n)	Shri. V.Ramasamy	Independent Director	Upto 18-12-2020
o)	Shri. Kamlesh Shivji Vikamsey	Independent Director	Upto 18-12-2020
p)	Smt. Mona Mukund Bhide	Independent Director	Upto 18-12-2020
q)	Shri. A.V.Girija Kumar	Non-executive Director	Upto 31-05-2020
r)	Smt. S. Muralidharan	Non-executive Director	Upto 02-12-2019
s)	Shri. B. Chakrabarti	Independent Director	Upto 19-09-2019
t)	Shri. M.K. Garg	Independent Director	Upto 19-09-2019
u)	Shri. A.V. Muralidharan	Independent Director	Upto 19-09-2019

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, 2021	For the year ended March 31, 2020
Investment in equity shares	5	-

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

B. Managing Director & CEO ₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Smt. Neera Saxena	Smt. Neera Saxena
Managerial Remuneration		
Short Term Employee Benefits	43	40
Post-Employment Benefits*	-	-
Total	**43**	**40**

C. Chief Financial Officer and Company Secretary ₹ in Lakh

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020			
	Smt. Radhika B. Iyer	Smt. Nutan Singh	Total	Shri. S. Sridharan	Smt. Radhika B. Iyer	Smt. Nutan Singh	Total
Managerial Remuneration							
Short Term Employee Benefits	26	15	41	26	4	2	32
Post-Employment Benefits*	-	-	-	-	-	-	-
Total	**26**	**15**	**41**	**26**	**4**	**2**	**32**

*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.

D. Sitting Fees paid ₹ in Lakh

Name of the Directors	For the year ended March 31, 2021	For the year ended March 31, 2020
Shri. V. Ramasamy	2.10	4.20
Shri. Kamlesh S. Vikamsey	3.30	6.00
Smt. Mona Bhide	1.80	3.60
Shri. B. Chakrabarti	1.20	4.50
Shri. A. V. Muralidharan	1.20	5.70
Shri. M. K. Garg	1.20	5.40
Shri. NSR Chandra Prasad	4.50	3.30
Smt. Vijayalakshmi Iyer	2.40	1.20
Shri A K Saxena	3.30	0.60
Shri G. Srinivasan	4.20	0.90
Shri Prafulla Chhajed	0.30	-
Smt. Rani Singh Nair	0.30	-
Total	**25.80**	**35.40**

Notes Forming Part of Financial Statements

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E. Loan Granted ₹ in Lakh

Name of the Directors	For the year ended March 31, 2021	For the year ended March 31, 2020
Shri. Atul Sahai	-	53

F. Professional Fee Paid ₹ in Lakh

Name of the Enterprise	For the year ended March 31, 2021	For the year ended March 31, 2020
Dave & Girish & Co.	2	4

G. Interest Income ₹ in Lakh

Name of the Directors and KMP	For the year ended March 31, 2021	For the year ended March 31, 2020
Shri. Devesh Srivastava	-	-
Shri. Atul Sahai	4	1
Smt. Suchita Gupta	8	1
Shri. S. Sridharan	-	1
Smt. Radhika B. Iyer	-	-
Smt. Nutan Singh	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 31,2021	As At March 31,2020
GICHFL Financial Services Private Limited	1	-

B. Outstanding Amount of Loan taken from the Company ₹ in Lakh

Name of the Directors and KMP	As At March 31,2021	As At March 31,2020
Shri. Devesh Srivastava	-	8
Shri. Atul Sahai	49	52
Smt. Suchita Gupta	50	102
Shri. S. Sridharan	-	14
Smt. Radhika B. Iyer	1	3
Smt. Nutan Singh	13	32

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 37 : 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 ₹ 30 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 ₹ 281 Lakh (Previous year ₹ 270 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.

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2021

A. Change in Projected Benefit Obligation

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Present Value of Benefit Obligation as at beginning of the period	1,210	963
Interest Cost	82	74
Current Service Cost	115	83
(Benefit Paid From the Fund)	(32)	(27)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(2)	90
Actuarial (Gains)/Losses on Obligations - Due to Experience	53	27
Present Value of Defined Benefit Obligation as at the end of the year	**1,426**	**1,210**

B. Fair Value of Plan Assets

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair Value of Plan Assets at the beginning of the period	823	692
Interest income	64	60
Contributions by the employer	183	97
(Benefit paid from the fund)	(32)	(26)
Return on plan assets, excluding interest income	(22)	-
Fair Value of Plan Assets at the end of the period	**1,016**	**823**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

C. Amount recognised in the Balance Sheet

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(Present Value of Benefit Obligation at the end of the Period)	(1,426)	(1,210)
Fair Value of Plan Assets at the end of the Period	1,016	823
Funded Status (Surplus/ (Deficit))	(410)	(387)
Net (Liability)/Asset Recognized in the Balance Sheet	**(410)**	**(387)**

D. Net interest cost for current year

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Present Value of Benefit Obligation at the Beginning of the Period	1,210	963
(Fair Value of Plan Assets at the Beginning of the Period)	(823)	(692)
Net Liability/(Asset) at the Beginning	387	271
Interest Cost	83	74
(Interest Income)	(64)	(60)
Net Interest Cost for Current Period	19	14

E. Expenses recognised in Statement of Profit and Loss

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	115	83
Net Interest Cost	19	14
Expenses Recognized	**134**	**97**

F. Expenses Recognized in the Other Comprehensive Income (OCI) for current year

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (Gains)/Losses on Obligation For the Period	50	117
Return on Plan Assets, Excluding Interest Income	22	-
Net (Income)/Expense For the Period Recognized in OCI	**72**	**117**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

G. Total amount recognized in Other Comprehensive Income consists of:

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Remeasurement (Gains)/Losses	72	117

H. Principal actuarial assumptions used:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Expected Return on Plan Assets	6.85%	6.83%
Rate of Discounting	6.85%	6.83%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	5.60%	5.60%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

I. Balance Sheet Reconciliation

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Net Liability	387	271
Expenses Recognized in Statement of Profit or Loss	134	97
Expenses Recognized in OCI	72	117
(Employer's Contribution)	(183)	(98)
Net Liability/(Asset) Recognized in the Balance Sheet	**410**	**387**

J. 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, 2021	For the year ended March 31, 2020
1st Following Year	147	67
2nd Following Year	79	87
3rd Following Year	114	87
4th Following Year	123	101
5th Following Year	102	108
Sum of Years 6 To 10	538	459
Sum of Years 11 and above	1,980	1,791

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

K. Sensitivity Analysis

₹ in Lakh

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended March 31, 2021	For the year ended March 31, 2020
Projected Benefit Obligation on Current Assumptions	1,426	1,210
Delta Effect of +1% Change in Rate of Discounting	(115)	(103)
Delta Effect of -1% Change in Rate of Discounting	135	121
Delta Effect of +1% Change in Rate of Salary Increase	58	56
Delta Effect of -1% Change in Rate of Salary Increase	(62)	(59)
Delta Effect of +1% Change in Rate of Employee Turnover	3	(0)
Delta Effect of -1% Change in Rate of Employee Turnover	(4)	(0)

(ii) Leave Encashment

An amount of ₹ 220 Lakh (Previous year ₹ 293 Lakh) has been charged to Statement of Profit and Loss for this benefit scheme during the year.

A. Change in Projected Benefit Obligation

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Present Value of Benefit Obligation as at beginning of the period	591	397
Interest Cost	40	30
Current Service Cost	57	41
(Benefit Paid Directly by the Employer)	(109)	(99)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(1)	30
Actuarial (Gains)/Losses on Obligations - Due to Experience	124	192
Present Value of Defined Benefit Obligation as at the end of the year	**702**	**591**

B. Amount recognised in the Balance Sheet

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Present Value of Benefit Obligation at the end of the Period	(702)	(591)
Fair Value of Plan Assets at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	**(702)**	**(591)**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

C. Expenses recognised in Statement of Profit and Loss

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	56	41
Net Interest Cost	40	30
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss to be recognised	124	222
Expenses Recognized	**220**	**293**

D. Balance Sheet Reconciliation

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Net Liability	591	397
Expenses Recognized in Statement of Profit or Loss	220	293
(Benefit Paid Directly by the Employer)	(109)	(99)
Net Liability/(Asset) Recognized in the Balance Sheet	**702**	**591**

Principal actuarial assumptions used:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rate of Discounting	6.85%	6.83%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	5.60%	5.60%

Note 38 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 ₹ 765 lakh (Previous year - ₹ 1,283 lakh)

ii) As at the balance sheet date there were undrawn credit commitments of ₹ 13,720 lakh (Previous Year ₹ 19,732 lakh) representing the loan amounts sanctioned but not disbursed.

iii) Other Commitments on account contractual commitments apart from capital commitments is ₹ Nil (Previous year ₹ 880 lakh)

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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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 39 Proposed Dividend

₹ in Lakh

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Dividends not recognised at the end of reporting period		
The Board of Directors, have recommended final dividend of ₹ 4/- per equity share for March 31, 2021 (₹ 2/- for March 31, 2020). This dividend will be paid after the approval of the members at the AGM.	2,154	1077

Note 40 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.

Note 41 Earnings Per Share:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to Equity Shareholders (₹ in lakh)	10,557	4,561
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)	19.60	8.47

Note 42 Impact of COVID 19

The Covid-19 pandemic has impacted most economies and banking systems globally, including India. The nation-wide lockdown in April-May 2020 substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy. These developments resulted in regulatory measures like moratorium on payment of dues and standstill in asset classification to mitigate the economic consequences on borrow etc. It also resulted in increase in provisioning reflecting higher actual and expected additions to non-performing loans following the cessation of moratorium and asset classification standstill. The current second wave of Covid-19 pandemic, where the number of new cases has increased significantly in India, has resulted in re-imposition of localised/regional lockdown measures in various parts of the country. The impact of the second wave on the Company's results remains uncertain and dependent on future developments, which are often outside of the Company's control and accordingly, actuals may differ from the estimates used in the preparation of the financial statements on the reporting date.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

The impact, including credit quality and provision, of the Covid-19 pandemic, on company, is uncertain and will depend on the spread of Covid-19, the effectiveness of current and future steps taken by the governments and central bank to mitigate the economic impact, steps taken by the company and the time it takes for economic activities to return to pre-pandemic levels. The Companies capital and liquidity position is strong.

Note 43 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	As At March 31, 2020
i)	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the above circular.	549,875^	463,191
ii)	Respective amount where asset classification benefits is extended.*	-	9,451
iii)	Provisions made in terms of paragraph 5 of the above circular.**	-	500
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.**	-	473

^ 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 Financial Statements

for the year ended March 31, 2021

Note 44 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.

₹ 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 -1	Stage 3	34,025	19,018	15,007	8,506	10,512
Doubtful -2	Stage 3	11,010	2,338	8,672	4,404	(2,066)
Doubtful -3	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 into Stage 1, 2 & 3 is as per ECL Matrix of the Company.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 45 Disclosure in accordance with RBI Circular No. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 in relation to the Resolution Framework for COVID-19 related stress:

₹ in Lakh except number of accounts

Type of Borrowers	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan^
Personal Loans	347	6,098	-	-	763
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**347**	**6,098**	**-**	**-**	**763**

^ Provision as per IRAC norms

Note 46 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 31 cases (Previous Year 66 cases) of frauds reported during the year where amount involved was ₹ 1,273 Lakh (Previous Year ₹ 1,655 Lakh).

Note 47 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 48 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"). The comparative previous year figures, wherever applicable, have been presented on the basis of erstwhile IGAAP and hence may not be comparable.

Note 48.1. 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	Current Year	% of Total Deposits	% of Total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	23	1,120,975	-	99.35%

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

II Top 20 large deposits (amount in ₹ Lakh and % of total deposits) ₹ in Lakh

Sr. No.	Name	Current Year	% of Total Deposits
1	Total of top 20 large deposits	-	-

III Top 10 borrowings (amount in ₹ Lakh and % of total borrowings) ₹ in Lakh

Sr. No.	Name	Current Year	% of Total Borrowings
1	Total of top 10 borrowings	840,295	74.96%

IV Funding Concentration based on significant instrument/product ₹ in Lakh

Sr. No.	Name of the instrument/product	Current Year	% of Total Liabilities
1	Debt Securities	124,419	11.03%
2	Borrowings (other than debt securities)	996,556	88.32%
3	Deposits	-	0.00%
4	Subordinated liabilities	-	0.00%
	Total	1,120,975	99.35%
	Funding Concentration pertaining to insignificant instruments/ products	-	0.00%
	Total borrowings under all instruments/products	1,120,975	99.35%

V Stock Ratios :

Sr. No.	Particulars	Total liabilities	Total assets
a)	Commercial papers	6.62%	5.91%
b)	Non-convertible debentures (original maturity of less than one year)	0.00%	0.00%
c)	Other short-term liabilities	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.

Note 48.2. Disclosure on Principal business criteria

Sr. No.	Particulars	As At March 31, 2021
a)	Total Housing Loans (%)	86.81%
b)	Individual Housing Loans (%)	86.78%

Note: % total assets netted of intangible assets.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 49 Other Disclosures as per the Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021

Note 49.1 Disclosures:

I Capital to Risk Assets Ratio (CRAR):

Sr. No.	Particulars	As At March 31, 2021	As At March 31, 2020
i)	CRAR (%)	19.53	17.11
ii)	CRAR - Tier I capital (%)	18.32	17.11
iii)	CRAR - Tier II Capital (%)	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, 2021	For the year ended March 31, 2020
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	47,293	44,168
	Total (a + b)	**47,749**	**44,624**
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	4,570	3,125
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	51,863	47,293
	Total (a + b)	**52,319**	**47,749**

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

III Investments:

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Value of Investments			
i)	Gross Value of Investments		
	a) In India	1,425	2,519
	b) Outside India	-	-
ii)	Provisions for Depreciation		
	a) In India	-	851
	b) Outside India	-	-
iii)	Net Value of Investments		
	a) In India	1,425	1,668
	b) Outside India	-	-

Movement of Provisions held towards depreciation on investments

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Value of Investments			
i)	Opening balance	-	979
ii)	Add: Provisions made during the year	-	-
iii)	Less: Write-off/Written-back of excess provisions during the year	-	128
iv)	Closing Balance	-	851

IV Derivatives:

a Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i)	The notional principal of swap agreements	Nil	Nil
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		
iv)	Concentration of credit risk arising from the swaps		
v)	The fair value of the swap book		

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

b Exchange Traded Interest Rate (IR) Derivative

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
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, 2021		For the year ended March 31, 2020	
		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 Financial Statements

for the year ended March 31, 2021

V Securitisation:

a Securitisation transactions under SPV Structure sponsored by HFC

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i)	No of SPVs sponsored by the HFC for securitisation transactions	Nil	Nil
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		
	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, 2021	For the year ended March 31, 2020
i)	No. of accounts	Nil	Nil
ii)	Aggregate value (net of provisions) of accounts sold to SC / RC		
iii)	Aggregate consideration		
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, 2021	For the year ended March 31, 2020
i)	No. of accounts	Nil	Nil
ii)	Aggregate value (net of provisions) of accounts assigned		
iii)	Aggregate consideration		
iv)	Additional consideration realized in respect of accounts transferred in earlier years		
v)	Aggregate gain / loss over net book value		

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

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, 2021	For the year ended March 31, 2020
i)	a. No. of accounts purchased during the year	Nil	Nil
	b. Aggregate outstanding		
ii)	a. Of these, number of accounts restructured during the year		
	b. Aggregate outstanding		

B Details of non-performing financial assets purchased

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i)	No. of accounts sold	Nil	Nil
ii)	Aggregate outstanding		
iii)	Aggregate consideration received		

VI Assets Liability Management

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	-	-	911,619	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. Stage 3 provision under ECL)/ Provision for Depreciation.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Maturity pattern of certain items of assets and liabilities as at March 31, 2020

₹ 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	20,000	-	-	-	-
15 days to 30/31 days	-	-	34,753	-	4,924	-	-
Over one month to 2 months	-	-	20,000	-	4,946	-	-
Over 2 months to 3 months	-	6,994	-	-	4,967	-	-
Over 3 months to 6 months	-	88,057	-	-	15,032	-	-
Over 6 months to 1 year	-	88,626	-	-	30,684	-	-
Over 1 year to 3 years	-	445,669	-	-	129,849	-	-
Over 3 years to 5 years	-	295,630	-	-	143,069	-	-
Over 5 years	-	172,868	-	-	951,417	1,668	-
Total	**-**	**1,100,344**	**74,753**	**-**	**1,284,888**	**1,668**	**-**

** Advances and Investments are shown net of Non-performing Asset Provision/ Provision for Depreciation.

VII Exposure

a Exposure to Real Estate Market

₹ in Lakh

Sr. No.	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
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;	1,294,569	1,356,218
	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;	228	273
	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	**1,294,797**	**1,356,491**

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.

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

b Exposure to Capital Market

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
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;	1,425	1,668
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	**1,425**	**1,668**

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.

f Exposure to group companies engaged in real estate business

Sr. No.	Particulars	As At March 31, 2021	As At March 31, 2020
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	-	-

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 49.2 Miscellaneous:

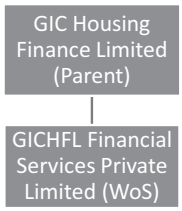
I Details of registration obtained from other financial sector regulators: The Company was incorporated under the Companies Act, 1956 on December 12, 1989 and is governed by Companies Act, 2013. It is regulated by NHB and registered under section 29A of the NHB Act, 1987. Company obtained registration (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:

The company had received show cause notice from National Housing Bank (NHB) in connection with Delay in submission of half yearly return and monthly returns. Based on inspection and reply submitted by Company, NHB has directed the company to pay a penalty of ₹ 16,000/- (plus GST) which has been paid by the company.

III Related Party Transactions: Related party transaction details have been disclosed under Note 36.

IV Group Structure as on 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, 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.

a Ratings Assigned by Credit Rating Agencies as at March 31, 2020

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 2019-20

Instrument	Name of the Rating Agency	Rating in 2019-2020	Rating in 2018-2019
Long Term Bank Lines	ICRA Limited	[ICRA]AA+/ Negative	[ICRA]AA+/Stable
Non-Convertible Debentures	ICRA Limited	[ICRA]AA+/ Negative	[ICRA]AA+/Stable

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

VI Remuneration of Directors: Remuneration of directors details have been disclosed under Note 36.

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 ₹ 14 Lakh) 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 Note 7.1

Note 49.3 Additional Disclosures:

I Provisions and Contingencies

a Break up of 'Provisions and Contingencies

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i)	Provisions for Depreciation on Investments	-	(128)
ii)	Provision made towards Income tax	5,175	3,800
iii)	Provision towards NPA	19,453	3,345
iv)	Provision for Standard Assets (With details like teaser loan, CRE, RE-RH etc.)	(9,093)	137
v)	Others	556	392
	Provision for employee benefits	134	392
	Unspent amount of CSR	422	-

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

b Break up of Loans and Advances and Provisions thereon

₹ in Lakh

Sr. No	Particulars	Housing		Non Housing	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Standard Asset					
a)	(i) Total outstanding Amount	1,045,596	1,091,838	137,124	154,326
	(ii) Accrued Interest	-	1,950	-	817
b)	Provisions made	7,514	3,912	1,821	1,584
Sub - Standard Asset					
a)	Total outstanding Amount	34,846	38,942	12,128	7,917
b)	Provisions made	8,352	5,926	2,234	1,205
Doubtful Assets- I					
a)	Total outstanding Amount	28,790	7,031	5,235	1,670
b)	Provisions made	17,838	7,031	1,182	1,670
Doubtful Asset - II					
a)	Total outstanding Amount	8,332	7,823	2,678	2,712
b)	Provisions made	1,837	7,823	499	2,712
Doubtful Asset - III					
a)	Total outstanding Amount	543	2,245	37	538
b)	Provisions made	127	2,245	8	538
Loss Assets					
a)	Total outstanding Amount	5,638	2,124	130	50
b)	Provisions made	5,638	2,124	130	50
Total					
a)	**(i) Total outstanding Amount**	**1,123,745**	**1,150,003**	**157,332**	**167,213**
	(ii) Accrued Interest	**-**	**1,950**	**-**	**817**
b)	**Provisions made**	**41,306**	**29,061**	**5,874**	**7,759**

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 current Financial Year 2020-21.

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, 2021	As at March 31, 2020
i)	Total Deposits of twenty largest depositors	Nil	Nil
ii)	Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC		

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

b Concentration of Loans & Advances:

₹ in Lakh

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
i)	Total Loans & Advances to twenty largest borrowers	3744	3,646
ii)	Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC.	0.29%	0.28%

c Concentration of all Exposure (including off-balance sheet exposure):

₹ in Lakh

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
i)	Total Exposure to twenty largest borrowers	3,765	3,835
ii)	Percentage of Exposure to twenty largest borrowers/customers to Total Exposure of the HFC on borrower/ customers	0.29%	0.28%

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, 2021	As at March 31, 2020
i)	Total Exposure to top ten NPA accounts	1,684	1,412

e Sector-wise NPAs:

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2021	As at March 31, 2020
i)	**Housing Loans**		
a	Individuals	6.85%	5.03%
b	Builders/Project Loans	-	-
c	Corporates	0.03%	0.03%
d	Others (specify)	-	-
ii)	**Non - Housing Loans**		
a	Individuals (Mortgage/Commercial)	12.81%	7.71%
b	Builders/Project Loans	-	-
c	Corporates	-	-
d	Others (specify)	-	-

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

IV Movement of NPAs:

₹ in Lakh

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
i)	**Net NPAs to Net Advances (%)**	4.86%	3.10%
ii)	**Movement of NPAs (Gross)**		
	a) Opening balance**	71,594	35,357
	b) Additions during the year	45,486	65,410
	c) Reductions during the year	(18,656)	(29,714)
	d) Closing balance	98,424	71,053
iii)	**Movement of Net NPAs**		
	a) Opening balance**	53,202	7,378
	b) Additions during the year	19,393	52,369
	c) Reductions during the year	(12,016)	(20,018)
	d) Closing balance	60,579	39,729
iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	a) Opening balance**	18,392	27,979
	b) Provisions made during the year	26,093	13,041
	c) Write-off/write-back of excess provisions	(6,640)	(9,696)
	d) Closing balance	37,845	31,324

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 for the current year 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/2021-22/17 DOR.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 for the year ended March 31, 2021.

V Overseas Assets

₹ in Lakh

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
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, 2021	For the year ended March 31, 2020
i)	Off-balance Sheet SPVs sponsored	Nil	Nil

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

Note 49.4 Disclosures of Complaints:

I Details on Customer Complaints

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i)	No. of complaints pending at the beginning of the year	35	13
ii)	No. of complaints received during the year	91	140
iii)	No. of complaints redressed during the year	120	118
iv)	No. of complaints pending at the end of the year (iv = i+ii-iii)	6	35

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.

Note 49.5 The Company has not given any Loan & Advances against the collateral security of gold jewellery.

Note 50 Annex III Schedule to the Balance Sheet

₹ 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	-	-

Notes Forming Part of Financial Statements

for the year ended March 31, 2021

₹ in Lakh

	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	-

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 Financial Statements

for the year ended March 31, 2021

(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	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 51 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

Place : Mumbai
Date : June 28, 2021

For and on behalf of the Board of Director

Devesh Srivastava
Chairman
DIN: 08646006

G. Shobha Reddy
Managing Director & CEO
DIN: 09133433

B. Radhika
AVP & Chief Financial Officer

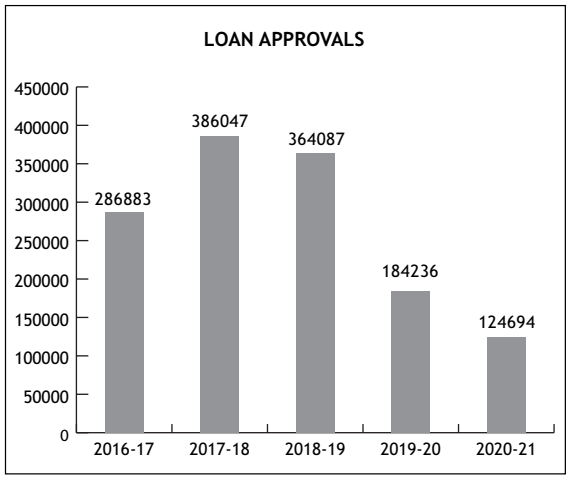
Nutan Singh
Company Secretary
ACS No. : 27436
Date : June 28, 2021

FINANCIAL ANALYSIS AND PERFORMANCE MEASURES
Achievements in 2020-21

Loan approvals during the year

During the year, the Company Sanctioned ₹ 1,24,694 Lakh under "Apna Ghar Yojana" (Loan to individuals)

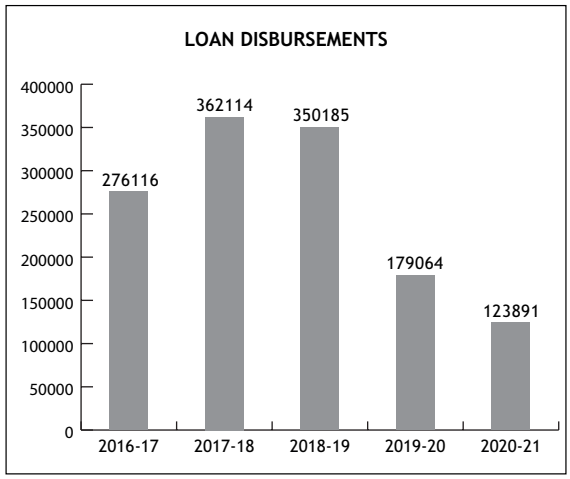
(₹ in Lakh)



Loan disbursements during the year

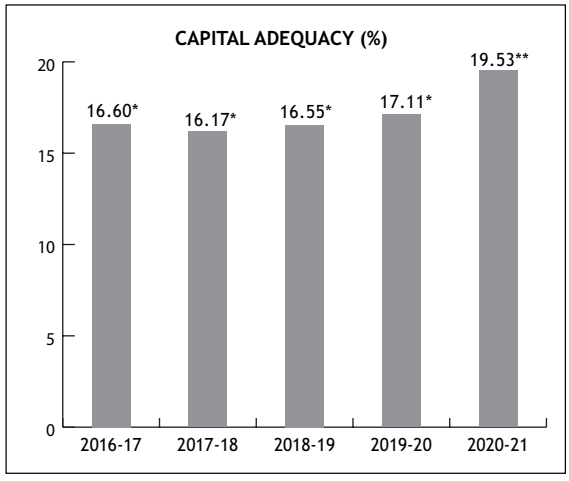
During the year, the Company disbursed ₹ 1,23,891 Lakh under "Apna Ghar Yojana" (Loan to individuals)

(₹ in Lakh)



Capital Adequacy

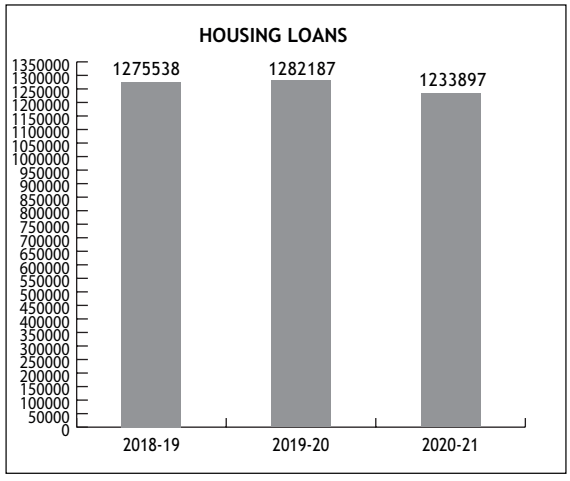
(* as per IGAAP ** as per IND AS)



Housing Loans

(as per IND AS)

(₹ in Lakh)

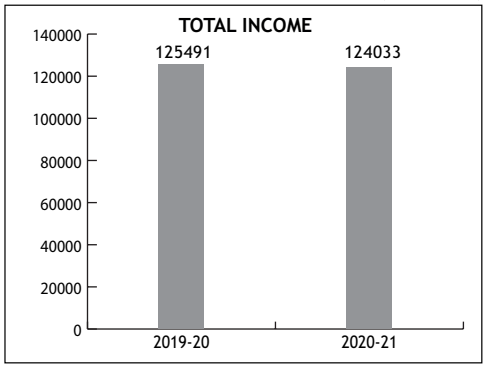


Comparative Statement

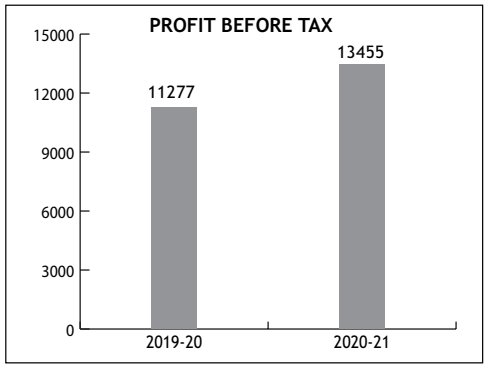
(₹ in Lakh)

Particulars	31.03.2021	31.03.2020
Total Income	1,24,033	1,25,491
Profit Before Tax	13,455	11,277
Profit After Tax	10,557	4,561
Earning per Share (₹)	19.60	8.47
Dividend (%)	40	20
Book Value per Share (₹)	252.14	234.55

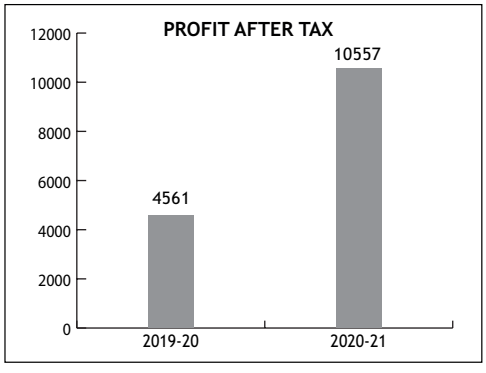
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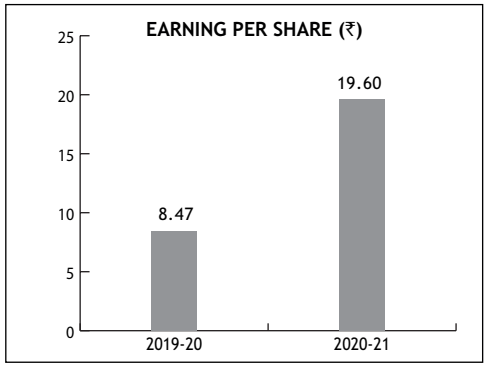


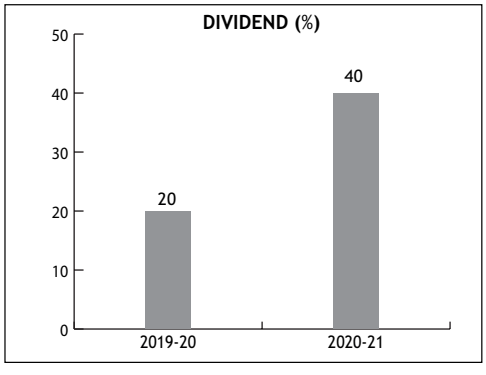
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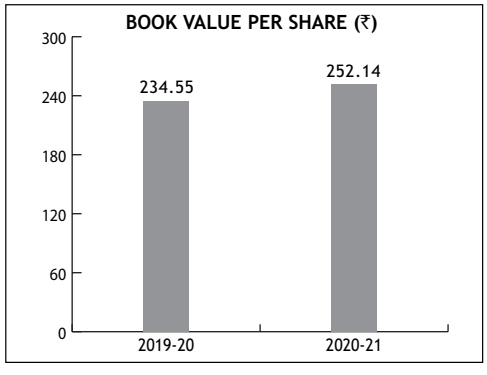


(₹ in Lakh)









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