

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

Date: 10-08-2021

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

Dear Sir,

Subject: Notice of 22nd Annual General Meeting (AGM) and Annual Report 2020-21

We wish to inform you that the 22nd AGM of the Company will be held on Friday, September 3, 2021 at 12:15 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). In this regard, please find attached Notice of the 22nd AGM and Annual Report of the Company for the Financial Year 2020-21.

We would like to inform you that the said documents are also uploaded on the website of the Company at www.srghousing.com.

Brief details of the 22nd AGM of the Company are as below:

Date and Time of AGM	Friday, September 3, 2021 at 12:15 P.M.
Mode	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Participants through Video Conference /Live Webcast of AGM	www.evoting.nsdl.com
Cut-off Date for e-Voting	27-08-2021
E-voting start date and time	31-08-2021, 09:00 A.M.
E-voting end date and time	02-09-2021, 05:00 P.M.
E-voting website	www.evoting.nsdl.com

Further this is to inform you pursuant to the provisions of section 91 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer books of the Company shall remain closed from Friday 27th August, 2021 to Friday, 3rd September 2021 (both days inclusive) for the purpose of 22nd Annual General Meeting of the company.

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

Thanking You,

With Regards,

For SRG Housing Finance Limited

Sunaina Nagar
Company Secretary
M.No: A40754



SRG HOUSING FINANCE LIMITED

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

NOTICE

22ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** of the Members of SRG HOUSING FINANCE LIMITED will be held on Friday, 3rd Day of September, 2021 at 12:15 P.M. through Video Conference (VC) or Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on March 31, 2021 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Seema Jain (DIN :00248706), Director who retires by rotation in terms of Section 152(6) of The Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and Foreign Exchange Management Act, 1999, including any amendment, modification, variation or re-enactment thereof and subject to the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 or any directions issued by other statutory / regulatory authorities from time to time including any amendment, modification, variation or re-enactment thereof, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof or any other persons to whom powers are delegated by the Board as permitted under the Companies Act, 2013 or Rules thereunder), for onshore/ offshore issuances of Redeemable Non-Convertible Debentures or Secured or Unsecured Redeemable Subordinated Debt-Tier-II NCDs/ bonds, denominated in Indian Rupees and/or any foreign currency for cash, either at par or premium or at a discount to face value upto an amount not exceeding ₹ 250 crore (Rupees Two Hundred Fifty crore only), to augment resources for onward lending and general corporate purpose, under one or more information memorandum/ shelf disclosure document, in one or more tranches on private placement basis during the period commencing from the date of this Annual General Meeting hereof until the conclusion of 23rd Annual General Meeting on such terms and conditions as the Board of Directors may deem fit and appropriate for each series as the case may be.

RESOLVED FURTHER THAT the Board of Directors of the Company are hereby authorised to take decision(s) about the timing of the

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

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

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

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

4. Approval for appointment of Mr. Sureshkumar Kanhaiyalal Porwal (DIN 08966740) as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 and SEBI (Listing Obligations and Disclosure Requirement Regulations) 2015, (including any statutory modification(s) or

re-enactment thereof for the time being in force) and as per the Article of Association of the Company, **Mr. Sureshkumar Kanhaiyalal Porwal (DIN 08966740)** who was appointed as an Additional Director of the Company with effect from December 1, 2020 under Section 161 of the Companies Act, 2013 be and is hereby appointed as an Independent Director for a term of 5 (five) consecutive years commencing from December 1, 2020 upto November 30, 2025 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

5. Approval for Further Issue of Equity Shares

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

“**RESOLVED THAT** pursuant to the provisions of Section 23, 26, 32, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof, for the time being in force, (“Companies Act, 2013”) and the rules and regulations made thereunder, the Securities Contracts (Regulation) Act, 1956, as amended (“SCRA”), and the rules and regulations framed thereunder including the Securities Contracts (Regulation) Rules, 1957 (“SCRR”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), the equity listing agreement, the Foreign Exchange Management Act, 1999, as amended (“FEMA”), and the rules and regulations made thereunder and other applicable laws, rules, regulations, policies or guidelines, including the rules, regulations, guidelines, notifications and circulars, if any, prescribed by the Government of India, Securities and Exchange Board of India (“SEBI”), Stock Exchange, the Reserve Bank of India (“RBI”), National Housing Bank (NHB) and any other relevant statutory and regulatory authorities (collectively, the “Regulatory

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

RESOLVED FURTHER THAT the allotment of Securities, in case of QIP pursuant to Chapter VI of ICDR Regulations, shall be made only to the

QIBs within the meaning prescribed under the said regulations and to be completed within 365 days from the date of passing of this Resolution or such other time as may be permitted under the ICDR Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter V and/or VI of SEBI (ICDR) Regulations, as applicable and as may be amended from time to time, provided that the Board may, in accordance with applicable laws, offer a discount of not more than 5% (five percent) or such percentage as permitted under the applicable laws, with such lock-in requirements and on such price determined in accordance with the pricing formula provided under Chapter V and/or VI of SEBI (ICDR) Regulations, as applicable, as may be amended from time to time.

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

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

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

RESOLVED FURTHER THAT the Equity Shares allotted pursuant to the Issue as aforesaid shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares in all respects, including rights in respect of dividend.

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

offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilisation of the Issue proceeds, seeking listing of such Securities on the stock exchanges, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

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

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

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

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

By order of the Board of Directors

Registered Office:
321, SM Lodha Complex,
Near Shastri Circle,
Udaipur (Rajasthan)-313001
CIN: L65922RJ1999PLC015440
Date: 05-08-2021

Sd/-
Sunaina Nagar
M.No: A40754
Company Secretary

NOTES:

- 1) In view of the continuing restrictions on the movement of persons at several places in the country due to COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 (hereinafter collectively referred to as 'MCA circulars') read with various circulars issued by Securities and Exchange Board of India (SEBI) allowed the companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021. Accordingly the Company would be conducting this meeting through two-way VC and in this connection it has availed the services of National Securities Depository Limited (NSDL) for providing the VC and e-voting facility.
- 2) This is to inform that as physical presence of Members has been dispensed with for attending the Meeting through VC/OAVM Facility, therefore there is no requirement of appointment of proxies. Accordingly the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 22nd AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the 22nd AGM through VC/ OAVM Facility and participate there at and cast their votes through e-voting.
- 3) The attendance of the members participating in the AGM through VC will be recorded digitally. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 4) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company would remain closed from Friday, August 27, 2021 to Friday, September 3, 2021 (both days inclusive) for the purpose of 22nd Annual General Meeting of the Company
- 5) In compliance with the Circulars, Notice of the AGM along with the Annual Report 2020-21 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.srghousing.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.
- 6) We hereby request the Members of the Company to update their e-mail address to enable the Company to send communications electronically.
- 7) All documents referred to in this Notice and other statutory registers like Register of Directors and Key Managerial Personnel and their shareholding (Section 170 of the Act), the Register of Contracts or Arrangements in which the Directors are interested (Section 189 of the Act) etc. maintained, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 3, 2021 Members seeking to inspect such documents can send an email to info@srghousing.com. The said documents would also be available online for inspection during the AGM.
- 8) In terms of the provisions of Section 107 of The Companies Act, 2013, since the resolutions set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on Show of Hands at the 22nd AGM.
- 9) Since the AGM will be held through VC, the Route Map is not annexed in this Notice. The deemed venue is the Registered Office of the Company.
- 10) Additional information, pursuant to SEBI (LODR) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM is furnished in the explanatory statement forming part of this Notice. The directors have furnished consent/declaration for their appointment/re-appointment as required under the provisions of The Companies Act, 2013 and Rules thereto, and as per the RBI Directions.

11) The members desirous of obtaining any information with regard to the audited Annual Financial Statements of the Company for the financial year 2020-21 or on any other related subject are requested to write to the Company at info@srghousing.com at least 15 days before the date fixed for the 22nd AGM, so that the information required could be kept ready.

12) VOTING THROUGH ELECTRONIC MEANS

a) In compliance with the provisions of Regulation 44 of the Listing Regulations, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, MCA circulars and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, the Company is providing a facility to all its Members to enable them to cast their vote on the resolutions listed in this Notice by electronic means i.e. remote e-voting prior to the AGM and also during the AGM (for those Members who have not exercised their votes through remote e-voting).

b) The remote e-voting period commences on August 31, 2021 (09:00 a.m.) and ends on September 2, 2021 (5:00 p.m.). During this period members of the Company, holding shares in dematerialized form, as on the cut-off date Friday August 27, 2021 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

c) Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 22nd AGM by e-mail and holds shares as on the cut-off date i.e. on Friday, August 27, 2021, may obtain the User ID and password by sending a request to e-mail address evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password for casting his/her vote. In the case of forgot password, the same can be reset by using "Forgot User Details/Password?" option available on www.evoting.nsdl.com

d) Institutional (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to shivharijalancs@gmail.com with a copy marked to evoting@nsdl.co.in.

e) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" option available on www.evoting.nsdl.com to reset the password.

f) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990. Members may also write to the Company Secretary at the email address: info@srghousing.com or contact at telephone no. 0294-2561882.

g) SEBI vide circular SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 9, 2020, has enabled e-voting for all the individual demat account holders by way of a single login credential through their demat accounts and/or website of the depositories/depository participants (DP), in an attempt to increase the participation of the shareholders as also improve the efficacy of the voting process.

h) The Members who have cast their votes by remote e- voting prior to the AGM may attend the AGM on VC but shall not be allowed to vote again.

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

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

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

Details on Step 1 are mentioned below:

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

C) YOUR USER ID DETAILS ARE GIVEN BELOW:

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

D) PASSWORD DETAILS FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS ARE GIVEN BELOW:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

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

Details on Step 2 are mentioned below:

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

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

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@srghousing.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
2. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility

The Instructions for Members For E-Voting on the Day of the AGM are as Under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
5. Members are encouraged to join the Meeting through Laptops for better experience.
6. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at info@srghousing.com

Instructions for Members for Attending The AGM Through VC/OAVM are as Under:

1. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1500 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee Auditors, Company Secretary etc. who are allowed to attend the AGM without restriction on account of first come first serve basis
2. Member will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under 'shareholders/members login' by using the remote e-voting credentials like User Id and Password. The link for VC will be available in 'shareholder/members login' where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.
3. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@srghousing.com at least 15 days before the date of AGM. The same will be replied by the company suitably.
4. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

General Information:

1. Unclaimed Dividend: Under the provisions of Section 125 of The Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

Members to further note that as per the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the shares in respect of which the dividend has not been claimed for seven (7) consecutive years will be transferred to the IEPF.

Pursuant to the provisions of erstwhile Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 24, 2020 (i.e. date of last AGM) on the website of the Company (www.srghousing.com) and also filed with the Ministry of Corporate Affairs. Further, as per Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, details of unpaid and unclaimed amounts lying with the Company as on March 31, 2020 was filed with the Ministry of Corporate Affairs.

Members who have not encashed their dividend cheques for the year 2014-15 are requested to approach the Company at the earliest.

For the Attention of The Members:

1. Members are requested to send intimations of any changes in their addresses, applications for transfer of shares and any related correspondence to the Company's share transfer agents Link Intime India Pvt Ltd Address:- C 101, 247 Park, LBS Marg, Vikhroli West Mumbai - 400083 Email Id:- rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in, Tel No:- 022-49186270 Fax: 022-49186060

2. Sending notices and documents to shareholders through email:

As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc. to the email addresses of the shareholders. For this purpose, shareholders holding shares in demat form are requested to register their email IDs with their Depository Participants.

3. PAN: Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic/dematerialised form are, therefore requested to submit their PAN to their Depository Participant(s).

By order of the Board of Directors

Registered Office:
321, SM Lodha Complex,
Near Shastri Circle,
Udaipur (Rajasthan)-313001
CIN: L65922RJ1999PLC015440
Date: 05-08-2021

Sd/-
Sunaina Nagar
M.No: A40754
Company Secretary

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

Name of the Director	Mrs Seema Jain, Non-Executive Director	Mr. Sureshkumar Kanhaiyalal Porwal Independent Director
Director Identification Number	00248706	08966740
PAN	AAWPJ9012H	ACYPP1121D
Date of Birth, Age	18/09/1975, 45 years	10-05-1960 , 60 years
Date of Appointment	10/03/1999	Mr. Suresh K Porwal has been associated with the Company as an Additional Director-Independent since December 1, 2020.
Brief resume of the Director including Qualification, nature of expertise in specific functional areas	Around 21 Years in Finance Business	Mr. Sureshkumar Kanhaiyalal Porwal, is Chartered Accountant by profession. In May, 2020 he retired from State Bank of India, as a Chief Manager. He has more than 33 years of Banking experience. He also serves as a Partner in SCJ Associates, Chartered Accountant Firm. He has a wide experience in the areas of Risk Management and has handled multiple functions at SBI.
No. of shares held in the Company	5,43,751	0
Directorships and Committee memberships held in other companies	<p>Directorship:</p> <ol style="list-style-type: none"> S R G Securities Finance Limited SRG Insurance Brokers Pvt. Ltd. SRG Global Builders Pvt. Ltd. <p>Committee Membership: S R G Securities Finance Limited</p> <ol style="list-style-type: none"> Stakeholder's Relationship Committee: Member 	<p>Directorship:</p> <ol style="list-style-type: none"> SRG Housing Finance Limited
Inter-se relationships between Directors, Manager and KMPs	Wife of Mr. Vinod Kumar Jain, Managing Director	-
Nationality	Indian	Indian
No. of Board Meetings held during the year	10	10 (But he is entitled to attend only 2 Board Meetings)
No. of Board meetings attended during the year.	8	2
Terms & Conditions of appointment	Re- appointment of Mrs. Seema Jain as Non- Executive Director and shall be liable to retire by rotation.	Copy of the appointment letter, setting out terms and conditions of his appointment is available for inspection as per details mentioned in the accompanying Notice of the Annual General Meeting.
Remuneration sought to be paid	Nil	Nil
Remuneration Last drawn	Nil	Nil

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

Item No: 3

Your Company has been issuing debentures, which may be referred to as one of the option for raising money from time to time, for onward lending business of the Company and general corporate purposes, on terms and conditions as are appropriate and in the best interest of the Company and in due compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), SEBI (Issue and Listing of Debt Securities) Regulation 2008 and Guidelines as issued by Reserve Bank of India, National Housing Bank etc. Accordingly, the Company, subject to the approval of Members, proposes to issue Non convertible Debentures (including bonds, and/or other debt securities as per Section 2(30) of the Act to various person(s) on private placement basis.

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

At the 21st AGM held on September 24, 2020 the Members had approved borrowing by way of Non-Convertible Debentures upto an amount not exceeding of ₹ 200 crore (Rupees Two Hundred crore only), denominated in Indian Rupees and/or in any foreign currency for cash either at par or premium or discount to face value on a Private-Placement basis, subject to the RBI prescribed ceiling of borrowing as stipulated in the RBI direction/ regulation from time to time. As at March 31, 2021, the total borrowings of the Company stood at ₹ 285.78 crore, inclusive of Non-Convertible Debentures of ₹ 65.30 crore.

Since the said special resolution is valid only for one year i.e. till the conclusion of 22nd AGM, accordingly approval of the Members is being sought by way of Special Resolution as set out at item No. 3 for onshore and offshore issuances of Redeemable Non-Convertible Debentures or Secured or Unsecured Redeemable Subordinated Debt -Tier-II NCDs/bonds, denominated in Indian Rupees and/or any foreign currency for cash, either at par or premium or at a discount to face value upto an amount not exceeding ₹ 250 crore (Rupees Two hundred fifty crore only), to augment resources for

onward lending and other activities of the Company, under one or more information memorandum/ shelf disclosure document on a private placement basis during the period from the date of this meeting till the 23rd Annual General Meeting under one or more information memorandum/ shelf disclosure document (if applicable) in one or more series or tranches.

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

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

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

Your Directors recommend the passing of the Special Resolution proposed at item no. 3 of the Notice.

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

Item No: 4

The Board of Directors of the Company on the recommendations of the Nomination & Remuneration Committee have appointed Mr. Sureshkumar Kanhaiyalal Porwal as an Additional Director in the capacity of Independent Director of the Company, not liable to retire by rotation, with effect from December 1, 2020 to hold the office up to the date of ensuing Annual General Meeting (AGM).

Mr. Suresh holds office as an Additional Director till the date of this AGM and is eligible for being appointed as an Independent Director. The Company has received necessary declaration(s) from Mr. Suresh confirming

that he meets the criteria as prescribed under the Act, Directions of Reserve Bank of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations).

Further Mr. Suresh K Porwal is not disqualified from being appointed as a Director under provisions of Section 164 of the Act, nor debarred from holding the office of Director by virtue of any SEBI order, RBI or any other such authority and has given his consent to act as a Director of the Company

Mr. Suresh K Porwal, is Chartered Accountant by profession. In May, 2020 retired from State Bank of India, as a Chief Manager. He has more than 33 years of banking experience. He also serves as a Partner in SCJ Associates, Chartered Accountant Firm. He has a wide experience in the areas of Risk Management and has handled multiple functions at SBI.

In the opinion of the Board, Mr. Suresh fulfils the conditions for his appointment as an Independent Director as specified in the Act and SEBI LODR Regulations and is independent of the Management. Your Board believes that induction of Mr. Suresh on the Board will support in broadening the overall expertise of the Board and will bring wide experience.

As an Independent Director, Mr. Suresh shall be entitled to sitting fee for attending Board/ Committee Meetings.

A copy of the appointment letter, setting out terms and conditions of his appointment is available for inspection as per details mentioned in the accompanying Notice of the Annual General Meeting

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Suresh and his relatives, are concerned or interested, financially or otherwise in this Resolution. The Board recommends the Resolution set out at Item No. 4 for approval of the Members as a Special Resolution.

Item No. 5

At the 21st AGM of the Company held on September 24, 2020 approval of the members of the Company was obtained for authorizing the Board of Directors of the Company for issue of equity shares- by way of public (i.e. Further Public Issue and/or private offerings and/or on preferential allotment to the promoter and/or public or any combination thereof, During 2020-21 the Company continued to deliver a better ROE, and kept CAR as well as leverage ratio at comfortable levels. Hence, the Company did not raise any

capital during 2020-21, though approval was taken from the members.

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

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

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

- **Issue Price:** The price at which the Equity Shares will be allotted through the FPO shall be determined and finalized by the Company in consultation with the book running lead manager in accordance with the SEBI (ICDR) Regulations, 2018 as amended from time to time.
- **The object(s) of the issue are:** The proceeds of the FPO are to be utilized for the purposes that shall be disclosed in the Draft Red Herring Prospectus to be filed with the Stock Exchange(s) in connection with the FPO.
- **Intention of promoters, directors or key managerial personnel to subscribe to the offer:** The Company shall decide about the same in accordance with all applicable laws, rules, regulations (any amendments, modifications thereof) and in consultation with Book running Lead Manager and will be disclosed in Draft Red Herring Prospectus.

- **Change in control, if any, in the company that would occur consequent to the FPO:** No changes in control of the Company or its management is intended or expected pursuant to the FPO, except the change in the shareholding pattern of the Company.

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

As the Issue may result in the issue of Equity Shares of the Company to investors who may or may not be members of the Company, consent

of the members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the SEBI ICDR Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In case of QIP, allotment of securities would be completed within a period of 365 days from the date of passing the resolution set out at agenda no. 5. The securities issued will be listed on one or more stock exchanges in India.

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

The Board of Directors therefore, recommends the passing of the special resolution proposed at Agenda No. 5 of the Notice.

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

अपना घर, अपनी सुरक्षा

एक विश्वसनीय और भरोसेमंद निवेश



Inside The Report



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

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Forward-Looking Statements

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

Owning a home is the embodiment of physical, mental, and financial security. It gives one a sense of comfort and safety especially in the current time when 'stay home' and 'stay safe' is a universal motto. In the past few years, a slew of government initiatives and reforms have translated into a steady growth in housing for all, giving a much-needed boost to home owning dreams of millions of Indians. Despite the adversities in the year gone by, we delivered a stable performance, marching strongly towards enabling housing for all.

With an entrenched presence in rural and semi-urban areas, we empower the underserved sections of the society by catering to their housing finance needs. Our tailor-made products and technology-led solutions and platforms enable us to offer seamless customer experience. With our customer-focused solutions and improved service standards, we strive to be the preferred housing finance partner for home buyers underserved by banking facilities or banking credit. Our strategy continues to be focused towards strengthening our products and services, investing in technology and trading platforms, and providing the best service to our customers.

Apna Ghar. Apni Suraksha.

Ek Vishwasniya aur Bharosemand Nivesh



About Us

Established in 1999, we are a strong retail housing finance company with rich expertise and experience. We primarily cater to the underserved rural and semi-urban populace in central and western India. We are engaged in providing Individual Housing Loans and Loan Against Property and is the first company in Rajasthan to get registered with National Housing Bank (NHB) in the year 2002.

OUR BUSINESS

We leverage our long-standing experience to offer finance to the undocumented and unbanked in the rural and semi-urban areas. We have a widespread presence across four major states in India. With our proficiency and capabilities, we operate in a segment that accounts for ~96% of India's population. Majority of the loans disbursed by us are for single-unit properties.



Our Mission

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

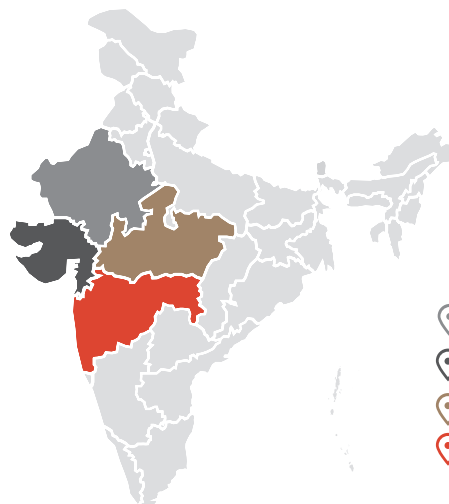






SEGMENTS WE CATER TO

We provide tailor-made home loan solutions to first-time borrowers who aspire to live in their own homes. Our customers encompass the base of India's socioeconomic pyramid – the daily wage employees, local tradesmen, domestic assistants, cooks, garage mechanics, shop-floor workers, tea stall vendors, vegetable vendors, among others. They are mostly self-employed persons that are part of the informal income section, and not assisted by the formal financial system. Mostly running small businesses, these customers live in the rural and semi-urban parts of India and lack access to the mainstream banking and financial services.

OUR NETWORK

Headquartered in Udaipur, Rajasthan, we currently operate through 34 branches across 4 states including Rajasthan, Madhya Pradesh, Gujarat, and Maharashtra.



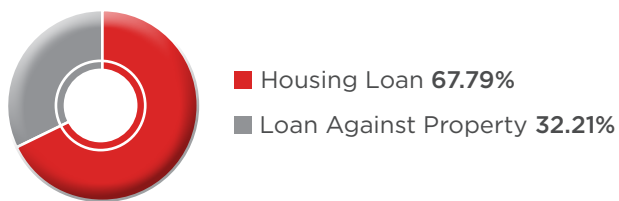
-  Rajasthan 17
-  Gujarat 6
-  Madhya Pradesh 10
-  Maharashtra 1

Map not to scale. For illustrative purposes only.

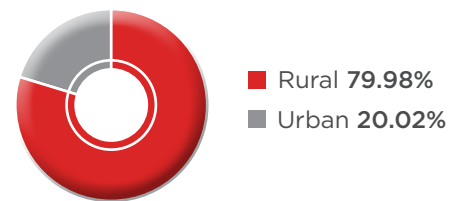


BUSINESS AT A GLANCE

Loan Mix



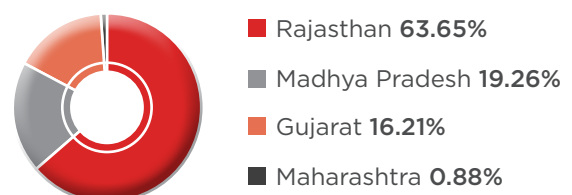
Business Mix



Customer Profile



State-wise



Managing Director's Message



Notably, even in such challenging times, we delivered strong growth compared to the previous year; and we stand resilient and prepared for the unfolding circumstances

Dear Shareholders,

Trust you all are safe and in good health. The COVID-19 pandemic has tested the resilience and adaptability of a wide range of businesses and sectors. We are operating in an unprecedented situation with recurring waves of the pandemic impacting lives around us. The overall business environment remained muted during the year with demand slackening in almost all sectors.

At SRG Housing, we responded proactively to the situation and ensured business continuity with our technology platforms and customer-centric approach. Notably, even in such challenging times, we delivered strong growth compared to the previous year; and we stand resilient and prepared for the unfolding circumstances. Our extraordinary teams worked tirelessly to deliver value to our clients and communities.

Our agility and resilience turned the COVID-19 adversity into an opportunity. As migrant laborers began shifting to their hometowns, we satiated their needs for housing security, particularly in rural and semi-urban areas, to help them avoid residential vulnerability, practice social distancing, and stay at home to fight the virus and bring about a meaningful change in their lives. As consumption in these cities

increases, it will also improve liquidity in the system and increase consumption demand. Our measures are aimed at providing housing security and improving the livelihoods of these migrant laborers.

PERFORMANCE FOR 2020-21

We have an unwavering goal of providing easy home loans in semi-urban and rural regions. During the year, our Assets Under Management (AUM) stood at ₹ 325.40 crore from ₹274.24 crore in the previous year, while disbursement stood at ₹89.88 crore, compared to ₹48.48 crore in the previous year. Net Interest Income for the year was ₹36.17 crore as against ₹35.09 crore in 2019-20. Profit after Tax grew to ₹18.83 crore from ₹17.97 crore in the previous year. Our NPAs continue to be low at 0.42%, with an average Loan to Value (LTV) ratio of 41.48%.

STRATEGIC PRIORITIES AND BUSINESS ADVANCEMENTS

Over the years, we have steadily evolved as an organization, never losing sight of our motto and the objective of turning the dream of home ownership into a reality for the unserved and underserved masses. Having said that, what started as a means to fulfill dreams is today one of the key growth areas in the industry. Rural housing and credit requirement are seen as thriving opportunities. The housing sector

is now poised for growth. Despite the expansive efforts, the mortgage penetration level in India is quite low, offering several opportunities to scale up our business. Our objective is to cater to the rising demand for housing finance. The housing finance industry's buoyancy is further endorsed by growth drivers such as rising disposable incomes, personal income tax benefits, increasing urbanization, and growth of the rural economy. We are well positioned to support government schemes like Housing for All and Pradhan Mantri Awas Yojana (PMAY) to cater to the housing needs of millions of Indians.

Our capability and competence in this segment provide us a distinct edge. Today, we have 34 branches across rural and semi-urban areas across the country. Our network is well supported by an outstanding team of people who have sound market knowledge and enjoy strong relations with customers. We have also achieved digitalization of our processes efficiently, further reducing the turnaround time of loan processing and final disbursement. Our processes are scalable and increasingly oriented towards automation. During the year, we continued our focus on innovating and creating newer and simpler ways to improve efficiencies and processing, reduce the turnaround time, and streamline collection and disbursement channels. With implementation of SRG SRAJAN, our key objective is to eliminate redundancies and enhance efficiencies and productivity of our resources.

During the year, we onboarded Mr. Arun Mishra, and Mr. Saurabh Rajawat, to our management team. These individuals come with dynamic experience and expertise and have been appointed in key roles across various industries prior to joining our Company. I am quite confident that these new members will further strengthen our leadership team and fructify our expansion plans.

Along with this, we are also focused on enhancing our presence by opening branches in the neighborhood, and with a larger and experienced team of resources. Our extensive presence enables us to add value and to improve the quality of lives of our customers. Further, we are adequately capitalized as our asset quality and liquidity position remains strong. We have raised funds amounting to ₹ 150 crore, including ₹ 40 crore undrawn to support our expansion plans during the year. Of this ₹ 150 crore raised, ₹ 125 crore were under various

schemes of National Housing Bank and under TLTRO scheme of RBI.

BUSINESS OUTLOOK

Notwithstanding the near-term challenges, we remain steadfast in our efforts towards becoming an even bigger player in India's housing finance sector. The unprecedented disruptions in the current times have emphasized that our agility and customer-centricity are necessary attributes to navigate through the adversities. Most importantly, two decades of rich experience and expertise in the rural segment gives us a competitive edge in the industry.

We are now moving ahead with a clear direction to achieve sustained, high growth with our consistent efforts. We continue to serve our customers with passion and commitment and invest in advanced technologies to drive efficiencies and enhance customer experience. In addition, we plan to open new branches in regions with high potential and enhance our geographic reach across the country. With immense opportunities coming underway, we are focused on capitalizing our competencies to drive growth and meet the home ownership dreams of people of all income groups.

I am delighted to state that even amidst the difficult circumstances, we added two new lenders, which shows their trust in our business model. The National Housing Bank has refinanced us ₹ 65 crore in 2020-21, which shows regulatory confidence in our compliance and systems. Strong asset quality despite the pandemic boosts our confidence in our underwriting model. Moreover, our consistent investments in technology and IT systems under SRG SRAJAN, helped ensuring smooth business functioning even during the lockdown.

CONCLUSION

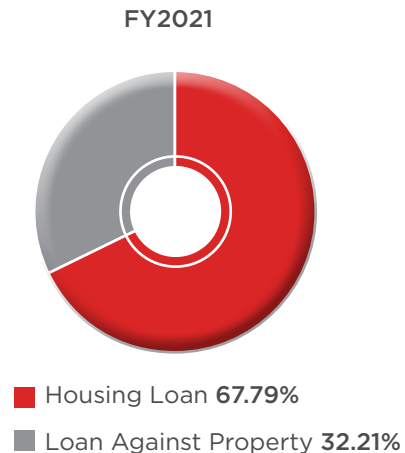
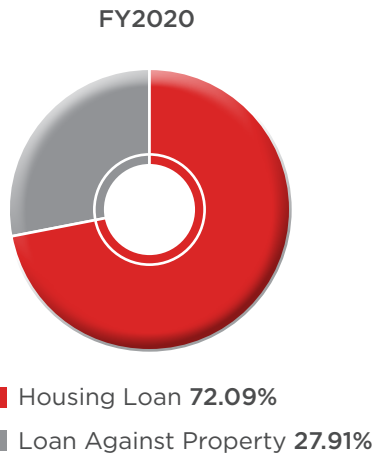
I would like to take this opportunity to thank our stakeholders for their invaluable guidance and constant trust. Above all, I would like to thank our enthusiastic teams who have worked tirelessly to ensure uninterrupted business operations in these challenging times.

Warm Regards,

Vinod K. Jain
Managing Director
DIN: 00248843

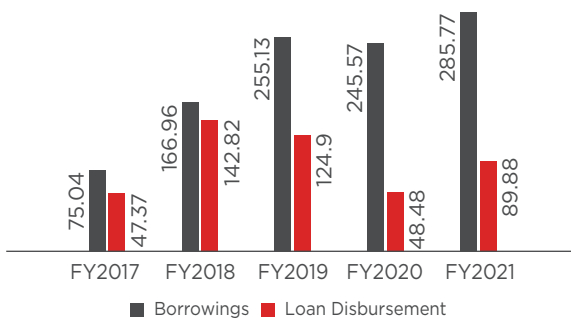
Financial Scorecard*

Loan Book Break-Up

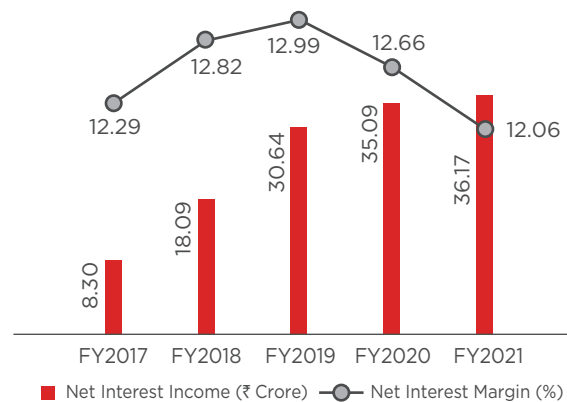


Borrowings and Loan Disbursement

(₹ Crore)

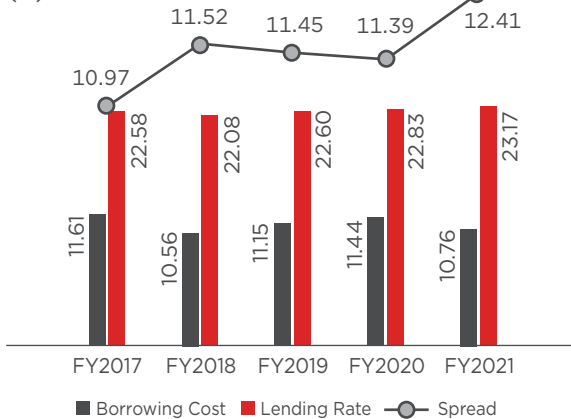


Net Interest Income and Margin

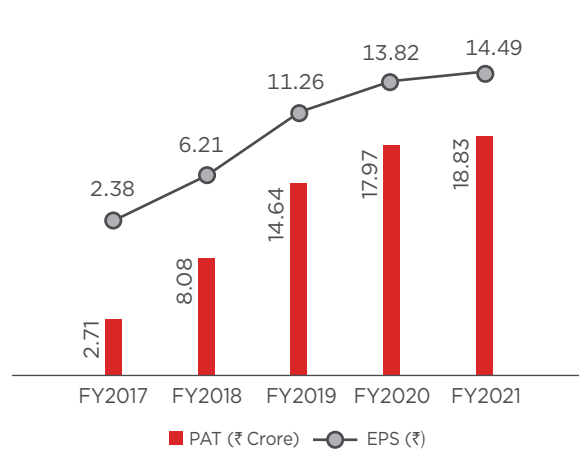


Loan Spread

(%)

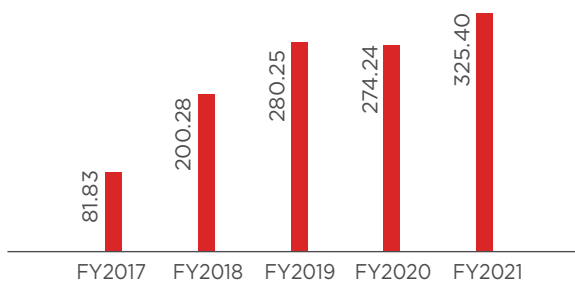


Profit After Tax (PAT) and Earnings Per Share (EPS)

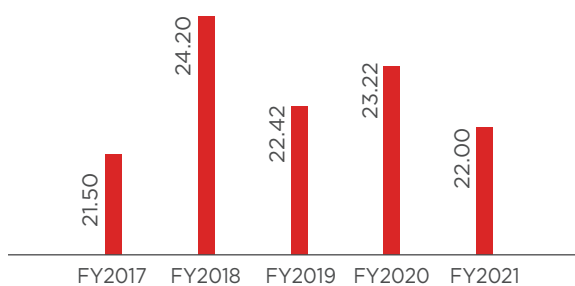


Assets Under Management

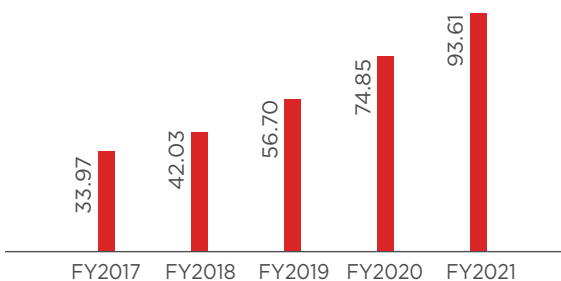
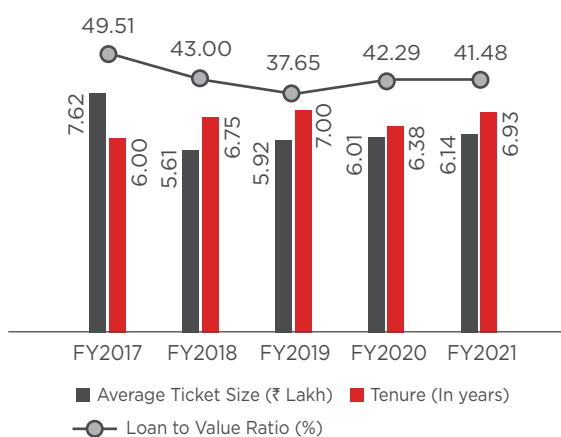
(₹ Crore)

**Yield on Portfolio**

(%)

**Shareholders' Fund**

(₹ Crore)

**Average Ticket Size, LTV and Tenure****KEY PERFORMANCE INDICATORS**

	FY2017	FY2018	FY2019	FY2020	FY2021
Cost to Income Ratio (In %)	53.44	42.33	38.82	44.46	44.48
Gross NPA (As % of AUM)	1.57	1.50	1.96	2.21	2.34
Net NPA (As % of AUM)	1.21	0.50	0.46	0.51	0.42
Return on Average Assets (%)	3.15	4.89	5.21	5.51	5.02
Return on Average Equity (%)	10.75	21.25	28.94	27.32	22.35
Capital Adequacy Ratio (%)	72.71	33.38	30.27	40.04	38.06

*Data for FY17-19 are as per IGAAP and data of FY20 and FY21 are as per IND AS

Strong Performance. Stronger Prospects.

A true test for a business is how it performs during a cycle. We are happy to state that notwithstanding the tough business environment, SRG Housing displayed the strength of its business model and reported a robust performance during the year. We not only set new milestones, but also sustained our growth trajectory.

KEY HIGHLIGHTS OF 2020-21



We reported our highest-ever AUM at ₹ 325 crore, registering a 19% growth over the previous year.



Despite the challenges, our asset quality stayed strong. We remain well provisioned with no restructured loans or MORAT-related NPA.



We raised funds amounting to ₹ 150 crore. This is our largest debt raise in a single year.



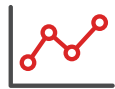
We were amongst the most profitable HFCs with PAT to Average AUM ratio of 6%+.



During the year, we managed to register a robust growth in approvals & disbursements.



Our sharp focus on technology has enabled a significant reduction in TAT from 35 days to 15 days.



We reported our highest-ever PBT & PAT at ₹ 23.8 crore and ₹ 18.8 crore respectively, despite registering a lower AUM growth of 5-6%.



Our board and management team were further enhanced in the year under review and have accumulated vast experience in the finance industry.



With our loan spreads at 12.4% and NIMs at 12.06%, we rank the highest among our peers.



Strengthening Business Dynamics

As the COVID-19 pandemic induced deep economic crises and far-reaching challenges, we enhanced our business resilience and agility to sail through the rough seas. While many struggled to adapt to the changed situation, we countered the strong headwinds during this period mainly due to our strong foundation built over the years.



We have been scaling higher and setting the foundation for sustainable growth. We have been constantly addressing the growing demand for housing finance and serving our customers effectively. Majority of our customers belong to the rural areas where the spread of the pandemic is relatively lesser than the urban areas; therefore, we did not face many challenges and sustained growth momentum.

We utilized the lockdown period to identify short-term and medium-term outcomes of the pandemic, enhance resilience, and carve strategies to build future-readiness. We upheld our focus on maintaining adequate liquidity, robust asset quality, digitize our processes and systems, and identify emerging opportunities.

ENSURING BUSINESS CONTINUITY

Even as we closed all our offices and branches during the lockdown, we shifted to work from home model to ensure uninterrupted business operations. Our employees were given adequate systems to enable them to operate smoothly out of their homes and deliver value to clients. We leveraged technology and digital platforms and ensured that customer service and liquidity management were efficiently carried out from home environments.

HEALTHY ASSET QUALITY

We are adequately capitalized as our asset quality and balance sheet remains robust. With improving collection and fundraising under various government

schemes, we repaid all the installments opted under the moratorium. Even during the turbulent times, our liquidity position remains strong. During the year, we raised funds amounting to ₹ 150 crore, including ₹ 40 crore undrawn. Of this, we were able to raise ₹ 125 crore under various schemes of National Housing Bank as well under TLTRO scheme.

ENHANCING NETWORK

We are focused on enhancing our presence by opening branches in the neighbourhood, and with a larger and experienced team of resources. Our extensive presence enables us to add value and to improve the quality of lives of our customers. Our branches are seamlessly integrated via a strong and scalable technology platform, facilitating quicker appraisal and disbursement.

EMBRACING COVID-INDUCED OPPORTUNITY

With our key strengths and processes, we turned the national lockdown into an opportunity. Affected by the extended lockdowns, several migrants have been moving from bigger cities to their hometowns. These returning migrant laborers are in constant need for better housing to secure their lives. With increasing consumption in rural areas, these individuals will demand security of having their own house and will be in need for permanent dwelling to sustain their livelihoods. We look forward to extending housing finance loans and guaranteeing welfare of migrant laborers to seize the evolving opportunities.

Powering the Digital Ecosystem - with SRG SRAJAN

Technology adoption has helped us automate our business operations and empower our teams to serve customers in a better way. By leveraging robust digital tools and solutions, we aim to achieve higher operational efficiency, better productivity, and improved customer experience.

At SRG Housing, we ensure rapid adoption of technology to cater to the demands of evolving businesses and customers. We are on a journey to better serve our clients in this ever-changing landscape induced by the unprecedented COVID-19 pandemic.

TECHNOLOGY INTEGRATION WITH SRAJAN

SRG SRAJAN, a combined initiative of digital transformation and business process re-engineering has been adopted to standardize our Standard Operating Procedures (SOPs) and streamline key activities and core functions. Our key objective is to eliminate redundancies and enhance efficiencies and productivity of our resources.

SRG SRAJAN provides best practices in system implementation, change management, and system control. Besides making us future-ready, it helps implement changes in a phased manner and encourages improvement and growth. This program streamlines activities and SOPs by adopting system change management.

BEST PRACTICES IN SRAJAN



Setting and designing the System and Data Flow for the existing ERP system - 'Finwin'



Undertaking Detailed Business Requirement Assessment and transforming it to Business Requirement Design



Assessment of integration and enhancement of processes in key functional areas like Business Sourcing & LMS, Credit Underwriting and Sanction, Loan Management & Repayment, Accounting & Finance, Collection & Recovery, Legal & Compliance, Customer Relationship and Performance Management System



During the lockdown, when our offices were closed, we ensured business continuity and efficient operations with our mobile applications functioning at all times. Our sales application empowers us with LOS, document-check in, KYC verification of customers, Credit PD app in determining the eligibility of customer on real-time, Go Collect Application in real-time collection management along with efficient real-time tracking field agents' activities remotely at the same time.

As part of SRAJAN's digital transformation initiative, we introduced HR Mantra for employee attendance, training, and payroll management. In addition to this, we moved to the IT service desk for raising tickets for requests and resolution and performance management of our IT resources, Assets and Office 365. To reduce the manual tracking of our assets, we introduced IT Asset Management for the IT team for renewals.

To enhance the digital modes of loan collection and to ensure staff safety and asset quality after reports of breakthrough COVID-19 variants, we enhanced services by migrating to AWS Cloud Infrastructure so that our digital services are available to our field staff 24*7. We are in the process of equipping our call center, marketing, and legal team with the right set of tools named Bitrix 24 CRM for sales intelligence with customer's 360-degree view, digital campaigns for marketing, etc. We are also revamping our website with advanced technologies like react js, node js, and headless CMS to be more mobile responsive, dynamic, and interactive for visitors with AI Chatbot, etc.

IMPLEMENTATION OF SRG SRAJAN



Empowering Human Resources

We have embarked on several human resource initiatives to enhance the productivity and efficiency of the organization as a whole. We endeavor to provide a safe, conducive, and productive work environment for overall growth and welfare of employees.

At SRG Housing, we periodically conduct various learning and development sessions to hone the skills and capabilities of employees and keep up their morale. We have a structured induction process at all locations and management development programs to upgrade the skills of managers. Through the SRG "SRAJAN", we automated our business operations and empowered our human resources to serve customers more efficiently. During the lockdown, where offices were closed, employees continued to co-ordinate and work efficiently as a part of work from home policy, with mobile apps functioning at all times. As part of SRAJAN's digital transformation initiative, we introduced HR Mantra for employee attendance, training, and payroll management.

HR MANTRA

HR Mantra is our Human Resource Management Software. During the year, we went live with five modules as stated below:



We also initiated a new program called 'Pathshala', a nominations and invitation-based learning exercise aimed at employee development. As part of this program, we provided various trainings to employees with an objective to keep them motivated and positive about their work and increase their efficiency and authenticity. Additionally, the employees were also given training on soft skills and image consultancy.





The training sessions conducted during 2020-21 are listed below:

Training Sessions - (2020-21)



Further, we also initiated “Gyan Guruwaar” which is a weekly mailer that is released every Thursday consisting of employee’s work knowledge-related articles.

Board of Directors



MR. VINOD K. JAIN

Managing Director (Promoter)

DIN No. 00248843

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



MRS. SEEMA JAIN

Non-Executive,
Non-Independent Director

DIN No. 00248706

Mrs. Seema Jain serves as the Non-Executive Director to the Board since inception. She has a wide knowledge of finance, with excellent leadership, management, and organizational skills. She has more than 20 years of experience in Human Resource, Strategic Planning, Administration and Corporate Governance.



MR. ASHOK KABRA

Non-Executive, Independent Director

DIN No. 00240618

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



MR. VIKAS GUPTA

Non-Executive, Independent Director

DIN No. 05280808

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

**MR. NISHANT BADALA**

Non-Executive, Independent Director

DIN No. 06611795

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

**MS. GARIMA SONI**

Non-Executive, Non-Independent Director

DIN No. 08336081

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

**MR. SURESH K. PORWAL**

Non-Executive, Independent Director

DIN No. 08966740

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

Senior Management



MR. ASHOK MODI

Chief Financial Officer

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



MR. LAVANG MURDIA

Chief Marketing Officer

Mr. Lavang Murdia has over 16 years of experience in sales and marketing. His knowledge has been instrumental in building robust business models for companies in finance, insurance, and telecom sectors. He has expertise in channel management where he conducts research for identifying and building new market opportunities. He has been with the Company since 2010.



MS. SUNAINA NAGAR

CS and Chief Investor Relations Officer

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



MR. ARCHIS JAIN

Vice President - Business and Operations

Mr. Archis Jain has a master's degree in Family Business Programme from SP Jain School of Global Management. He is responsible for driving business operations, as well as implementation and monitoring of business targets. He is leading the team to analyze opportunities, develop go-forward plans, and for efficient and effective business workflow with technological advancements. He has been awarded as a Young Achiever of the Year at the ABP News BFSI Awards, 2019. He is also an image consultant as well as a soft skill trainer.



MS. LIJI SIVARAMAN

General Manager - Information Technology

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

Awards & Accolades



'Excellence in Rural Housing Finance Award' by World Leadership in April 2021

'Dream Company to Work for Award' at BFSI in February 2021



'Business Leader of the Year Award' to Mr. Vinod K. Jain, Managing Director by World Leadership in April 2021

Caring for Our Communities

As a responsible corporate, we feel it is our duty to bring holistic development to the communities in which we operate. Our Corporate Social Responsibility (CSR) activities are focused on establishing sustainable livelihoods of the marginalized and most underprivileged sections of the society.

Our key projects are focused in the areas of Healthcare, Environment Sustainability, Education, Protection of National Heritage, Arts and Culture among others. During the year, we also contributed a total sum of ₹ 55.21 lakh which includes amount contributed to support India's fight against COVID-19 pandemic.

We actively supported the Udaipur district to combat the COVID-19 pandemic. We deployed Oxygen Generator Plant to the government hospital in Udaipur and ensured distribution of food kits to the needy areas. We are guiding our employees to operate with utmost caution and adherence to ensure safety and well-being. Some of our customers are also going through the COVID-19 journey and we have advised our teams to be compassionate in their interaction with customers.



Oxygen generator plant



Mask distribution activity



Plantation activity

Corporate Information

STATUTORY AUDITOR

M/s PKJ & Co.
Chartered Accountants

INTERNAL AUDITOR

M/s Jain Kothari & Company
Chartered Accountants

SECRETARIAL AUDITOR

Mr. Shivhari Jalan
Practising Company Secretary

LISTED ON

BSE Limited Code: 534680

BANKERS & FINANCIAL INSTITUTIONS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

1046, 10th Floor, Hubtown Solaris,
N.S. Phadke Marg, Near East-West Flyover,
Andheri (East), Mumbai - 400 069, Maharashtra.
Phone: 022-62215307
E-mail: info@srghousing.com, srghousing@gmail.com
Web: www.srghousing.com
CIN: L65922RJ1999PLC015440
NHB Registration No: 02.0056.04, Dated: 15.04.2004
LEI No.: 3358001A8CU8SNHBIU98

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited
(Formerly known as GDA Trusteeship Limited)
Address:
Windsor, 6th Floor, Office No. 604, C.S.T. Road,
Kalina, Santacruz (East), Mumbai - 400 098
Tel: +91 22 4922 0555 • Fax: +91 22 4922 0505
Email: dt@ctltrustee.com
Web: www.catalysttrustee.com
CIN: U74999PN1997PLC110262

REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Pvt Ltd
C 101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400 083 (Maharashtra)
Tel: 022-28515606 • Fax No: 022-28512885
Email: rnt.helpdesk@linkintime.co.in
Web: www.linkintime.co.in
CIN: U67190MH1999PTC118368

AUDIT COMMITTEE

Mr. Nishant Badala, Chairman
Mr. Vikas Gupta, Member
Mr. Ashok Kabra, Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Vikas Gupta, Chairman
Mrs. Seema Jain, Member
Mr. Ashok Kabra, Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Ashok Kabra, Chairman
Mr. Vikas Gupta, Member
Mrs. Seema Jain, Member

RISK MANAGEMENT COMMITTEE

Mr. Vinod K. Jain, Chairman
Mrs. Seema Jain, Member
Mr. Vikas Gupta, Member

IT STRATEGY COMMITTEE AND STEERING COMMITTEE

Mr. Nishant Badala, Chairman
Mr. Vinod K. Jain, CIO-Member
Mr. Kartik Singh Mehta, CTO-Member
Ms. Liji Sivaraman, Member

Management Discussion and Analysis

GLOBAL ECONOMY AND COVID-19 OUTBREAK

The calendar year 2020 faced the worst economic crisis in decades due to an outbreak of the COVID-19 pandemic. As per IMF, the world economy saw 3.3% contraction in 2020 with several economies entering the crisis in a precarious fiscal situation and with less capacity to mount major health care policy responses or support livelihoods. Emerging market economies and low-income developing countries were hit harder due to limited resources at hand. Output losses were particularly large for tourist nations, commodity exporters and countries with limited policy space to respond.

Growth in %	2019	2020	2021	2022
World Output	2.8	(3.3)	6.0	4.4
Advanced economies	1.6	(4.7)	5.1	3.6
United States	2.2	(3.5)	6.4	3.5
Euro Area	1.3	(6.6)	4.4	3.8
Japan	0.3	(4.8)	3.3	2.5
United Kingdom	1.4	(9.9)	5.3	5.1
Emerging Market and Developing Economies	3.6	(2.2)	6.7	5.0
China	5.8	2.3	8.4	5.6
India	4.0	(8.0)	12.5	6.9
2021 and 2022 are projections				
Source: IMF WEO April 2021				

Outlook

Though massive inoculation drives have been carried out in various countries, faster, effective and more equitable vaccination deployment across the world is critical. In 2021, the world economy is expected to grow at 6% with some moderation to 4.4% in 2022. Recoveries are under way in all regions and across income groups, linked to stark differences in the pace of vaccine rollout, the extent of economic policy support, and structural factors such as reliance on tourism.

Over the medium term, growth is expected to be subdued at 3.3%. Advanced economies are expected to recover to 5.1% in 2021 and 3.6% in 2022 post 4.7% contraction in 2020. Emerging market and developing economies are expected to recover to 6.7% in 2021 and 5% in 2022 post 2.2% contraction in 2020. The outlook presents daunting challenges related to divergences in the speed of recovery both across and within countries and the potential for persistent economic damage from the crisis.

(IMF World Economic Outlook, April 2021)

INDIAN ECONOMY

The Indian economy showed signs of recovery post the third quarter of FY21 when restrictions were eased. The economy continued to improve further during the fourth quarter with key indicators bouncing back led by festive-related and pent-up demand, including GST collections, employment, construction activities, car sales, finished steel production, diesel consumption, etc. As per the National Statistics Office, real GDP contraction for FY21 was 7.3% largely on account of a sharp rise in Government expenditure to provide essential relief to vulnerable sections of society and a huge stimulus package aimed at reviving domestic demand. The massive inoculation drive by the Government provided a boost to consumer sentiment during the fiscal end.

In the early stages of the pandemic response, the Government focused primarily on social protection and healthcare providing food, grocery and cash transfers to lower-income households; wage support and employment provision to low-wage workers; insurance coverage for workers in the healthcare

sector; and healthcare infrastructure. Later, the Government increased public investment through higher capital expenditure and interest-free loans to states and supporting sector-specific schemes including Production Linked Incentive (PLI) scheme targeting 13 priority sectors. Other measures include higher fertilizer subsidy allocation, support for urban housing construction, among others. Several measures to ease the tax compliance burden across sectors were also announced, including postponing some tax-filing and other compliance deadlines, and a reduction in the penalty interest rate for overdue GST filings.

To provide credit support to businesses, poor households, especially migrants and farmers, distressed electricity distribution companies, and targeted support for the agricultural sector, the Government undertook several financial sector measures for micro, small and medium-sized enterprises (MSMEs) and non-bank financial companies, provided concessional credit to farmers, as well as a credit facility for street vendors.

The Union Budget 2021-22 revolving around Atma Nirbhar Bharat and digitization of the economy laid strong thrust on development of healthcare, infrastructure and agriculture sectors to drive the economy out of the stress due to COVID-19 with a massive spending push of over ₹ 4 trillion. Higher investment in the infrastructure sector is expected to increase demand for labor and other related commodities like cement, steel, and power. This domino effect is expected to result in the creation of wealth for both the individual and nation in the long term.

Going ahead, growth will remain subdued in the first quarter of FY22 as the severity of the second wave led to prolonged localized lockdowns and an overwhelming burden on medical infrastructure resulting in significant loss of human life and severe hit to consumer sentiment. As per the World Bank, India's GDP growth is estimated at 8.3% during FY22 led by policy support, including higher spending on infrastructure, rural development, health, and a stronger-than-expected recovery in services and manufacturing sectors. As economic activity normalizes domestically and in key export markets, the current account is expected to return to mild deficits of around 1% in FY22 and FY23 and capital inflows are projected by continued accommodative monetary policy and abundant international liquidity conditions.

Source: National Statistics Office, World Bank

INDUSTRY OVERVIEW

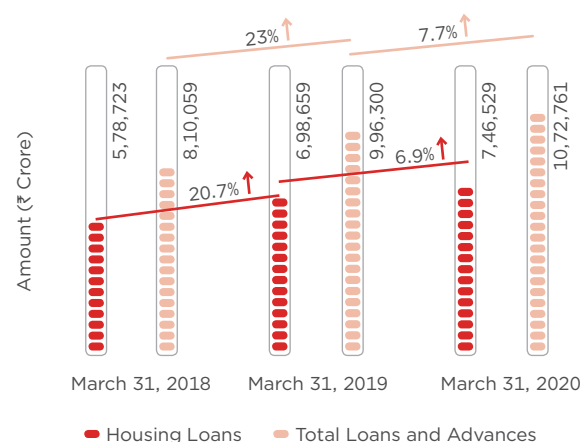
1. Housing Finance Sector

The real estate and housing finance sector witnessed moderation in growth post the IL&FS crisis in September 2018. However, with proactive measures and various initiatives by Government, Reserve Bank of India (RBI) and National Housing Bank (NHB), the sector has started to gain momentum again. To ensure safety and soundness of Housing Finance Companies (HFCs), NHB has a robust monitoring system including on-site inspections and off-site surveillance through periodic returns submitted by the HFCs and by way of market intelligence.

The combined growth of HFCs and Individual Housing Loan of Banks was 10% in FY20 as compared to 16% in FY19. HFCs market share of total individual housing loans stood at 33% in FY20 as compared to 26% in FY19. Due to COVID-19 related restrictions on mobility and lockdowns, construction and real estate activities were impacted resulting in slowdown in housing finance. However, in September 2020, HFCs clocked 3% YoY growth in loan disbursements.

Over FY18 to FY20, the housing loan portfolio of HFCs has grown at 18% CAGR to ₹ 7.47 lakh crore as on March 31, 2020 while the total loan portfolio has grown to ₹ 10.73 lakh crore, up 16% CAGR.

Trend in HFCs outstanding loan portfolio



Since the borrowers are grappling with cash flow stress, the overdues of HFCs have increased in the first nine months of FY21 as reflected by pro forma GNPA of around 2.7% as on December 31, 2020 as compared to reported GNPA of 2.4% as on March 31, 2020. With demand for housing loans picking up during the second half of

FY21, HFCs are likely to witness a growth rate of 6-8% in FY21 and 8-10% in FY22 for on-book portfolio, as per ICRA.

Policies to Aid Growth of HFC Sector

Recent policies and other initiatives undertaken by the Government and RBI to improve liquidity and efficiency of the HFC sector:

- The RBI announced liquidity measures aggregating ₹13.6 lakh crore (6.9% of nominal GDP for FY21) during February 6, 2020 to March 31, 2021. These measures providing support to HFC sector included open market operations, targeted long-term repo operations (TLTRO 1.0 and 2.0), variable rate repos, long-term repo operations, etc.
- The Honorable Supreme Court of India (Hon'ble SC) in a public interest litigation vide an interim order dated September 3, 2020 directed that accounts which were not declared as non-performing assets (NPA) till August 31, 2020 would not be declared as NPA till further orders. This interim order granted stood vacated on March 23, 2021 based on the judgment of the Hon'ble SC.

During the quarter ended September 30, 2020 and December 30, 2020, no additional borrower accounts under moratorium granted category were classified as NPA which was not declared as NPA till August 31, 2020.

In August 2020, RBI allowed a one-time restructuring (OTR) of loans due to COVID-19 related stress without classifying them as NPA, however, there was no account eligible for OTR.

As a COVID-19 relief scheme, the Government announced a grant of ex-gratia payment of the difference between compound interest and simple interest for six months to eligible borrowers for the period March 1, 2020 up to August 31, 2020, irrespective of whether the moratorium was availed or not. The ex-gratia payment by the Government was for certain categories of loans such as housing loans, consumer loans, MSME loans amongst others, which were standard as at February 29, 2020 and the aggregate facilities with all lending institutions did not exceed ₹ 2 crore. The Company has implemented the scheme and credited the accounts or remitted the amounts to eligible

borrowers. Of the Company's total claim of ₹ 1.04 crore and the same has been received from the Government.

Following the Hon'ble SC judgment dated March 23, 2021, RBI in April 2021 instructed lenders to refund/adjust interest on interest charged to all borrowers during the moratorium period i.e. March 1, 2020 to August 31, 2020, irrespective whether the moratorium had been availed or not. The methodology for determining the amount of interest on interest was issued by the Indian Banks' Association.

The Company has created a liability of ₹ 3.73 lakh towards estimated interest relief and reduced the same from the interest income for the year ended March 31, 2021.

- To manage the yield curve more effectively, RBI also reduced cash reserve ratio and statutory liquidity ratio of banks, provided special liquidity facility for mutual funds, offered refinance lines to NABARD, SIDBI, NHB and Exim Bank and simultaneously purchased and sold securities under special open market operations.
- The Government launched ₹ 30,000 crore Special Liquidity Scheme for stressed non-banking, housing finance companies and Monetary Financial Institutions (MFI) as part of the Atmanirbhar Bharat package. Under the scheme, the Government provides 100% guarantee for investment made in the investment grade debt paper.
- As part of the ₹ 21 lakh crore special economic package amid the COVID-19 crisis, the Partial Credit Guarantee Scheme (PCGS) 2.0 worth ₹ 45,000 crore for NBFCs and micro finance institutions (MFIs) was announced. Under this scheme, sovereign guarantee of up to 20% of first loss will be provided to state-owned banks for purchase of bonds or commercial papers of NBFCs, MFIs and HFCs.
- In March 2020, the RBI had announced moratorium on repayment of term loans in order to provide relief to borrowers impacted by COVID-19 related disruptions. Initially, the moratorium was allowed till May 31 but was later extended till August 31.

- On October 22, 2020, the RBI issued the revised regulatory framework for HFCs allowing transition time till March 31, 2024 to the existing registered HFCs to continue the business as HFCs to fulfill the asset-based criteria of (a) minimum percentage of total assets towards housing finance to be 50% by March 31, 2022, 55% by March 31, 2023 and 60% by March 31, 2024, and (b) minimum percentage of total assets towards housing finance for individuals to be 50% by March 31, 2022, 45% by March 31, 2023 and 40% by March 31, 2024.
- HFCs were required to reduce total borrowings to 12x of their Net Owned Funds (NOF) and increase Capital Adequacy Requirement (CAR) to 15% in a phased manner by March 31, 2022. RBI increased the minimum NOF for HFCs to ₹ 20 crore from ₹ 10 crore by March 31, 2023.

Source: Press Information Bureau, RBI and ICRA

2. Real Estate and Housing Sector

According to the National Statistical Office, the construction sector declined 8.6% in FY21 and the financial, real estate and professional services sectors declined 1.5% in FY21 due to the impact of COVID-19 though construction witnessed rebound in the first half of FY21 before second wave of COVID-19 picked pace. The decline is mainly attributable to the first wave in 2020 due to which there was at least 75% drop in construction activity across the country and developers prioritized selling ready inventory rather than launching new projects.

The real estate sector is one of the most globally recognized and the construction industry is the second largest employer after agriculture, wielding direct/indirect influence on all sectors of the economy. The pandemic led to severe disruption in the real estate sector due to restricted mobility and nationwide lockdown. Even post-unlocking from June 2020, the situation remained grim through September 2020 as construction activities were stalled due to labor shortage and muted sales. Site visits witnessed a remarkable decline as people avoided physical contact, motivating real estate developers to adopt digital platforms to launch new projects. The pandemic increased the pace of digital adoption in real estate.

Home ownership gained increased importance and the need of larger homes came to the forefront

leading to better sales from October 2020 backed by pent-up demand and festive season. Also, the softening of interest rates on home loans to ~7%, low housing process, waiver or reduction in stamp duty announced by several states, coupled with special offers by developers contributed to improved sales, though at a slow pace.

The Union Budget 2021 was a landmark budget with no new taxes, deficit spending to 9.5% in FY21 and 6.8% in FY22 likely to reduce to 4% by FY26, huge opening space for private sector through disinvestment and privatization, and infrastructure push through the National Infrastructure Pipeline (NIP). As per an ANAROCK report, the Indian real estate recorded highest-ever PE investments in FY21 since FY16, despite the disruption caused due to the pandemic. More than US\$ 6.27 billion were pumped into the sector in FY21 as against US\$ 5.8 billion in FY20, up 19%.

The second wave led to disruption in construction activities at real estate project sites due to shortage of labor, though the housing sector had started recovering from the impact of the pandemic in 2020. The impact during the second wave has been more pronounced on consumer sentiment and mobility rather than economic activity. The rebound in consumer spending is expected to be more gradual than the first wave with vaccination being the key driver.

By 2040, the real estate market is estimated to grow to US\$ 9.30 billion from US\$ 1.72 billion in 2019. Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 and contribute 13% to the country's GDP by 2025.

Source: <https://www.zeebiz.com/india/news-real-estate-sector-to-touch-1-trillion-by-2030-contribute-13-to-gdp-by-2025-report-87914>; IBEF; ANAROCK; NSO

Affordable Housing

Affordable Housing remains the key sub-segment in the housing and real estate sector. With the growth of urban development, urban housing shortage is becoming a growing concern for India's urban planners. This has emphasized the Government focus on affordable housing. Affordable housing sector was inferred 'Infrastructure Status' by the Government in order to augment its growth. The sector has been supported extensively with schemes such as Housing for All by 2022, targeting 20 million

households, and the Smart Cities Mission, with a target of creating 100 smart cities.

Extensive Government Initiatives

Government of India along with the support of State governments undertook several initiatives to boost real estate sector growth.

- Under Union Budget 2021-22, tax deduction up to ₹1.5 lakh on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of FY22
- The Atmanirbhar Bharat 3.0 package announced 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 ₹ 2 crore from November 12, 2020 to June 30, 2021
- In October 2020, the Ministry of Housing and Urban Affairs (MoHUA) launched an affordable rental housing complex portal
- In October 2020, the Government announced the application of Real Estate (Regulation & Development) Act, 2016 in the Union Territory of Jammu & Kashmir. This has paved the way for any Indian citizen to buy non-agricultural land and property, as opposed to the eligibility of only local residents earlier
- In order to revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet approved the setting up of a ₹ 25,000 crore alternative investment fund (AIF)
- Government created an Affordable Housing Fund (AHF) in the NHB with an initial corpus of ₹ 10,000 crore using priority sector lending shortfall of banks/financial institutions for micro financing of the HFCs
- In Union Budget 2021-22, ₹ 6,450 crore was allocated for the Smart Cities Mission and ₹ 7,300 crore were allocated for Atal Mission for Rejuvenation and Urban Transformation (AMRUT)
- In November 2020, due to the pandemic, the outlay for the Pradhan Mantri Awas Yojana (PMAY) Urban scheme was increased by ₹ 18,000 crore, to enable completion of 18 lakh houses. Over 10.75 lakh houses were

constructed under the PMAY Urban during the COVID-19 pandemic till March 2021. A total of 1,10,70,970 houses have been sanctioned under PMAY Urban, of which 74,83,896 are at various stages of construction and 43,32,651 are complete or delivered

COMPANY OVERVIEW

With more than 2 decades of rich experience, SRG HOUSING FINANCE LIMITED, (SRG Housing or the Company), a BSE-listed and NHB-registered company, has emerged as a strong housing finance company. The Company caters to the underserved rural and semi-urban population in central and western India. The Company has to its credit the honor of being the first company in India to get migrated from BSE SME platform to BSE main board. The Company's registered office is in Udaipur, Rajasthan and its corporate office is in Mumbai. The Company has spread its operations across 4 states of Rajasthan, Madhya Pradesh, Gujarat and Maharashtra with 34 offices. The Company is primarily engaged in the business of providing housing finance for home ownership, by offering (i) Individual Home Loans for construction or buying a new house as well as for renovation and extension and (ii) Loans against Property/Mortgage Loan against residential/commercial property for business or other purposes.

The Company caters to the financial needs of the low and middle income group – self-employed people owning small or medium businesses with informal source of income and limited access to formal banking credit. The Company has made significant contribution to the financial inclusion of these underserved population to the country's financial mainstream. The Company takes immense pride in the role it is playing in making a positive impact in the society it caters to. This has been achieved by creating a plethora of opportunities for the Company's target group to upgrade their lifestyle and build long-term assets and wealth. The Company has been playing a key role in Housing for All mission of the Indian Government.

Operational Highlights

- AUM, Approvals and Disbursements: As on March 31, 2021, the total loan portfolio or Assets under Management (AUM) grew 18.65% to ₹ 325.40 crore from ₹ 274.24 crore in the previous year. Total housing loan portfolio of ₹ 220.60 crore comprised 67.79% of total loan book in FY21 as against ₹ 197.70 crore, comprising 72.09% of loan book in FY20. Total Loan against Property comprised 32.21% of total loan book in FY21 at ₹ 104.80 crore as against ₹ 76.54 crore comprising 27.91% in FY20. During the year under

review, total loans sanctioned grew by 94.63% to ₹ 96.85 crore from ₹ 49.76 crore in the previous year. Total loan disbursements grew by 85.4% to ₹ 89.88 crore from ₹ 48.48 crore in the previous year

The Company exhibited resilience with sustained growth during FY21 which presented a sea of disruptions due to COVID-19 pandemic.

For FY21, the Company’s average tenure of loans was 6.93 years and average Loan to Value (LTV) ratio of the AUM stood at about 41.48% supported by strong standards of credit underwriting, which safeguarded the Company against credit risk. Average lending rate was 23.17% as against borrowing cost of 10.76% resulting in a strong loan spread even amidst challenging times.

Marketing and Distribution

As on March 31, 2021, the Company had a total of 34 branches across 4 states - 17 branches in Rajasthan, 10 in Madhya Pradesh, 6 in Gujarat and 1 in Maharashtra. Operating through both Direct Selling Agents (DSA) and sales executives, the Company effectively caters to the financial needs of the Low and Middle Income (LMI) segment - its key target customers. The Company provides utmost convenience to its customers with doorstep services customized to suit client needs. Led by customization of offerings according to customer demographics, the Company has built a strong brand equity across tier II and tier III areas backed by a deeply entrenched business network.

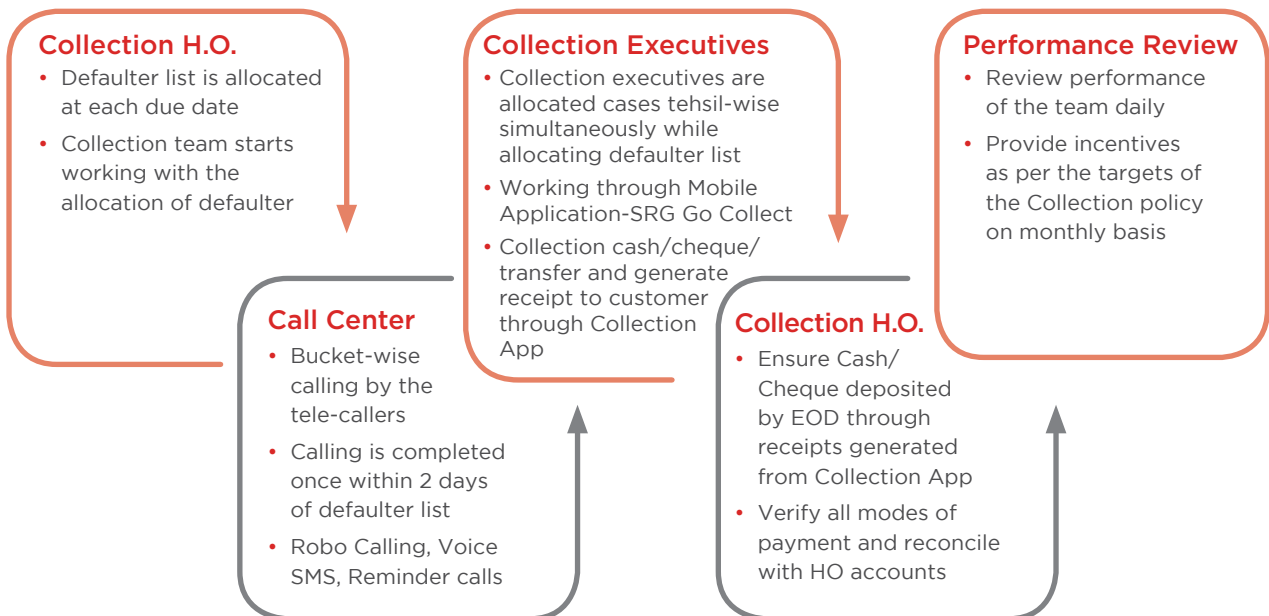
The Company’s persistent focus on marketing and distribution is well reflected in its marketing effort spanning across digital media, social media and local customer touch points. It implements cost effective measures like:

- Advertising through local media including advertisements in regional newspapers
- Magazines and cable channels
- Hoardings and canopies at prominent locations in cinema halls
- Bus terminals and railway stations
- Distribution of pamphlets and banners periodically
- Conducting loan camps every 2-3 months

The Company’s robust maintenance of Lead Management System (LMS) and Sales Login File, via SRG Sales Application for two consecutive years has enabled it to adopt an efficient approval process with minimum incidence of error. The Company does not indulge in cash dealings, with all disbursements made directly into the customer’s account post verifying the required documents.

• **Collection and Recovery Process**

Use of digital technology backed by a robust in-house collection app, enables the Company to undertake hassle-free collection and recovery processes.



- **Asset Quality and NPA**

In an event of a borrower crossing the 90-day mark past the due date, the loan is classified as non-performing asset (NPA) as defined by the RBI. When a borrower fails to make timely payment, misses the payment, avoids or stops making payment due to reasons such as cash flow mismatches, lack of income, job loss or medical emergencies etc., it results in default.

As on March 31, 2021, the Company's NNPA reduced to 0.42% as compared to 0.51% as on March 31, 2020. The Company's policy of providing collateral loans with security of about 2 times enables it to maintain robust asset quality. Another key factor in keeping a tight control on NPAs is the efficient and accurate customer screening process. With loan being a being concern of shame and considered highly disrespectful in the area of operations, chances of defaults are minimal as most customers are hardworking with the highest integrity and self respect. The Company has a robust track record of low NPAs with bare minimum write-offs historically, as most of the customers eventually repay the loan.

Collection Process

As per the provisions of the SARFAESI Act, the Company provides notice of possession to defaulters in the event of a default. As majority of lending by the Company is towards residential homes, the customers have a strong intent of preventing the house from being re-possessed as usually the borrower and his family reside in the property under consideration. The borrowers generally manage to arrange for the required funds from friends and family as dues are of smaller amounts on account of small ticket size of the loan. In the rare event of the loan continuing to be a bad loan for over 7 years and insufficient realizable value of security, the loan needs to be written-off. With adequate security coverage, the Company did not write off any loan during FY21.

Sufficient provisions were made in view of any unforeseen contingencies. The Company is well capitalized and there is no impact on its capital and financial resources due to COVID-19. Gross NPA stood at ₹ 7.62 crore as on March 31, 2021. The Company has made provisions of ₹ 7.75 crore as against regulatory required provisions of ₹ 4.10 crore. By way of prudence and abundant caution, the

Company has provided additional provision over and above the Regulatory guidelines.

Funding Sources

In FY21, total borrowings of the Company increased by 16.37% to ₹ 285.78 crore from ₹ 245.58 crore in the previous year. The Company raised funds amounting to ₹ 150 crore in total, including ₹ 40 crore undrawn, out of which 16.67% is from SBI, 43.33% from NHB and 40% through non-convertible debentures. The fund raised during the year by NCDs are part of the TLTRO 2.0 scheme of RBI and allotted to PSU Banks only. The Company borrows 54% at fixed rate of interest and 46% at variable rate. Against a mix of fixed and variable rate borrowings, lending of all loans is done on a fixed rate.

NHB Refinance is received after on-site and off-site inspections carried out by regulator. During such a difficult year, getting refinance of substantially large amount post several mandatory inspections, reflects regulator's trust on compliance and business model of the Company.

Asset-Liability Management

In keeping with the ALM regulatory guidelines, the Company undertakes asset-liability management operations strictly adhering to an Asset-Liability Management Policy approved by the Board of Directors. The policy serves as a blueprint for the experienced team to manage ALM risks. The ALM position is periodically managed by the Asset-Liability Management Committee (ALCO) comprising the Managing Director and members of Senior Management. So far, the Company has never faced any significant cash flow mismatch in its operations, which are duly governed by well devised policies and a management team with strong domain expertise.

To avoid hindrances due to asset-liability mismatch, the Company maintains its ALM position based on the maturity buckets and arranges for adequate credit in time. Even during the HFC liquidity crunch phase, the Company continued to maintain an edge over competition and protect its brand equity from lenders' and stakeholders' perspective, due to its stringent policy of ensuring steady surplus record in all buckets.

SRG Housing maintains a cumulative surplus of ₹ 92.35 crore over the tenor.



STRENGTHS

- Strong presence in under-penetrated rural and semi-urban markets
- Experienced Board and Key Management Personnel
- Strong Asset Quality
- Low ticket size and Low LTV
- Technology-driven model

WEAKNESSES



- Geographic concentration
- Liquidity Management Risk
 - Rising Borrowing Cost
 - Concentrated funding
- Native Employees Recruitment

SWOT ANALYSIS

- Growing demand of affordable housing
- Limited availability of housing finance for low-income customers
- Urbanization, growth of nuclear families etc.
- Growing need for self-owned houses during the pandemic
- Government's enhanced focus on 'Housing for All' and supporting policy changes

- COVID-related risk leading to restricted mobility and increase in chances of default risk
 - Rising inflation
 - Technological disruptions in the industry
- Competition from NBFCs and banks in rural pockets
- Uncertain economic environment



OPPORTUNITIES

Key Strengths

The Company's distinctive strengths contribute to its sustained growth in business operations resulting in unmatched brand reputation in the housing finance sector in both rural and semi-urban areas. Some key strengths are:

Strong Presence in Rural and Semi-Urban Markets

Rural areas contribute to 79.98% of the Company's total revenue with operations primarily concentrated in the rural and semi-urban areas. This underserved/unserved section of the society which has informal sources of income is gradually becoming a part of India's mainstream financial system led by the sincere efforts of the Company. It has been a key motive of the Company to empower this section of the society with a sense of ownership and financial discipline enabling them to create long-term assets. The Company has been striving to not only create shareholder value but also include all stakeholders through its business operations. For its sustained hard work, the Company

received the Excellence in Rural Housing Finance Award by World Leadership Congress, during the year.

Experienced Board and Key Management Personnel

The Board of Directors and the management have unmatched domain knowledge and rich experience in the housing finance sector. The Company's long-term vision has always been to build a long-term sustainable business model for the second generation to carry forward the legacy. Mr. Archis Jain, second-generation promoter, is being groomed under the able leadership of Mr. Vinod Jain, his father. Mr. Archis Jain is currently responsible for driving business operations, implementation and monitoring of business targets. During the year, Mr. Vinod K. Jain, Managing Director of the Company won the Business Leader of the Year Award by World leadership Congress.

The Company, a pioneer in the housing finance industry in Rajasthan, is determined to create a sustainable and scalable business. The Company has exhibited exemplary performance and resilience in difficult times owing to its management's strong growth

vision, strategic decision-making, policy formulation and implementation.

During the year, the Company appointed Mr. Suresh K Porwal, an ex-SBI officer, as an Independent Director of the Company. Furthermore, to lead the next stage of expansion, the Company appointed Mr. Arun Kumar Mishra as the Chief Management Advisor who is a Management Professional with over 28 years of rich experience in the housing finance industry with an expertise in all major functional areas of mortgage business.

Deep Understanding of the Customer Segment

With years of experience of operating in unorganized and under-served segments of the economy, the Company has created a niche through a deep understanding of needs of their customer segments and ensuring last-mile delivery of products and services.

Strong Asset Quality

The Company's strong reputation is attributable to its robust asset quality maintenance over the years, coupled with the ability to ensure on-time collections and best credit underwriting. This has resulted in a sustained positive cash flow position. To reduce NPA risks, stringent customer screening procedures and thorough check of credit bureau records are strictly maintained. A majority of customers avail an institutional loan for the first time, with no previous credit history. Rural people follow a calculative funds borrowing approach, borrowing the precise amount needed only in the event of a crunch in funding, resulting in low ticket size and EMIs. This creates a win-win situation for both the Company and its customers.

The rejection rate in loan applications are around 35-40% at head office level, and about 50% at branch level. The Company follows a stringent selection process to sanction loans complying with strict underwriting parameters both at initial login levels and at the head office credit department level.

Diversified Source of Funds

Due to its stable credit rating and sustainable operations, the Company is backed by a strong group of lenders. The Company has managed to raise funds under various schemes of National Housing Bank and under the TLTRO 2.0 scheme of RBI.

In-Depth Market Knowledge Enables Faster Loan Disbursals

The Company's adept credit appraisal system is a result of the deep understanding of the target market

and strong technological knowledge. This enables the Company to promptly disburse loans without taking underwriting risks. The expert team is equipped with the required knowledge of customer needs and their capability to honor loan repayments within the tenure. It processes requests accordingly. At every branch, empaneled advocates provide search and legal reports and are backed by document verification by the in-house legal team. Post implementation of SRAJAN, the time taken for login to disbursal has reduced to less than 15 days from 35 days earlier.

Low Loan to Value Ratio

The average Loan to Value (LTV) ratio of the AUM for FY21 was 41.48%, mainly led by resilient standards of credit underwriting securing the Company against credit risk. The Company's policy of lending towards construction of individual units only has enabled it to mitigate credit risks.

Technology-driven Model

The Company is committed to unlocking potential using intelligent technologies. The team of experts work tirelessly to deliver value to clients, people, and communities and enables the Company to work forward on this commitment. The Company ensured rapid adoption of technology to cater to the changing demands of business and customer needs amidst the pandemic. Digital transformation has enabled the Company to achieve better efficiency in business operations, production and finances. During the year, the Company moved to the use of an IT service desk for raising tickets for requests and resolution and performance management of IT resources, assets and Office 365, thereby further strengthening its IT systems.

Robust Employee Base with Long Serving Employees

The Company has managed to build a unique employee strength comprising of individuals who have witnessed the growth of business since the Initial Public Offering (IPO). The Company considers such associations to be meaningful for business sustainability and growth. The Company has built a core team having over 5-7 years of experience with SRG Housing. Such an experienced workforce enables the Company to structure and devise long-term growth strategies. Most company executives are not only easily approachable, but also well-versed with customers and are able to converse in their dialect or language with sound knowledge of the area of operations. Long-term business plans are smoothly executed as executives are well aware in advance of monthly targets, and expected business leads from that particular location in the coming years.

FINANCIAL REVIEW

The Financial Results in FY21 were calculated as per Indian Accounting Standards (Ind AS)

In FY21, SRG Housing's total income from all operations grew by 5.60% to ₹ 76.67 crore from ₹ 72.6 crore in FY20. Profit Before tax (PBT) grew by 5.69% to ₹ 23.77 crore in FY21 from ₹ 22.49 crore in FY20. Profit After Tax (PAT) grew by 4.79% to ₹ 18.83 crore in FY21 from ₹ 17.97 crore in FY20. Net Interest Income (NII) grew by 3.08% to ₹ 36.17 crore in FY21 from ₹ 35.09 crore in FY20. Net Interest Margin (NIM) on gross AUM dropped 60 basis points to 12.06% in FY21 as compared to 12.66% in FY20. Although there is a slight decline in NIMs, the Company maintains the highest NIMs in the industry by far. The Company continued to earn a strong spread on its loans of ~12%.

Change in Key Financial Ratios

Ratios	FY21	FY20	% change
Net Interest Income to average loans	12.06	12.66	-0.6
Total Operating Expenses to NII	50.73	47.42	3.31
Average Return on Equity	22.35	27.32	-4.97
CRAR-	38.06	40.04	-1.98
Tier-I	37.43	39.32	
Tier-II	0.63	0.72	
Gross NPA	2.34	2.21	0.13
Net NPA	0.42	0.51	-0.09
Provision Coverage Ratio	101.71	100.66	1.05
EPS (in ₹)	14.49	13.82	0.67
Interest Coverage Ratio	1.77	1.74	0.03
Debt Equity Ratio	3.05	3.28	-0.23
Net Profit Margin %	24.57	24.75	-0.18
Cost to income	44.48	44.46	0.02
Opex to Avg Asset	5.63%	5.76%	-0.13%
Profit to Avg. Asset	5.20%	5.51	-0.31

Return on Net Worth and Reason of Increase

Ratios	Amount (₹ in Cr)	% Growth
FY21	93.61	25.04
FY20	74.86	27.32

Note: The increase in Net worth was due to profit for the year and Ind AS impact.

MANAGEMENT OUTLOOK

The COVID-19 pandemic has spread rapidly throughout the world and has had an impact on almost all entities either directly or indirectly. FY21 turned out to be the

most disruptive year due to the COVID-19 pandemic. However, the Company showed agility and resilience in testing times. With the widespread impact of second wave and a likely third wave of infections possible in the near future, the Company is operating in an unprecedented situation.

The Company has been offering help to the communities it serves with active support extended to the Udaipur district to combat the COVID-19 pandemic. The Company deployed an oxygen generator plant to the Government Hospital Udaipur and ensured distribution of food kits to the needy areas. The Company has been guiding employees to operate with utmost caution and adherence to COVID precautions. Customers who have been infected by the virus have been treated with utmost compassion. While the second wave was steeper but shorter, the Company stands resilient and prepared for the inevitable recovery.

The Company is working to strengthen delinquency monitoring for early detection and addressal. For the business and collection team, weekly review meetings are to be implemented for increasing efficiency. The Company has purchased a new CRM, Bitrix 24 to enhance operational efficiency. Overall 250 new recruitments are likely during FY22, with budgeted recruitment of the sales team of around 200 regional managers. The Company may also look at appointing experts with significant industry exposure in managerial positions.

RISK MANAGEMENT

Risk Management is a key business enabler designed to suit business strategies. The Risk Management Committee is responsible for designing, implementing and monitoring the risk management strategy. Foreasy identification, planning, leading and controlling business operations, a strong risk management policy is in place which also enables to minimize the impact of any risk on business operations. All operations are thoroughly checked for compliance with risk management policies. The Committee also reviews the robustness of credit risk management policies and analyzes all the related processes with respect to credit decisions. The Committee is entrusted with the review and approval of credit proposals. The Board and the management review the results of credit and enterprise risk monitoring and mitigation measures.

Pandemic Risk: The risks of a repeated wave of COVID-19 pandemic could have an adverse impact on business if the intensity increases and is for a prolonged period of time. The pandemic is not only a

threat in itself but has also resulted in various social, economic and other risks, including business risk and risk of enhanced defaults by customers. The following impacts may also arise:

- Lower consumer sentiment
- Disruption in operations
- Increases chances of default risk

Mitigation: Pro-active crisis management, strong business continuity processes and robust infrastructure ensured uninterrupted services to customers, while maintaining health and safety of employees.

Liquidity Risk: HFCs inherently face asset-liability mismatch risk and liquidity risk due to the short-term borrowing tenure. This may result in the following:

- Impacts brand equity
- Lowers earnings
- Liquidity crisis
- Loss in revenue

Mitigation: The Company keeps a close eye on asset maturities and liabilities for funds and borrowings and the repayment schedules. ALM position based on maturity buckets is closely monitored and managed by the ALCO team to avoid the possibilities of asset-liability mismatch.

Credit Risk: Credit risk may arise in the event of default on loans by the borrower. This following impacts may also arise:

- Inadequate credit
- Liquidity crunch
- Impact on AUM
- Increase in NPA
- Lower earnings

Mitigation: A robust credit appraisal process ensures efficient verification of the credit profile of all borrowers and recovery processes. Most borrowers being first timers borrow only the deficient amount resulting in lower due which can be easily paid.

Operational Risk: Operational efficiency of the Company may get impacted due to failure or mismanagement related to law, HR, technology or customer relations. This can lead to:

- Lower brand equity
- Earnings loss
- Business closure

Mitigation: Most operations and services including loan origination, document processing, marketing and research, supervision of loans, data processing and back office are internally managed and governed by a strict code of conduct policy. The Company ensures legal governance of all outsourced services for effective control.

Competition Risk: Lucrative growth prospects of the highly fragmented housing finance market poses threat from competition. This may lead to:

- Loss in revenue
- Lower market share

Mitigation: With a strong track record of positive ALM and lower NPA, the Company has created an unmatched reputation in the rural markets it operates in. The rural sections of the credit market are highly underserved with demand always exceeding supply which provides a huge scope for business growth.

Interest Rate Risk: Loan spread may get impacted in the event of unforeseen fluctuation in repo rates/ interest rates which can result in:

- Lower income
- Lower margin

Mitigation: Since the Company has access to funds available at a variable rate, while it lends at a fixed rate, it is adequately insulated from interest rate risks with high loan spreads. The Company's NIM is about 13% higher than the competitors.

Manpower Risk: With human capital being a key resource, it is important for the Company to maintain high retention ratio and ensure prompt recruitment. Any failure to mitigate this risk may lead to the following:

- Slower business growth
- Dilution of brand equity
- Operation failure

Mitigation: The experienced and talented management having served long tenures at the Company. They play a key role in enhancing business efficiency and devising strategies. The Company strives to employ motivated people full of zest, and ensures retention led by rewards and recognition. In light of the pandemic, the health and well-being of the employees is of utmost importance.

Technology Risk: The Company has to be up-to-date with evolving technological advancements in the housing finance sector to maintain competitive edge. Failure to do so may result in:

- Increased cyber attacks
- Information and Cyber Security threat
- Data leakage
- Loss of market share
- Operation failure

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

Regulatory Risk: Inability of the Company to comply with the ever evolving rules and regulation may impact business continuity. As HFCs transit to the new regulatory framework, there could be risks arising from varying interpretations of the regulatory framework and accounting standards. It may also result in:

- Dilution of brand equity
- Loss in earnings
- Legal non-compliances

Mitigation: A competent legal team ensures effective monitoring of regulatory developments and implementation of the required amendments.

Economic Risk: Macro-economic factors have a direct bearing on the financial sector thereby impacting business prospects of all HFCs. Negative impact of macroeconomic factors can lead to:

- Lower demand
- Liquidity crisis
- Lower AUM

Mitigation: The underserved/unserved rural and semi-urban pockets are generally insulated from macro-economic factors. As the target customers usually belong to the above-mentioned category, the Company is well-placed to tackle economic risks.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

To safeguard its assets and ensure efficient productivity at all levels, the Company has robust internal control systems in place, commensurate with the size and industry in which it operates. The Company's SRG SRAJAN program has been instrumental in enhancing the internal control system with a strong emphasis on automation and technology. The internal control mechanism ensures strict adherence to high credit underwriting parameters, requisite laws and regulations. Financial reporting and transaction reporting is also made quick, easy and accurate due to internal controls. To streamline the system, process flows for all functions have been documented for reference and record and being followed.

In accordance with standard policies and procedures, an independent firm of chartered accountants verifies all the internal reports and suggest necessary changes for processes and systems. The Audit Committee ensures that the suggested corrective measures are implemented to ensure the robustness of internal controls.

A team from the head office conducts quarterly branch audits across all branches reviewing cases at random for property inspection and customer verification.

INFORMATION TECHNOLOGY

After embarking on the IT transformation journey in FY19, the Company has undergone significant technological transformations making it well prepared for the challenges posed due to the COVID-19 pandemic. The Company achieved higher operational efficiency, better productivity and cost-effectiveness led by the successful revamp of all its processes and systems, right from customer sourcing, credit evaluation, disbursement and collection.

SRG "SRAJAN", a combined initiative of digital transformation and business process re-engineering, has been adopted to standardize Standard Operating Procedures (SOPs) and streamline key activities and core functions. The key objective behind this is to eliminate redundancies and enhance efficiencies and productivity of resources. Technology adoption has enabled the automation of business operations and has empowered employees across the organizational framework to serve customers more efficiently.

SRG SRAJAN program-led mobile lending solutions, HRMS and due diligence have well equipped the executives to process loan applications, capture

leads and accelerate loan processing through smartphones. The sales application has empowered the users with LOS, Docu-Check in KYC verification of customers, Credit PD app in determining the eligibility of the customer in real-time, Go Collect application in real-time collection management along with the efficient, remote real-time tracking of field agents activities. Marketing executives have benefited by the simple login and registration process. Digitalization has resulted in significant reduction in the turnaround time (TAT).

During the year, the Company moved to the use of IT service desk for raising tickets for requests and resolution and performance management of IT resources, assets and Office 365 thereby further strengthening its IT systems by reducing the TAT and standard service level agreement (SLAs) for IT services for interdepartmental communications within the organization and also for employees across various branches.

To enhance the digital modes of loan collection, ensure staff safety and asset quality, and to ensure normal business functioning especially in difficult times, the Company enhanced IT services by migrating to AWS Cloud Infrastructure. This enabled the field staff to access all digital services 24x7 without hassle. This enhanced the flexibility of using applications, scalability, and security simultaneously.

As part of the rapid adoption of technology to cater to the demands of business and customer needs, the Company is in the process of equipping the center, marketing and legal team with advanced tools through Bitrix 24 CRM. This will enable sales intelligence through customer's 360-degree view, digital campaigns for marketing, etc.

Additionally, the Company is in the process of revamping its website with advanced technologies like react js, node js frameworks and headless content management system to be more mobile responsive, dynamic and interactive for visitors with AI Chatbot, etc.

HUMAN RESOURCES

SRG Housing believes that human resources are the most significant element responsible for an organization's growth. The Company strives towards attracting, retaining and developing the best talent in order for the business to grow sustainably. The employees are regularly provided with training and development programs to enhance their skills. To ensure high retention ratios, the Company organizes

various motivational programs, reward & recognition and engages employees strategically. The Company boasts of well-defined HR policies that enables personal and professional growth of its employees. These policies nurture a culture that leads to alignment of employee goals with that of the Company.

Through SRG SRAJAN, the Company automated its business operations and empowered its employees across the organizational framework to serve customers more efficiently. During the lockdown when offices were closed, employees continued to collaborate and work efficiently as a part of the work from home policy, with mobile apps functioning at all times. The sales application empowered the Company with LOS, Docu-Check in KYC verification of customers, Credit PD app in determining the eligibility of the customer on real-time, Go Collect application in real-time collection management along with the efficient real-time tracking of field agents activities remotely. As part of SRAJAN's digital transformation initiative, the Company introduced HR Mantra for employee attendance, training and payroll management. During the year, five modules went live under HR Mantra, namely claims, travel, payroll, performance management system (PMS) and learning management system (LMS).

The Company initiated a new training and development program called 'Pathshala', a Nominations and invitation-based learning program aimed at employee development. Through this program, the Company provided various trainings to employees with an objective to keep them motivated and positive about their work, and increase their efficiency and authenticity. A monthly training calendar including details of various training, learning and engagement programs to be conducted throughout the month was released. A total of 11 sessions were conducted during the year wherein the employees were trained on business aspects of IT, HR, marketing, operations, legal policy, company process, sales and conflict to collaborate. Additionally, trainings were also conducted to develop soft skills and professional image enhancement.

The Company also initiated 'Gyan Guruwaar', a weekly mailer released every Thursday, consisting of employee's work knowledge-related articles.

The Company conducted a total of 296 induction sessions during the year: 53 in Gujarat, 60 in Madhya Pradesh, 182 in Rajasthan and 1 in Maharashtra. The Company conducted Saturday recreational and creative activities to boost employee morale.

Various activities were also conducted to promote teamwork, communication and understanding of the business.

Backed by their in-depth understanding of financial services and mortgage industry, the founders have nurtured a loyal team of senior management that has been a part of the entire growth process of the organization. The Company has an expert in-house legal team of lawyers, chartered accountants and company secretaries, and an independent IT team to ensure effective server-based database management, data transition security and adequate IT controls.

The Company was awarded as 'the Dream Company to work for' at BFSI Awards.

The total number of employees as on March 31, 2021 stands at 298.

SEGMENT REPORTING

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

RELATED PARTY TRANSACTIONS

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

CAUTIONARY STATEMENT

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

Director's Report

To,
The Members

The Board of Directors of your Company take pleasure in presenting before you the 22nd Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2021.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS & STATE OF AFFAIRS:

(₹ In Crore)

Particulars	2020-21	2019-20
Profit Before Fair Value Changes, and Provision for Expected Credit Loss	25.33	23.22
Net Gain/(Loss) on Fair Value Changes	0.10	0.23
Impairment on Financial Instruments (Expected Credit Loss)	-1.66	-0.96
Profit Before Tax	23.77	22.49
Less : Tax Expenses (Including Deferred tax)	4.94	4.52
Profit After Tax	18.83	17.97
Other Comprehensive Income	-0.09	-0.03
Total Comprehensive Income	18.75	17.94
Retained Earnings		
Opening Balance	37.32	22.86
Profit for the year	18.83	17.97
Other Comprehensive Income	-0.09	-0.03
Amount Available for Appropriations	56.06	40.80
Appropriations:	0.00	0.00
Transferred to Special Reserve under Section 36(1)(viii) of The Income Tax Act, 1961& Section 29C of the NHB Act, 1987	3.80	3.70
Excess provision	0.01	0.24
Other Adjustment due to IND AS	0.00	-0.02

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

BUSINESS PERFORMANCE:-

A. Lending operations:-

Assets Under Management (AUM):-

Despite the challenges of COVID-19 pandemic, SRG Housing maintained sustainable growth.

The Gross Loan Book as at March 31, 2021 stood at ₹ 325.40 crore as against ₹ 274.24 crore as at March 31, 2020, growth of 18.66%. As at March 31, 2021 the Loan Portfolio contributing Housing loans as 67.79%, (previous year 72.09%) and Loan against properties as 32.21% (previous year 27.91%).

Sanctions:-

During the Financial Year under review, your Company sanctioned housing loans for 96.85 crore as compared to ₹ 49.76 crore in the previous financial year registering a growth of 94.63%.

Disbursements:-

During the Financial Year under review, your Company disbursed loans for ₹ 89.88 crore as compared to ₹ 48.48 crore in the previous Financial Year and recorded a growth of 85.40% in disbursements.

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

B. Profits:

During the year under review, your Company recorded an Operating Profit (i.e. Profit before tax and provisions for contingencies) of ₹ 25.43 crore (previous year ₹ 23.45 crore), registering an Y-o-Y increase of 8.44%, Profit Before Tax (PBT) of ₹ 23.77 crore (previous year ₹ 22.49 crore) registering and Y-o-Y increase of 5.71%, Profit After Tax (PAT) of ₹ 18.83 crore (previous year ₹ 17.97 crore) registering an Year-on-Year increase of 4.79%.

NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY:

The Gross NPA of your Company as on March 31, 2021 was ₹ 7.62 crore; 2.34% (previous year ₹ 6.05 crore; 2.21%). The net NPA was reduced from previous year. Net NPA as on March 31, 2021 was ₹ 1.35 crore; 0.42% (previous year 1.37 crore; 0.51%)

The regulatory and compliance reporting, has been done in accordance with the prudential guidelines for Non-Performing Assets (NPAs) issued by the Reserve Bank of India under Master Direction - Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021. Your Company has made adequate provision for the assets on which instalments are overdue for more than 90 days and on other assets, as required. For details on the impairment provisioning, please refer note no. 42 to the financial statements.

By way of prudence and abundant caution, Company has provided additional provision over and above the NHB guidelines and as on March 31, 2021.

The Company has maintained cumulative NPA provision of ₹ 7.75 crore against the required provision of ₹ 4.10 crore (Previous year ₹ 6.09 crore).

Further for standard assets Company carries provision of ₹ 1.47 crore (Previous year ₹ 1.40 crore).

CAPITAL ADEQUACY RATIO:

Particulars as on March 31	2021	2020
Capital Adequacy Ratio	38.06%	40.04%

As per regulatory norms, the minimum stipulated capital adequacy ratio to be achieved on or before March 31, 2021 was 14% and the minimum Tier I capital was 10%. The minimum capital adequacy ratio for HFCs

would increase to 15% on or before March 31, 2022. We are already having higher Capital Adequacy Ratio.

DIVIDEND:

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

CHANGES IN SHARE CAPITAL:

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

BORROWINGS:

A. Refinance from National Housing Bank (NHB):

NHB continued to extend its support to your Company through various schemes and refinance; during the Financial Year under review, your Company has availed refinance assistance of ₹ 40 crore (includes ₹ 25 crore unavailed), ₹ 10 crore under special refinance scheme, ₹ 15 crore under Liquidity Infusion Facility (LIFT). Total outstanding as at March 31, 2021 amounts to ₹ 40.98 crore.

B. Banks and Financial Institutions:

The Company has availed fresh credit facilities of ₹ 25 crore (includes ₹ 15 crore unavailed) from State Bank of India during the year 2020-21. The outstanding credit facilities from Banks and Financial Institutions as at March 31, 2021 amount to ₹ 179.49 crore.

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

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

During the Financial Year under review, the Company has issued Rated, Secured, Listed and Redeemable NCDs of ₹ 60 crore under TLTRO scheme to Banks. As on March 31, 2021 the outstanding NCDs stood at ₹ 65.30 crore. During the year, the rating assigned to NCDs continued as BWR BBB (BWR Triple B) Outlook: Stable from Brickwork Ratings, the Credit Rating Agency. Further for NCDs amounting to ₹ 25 crore along with Brickwork rating, credit rating of ACUITE BBB also issued by ACUITE, the credit rating agency.

In accordance with the RBI Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions,

2021 as applicable, during the year under review, the Non-Convertible Debentures issued by the Company on private placement basis were paid/ redeemed by the Company on their respective due dates and there were no such instances of any Non-Convertible Debentures which have not been claimed by the investors or not paid by the Company after the date on which the Non-Convertible Debentures became due for redemption.

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

Further details of borrowings are provided under notes to accounts.

UNCLAIMED DIVIDEND AND UNCLAIMED SHARES:

As at March 31, 2021, dividend amounting to ₹ 5025/- has not been claimed by the shareholders.

The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

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

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

The unclaimed dividend in respect of financial year 2014-15 must be claimed by shareholders on or before April, 2022 failing which the Company will transfer the unclaimed dividend and the corresponding shares to the IEPF within a period of 30 days from that date. The concerned shareholders, however, may claim the dividend and shares from IEPF, the procedure for which is detailed in the Shareholders' Information section of this Report.

As at March 31, 2021 there is no unpaid/ unclaimed Dividend and the shares to be transferred to the Investor Education & Protection Fund.

In terms of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has made the relevant disclosures to the Ministry of Corporate Affairs (MCA) regarding unpaid/unclaimed dividends. The Company has uploaded prescribed information on www.iepf.gov.in and www.srghousing.com.

UNCLAIMED NON-CONVERTIBLE DEBENTURES AND INTEREST THEREON:

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

As at March 31, 2021 there was no NCDs amount or interest thereon, which remained unclaimed and unpaid.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA):

Pursuant to SEBI (LODR) Regulations, 2015, and directions issued by National Housing Bank (NHB) and Reserve Bank of India (RBI), Report on Management Discussion and Analysis is forming part of this Annual Report.

ASSOCIATE AND SUBSIDIARY COMPANY:

The Company does not have any subsidiary and associate Company.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- a. In the preparation of the annual accounts for the year ended on March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended March 31, 2021.

- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of The Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d. The annual accounts of the Company have been prepared on a going concern basis;
- e. Internal Financial Controls have been laid down to be followed by the Company and such Internal Financial Controls were adequate and operating effectively;
- f. Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

REGULATORY COMPLIANCES:

In October 2020, RBI issued the regulatory framework for HFCs in supersession of the corresponding regulations by NHB. The objective of the framework was to facilitate regulatory transition in a phased manner.

Further, on February 17, 2021, RBI issued Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions). These directions came into force with immediate effect.

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

The Government of India has set up the Central Registry of Securitization, Asset Reconstruction and Security Interest of India (CERSAI) under Section 21 of the SARFAESI Act, 2002 to have a central database of all mortgages created by lending institutions. The object of this registry is to compile and maintain data relating to all transactions secured by mortgages. Accordingly, your Company is registered with CERSAI and has been submitting data in respect of its loans.

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

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

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

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance (National Housing Bank) Directions, 2016, RBI Directions and the Companies Act, 2013 and Rules thereto, as amended from time to time.

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

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

The said certificate for financial year 2020-21 does not contain any qualification, reservation or adverse remarks.

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company with related parties are in the ordinary course of business and on an arm's length basis. Your Directors draw attention of the Members to Note no. 32 to the Financial Statements which sets out related party disclosures. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with Section 188 of Companies Act, 2013 accordingly information in Form AOC-2 is not annexed.

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

The policy on transactions with related parties is given as elsewhere in this to this report and also available at the website of the Company www.srghousing.com.

RISK MANAGEMENT POLICY:

Pursuant to Section 134 (3) (n) of The Companies Act, 2013, The SEBI (LODR) Regulations, 2015 and

NHB and RBI directions, the Company has in place a risk management framework approved by the Board of Directors.

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

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

CORPORATE SOCIAL RESPONSIBILITY POLICY AND INITIATIVES:

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

During the year the Company's CSR activities focused on COVID-19 relief, Healthcare, Environment sustainability, Protection of national heritage, art and culture etc. and other activities in accordance with Schedule VII of the Act and CSR Policy of the Company. The total amount spent during financial year 2020-21 was ₹ 55.21 lakhs (Previous Year ₹ 16.42 lakhs). Brought forward CSR Obligation of FY 2019-2020 ₹ 20.11 lakhs was utilized during the financial year 2020-21. The Annual Report on CSR activities including brief contents are provided to this report.

Further details on the prescribed CSR spend under Section 135 of the Companies Act, 2013 and the amount spent during the year under review are provided in the Annual Report on CSR activities annexed to this report.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by board. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board and/or to the Managing Director.

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of the Company comprises 7 Directors, consisting of 4 Independent Directors, 2 Non-Executive Women Directors and a Managing Director as on March 31, 2021.

During the year under review, Mr. Nishant Badala, Independent Director was reappointed at the 21st Annual General Meeting of the Company held on September 24, 2020 for a further period of 5 years with effect from May 14, 2020 till May 13, 2025.

In the opinion of the Board, he possesses requisite expertise, integrity and experience for appointment as an Independent Director of the Company.

During the year, the Board of Directors on the recommendation of Nomination and Remuneration Committee had appointed Mr. Sureshkumar Kanhaiyalal Porwal as an Independent Director to hold office in the capacity of additional Non- Executive Independent Director in the company w.e.f December 1, 2020 for tenure of 5 years i.e. upto November 30, 2025 subject to approval of the members in the 22nd Annual General Meeting of the Company.

In the opinion of the Board, he possesses requisite expertise, integrity and experience for appointment as an Independent Director of the Company.

Pursuant to the provisions of Section 152 of the Act Mrs. Seema Jain Non-Executive Director being the longest in office among directors who are liable to retire by rotation, retires and being eligible; offers herself for re-appointment at the ensuing 22nd Annual General Meeting.

The necessary resolution for re-appointment of the aforesaid directors and their detailed profile has been included in the Notice conveying the ensuing 22nd Annual General Meeting.

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

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

No KMP has been appointed or resigned from the Company during the Financial Year under review.

DECLARATION FROM INDEPENDENT DIRECTORS

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

AUDITORS:

Statutory Auditor:

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, M/s. PKJ & Co., Chartered Accountants, (Registration No. 124115W) appointed by the members at the 18th Annual General Meeting held on September 30, 2017 as the statutory Auditor of the Company for a period of five years upto the conclusion of 23rd Annual General Meeting to be held in year 2022, will continue as the Statutory Auditors of the Company, on such terms and conditions as may be decided by the Board.

The Statutory Auditors have audited the books of accounts of the Company for the financial year ended March 31, 2021 and have issued the Auditors' Report thereon.

In accordance with applicable laws, during the year, the audit partner was rotated.

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

The details of remuneration paid by the Company to M/s. PKJ & Co., Chartered Accountants are provided in note no. 25 of the financial statements.

The guidelines issued by RBI on April 27, 2021 for the appointment of statutory auditors, NBFC-HFCs with an asset size of ₹ 15,000 crore and above is not applicable on the Company.

Secretarial Auditor:

Mr. Shiv Hari Jalan, Practicing Company Secretary was appointed as the Secretarial Auditor of the Company for the financial year 2020-21 by the Board of Directors pursuant to provisions of the Companies Act, 2013 and Rules framed there under. Secretarial Audit Report as provided by Mr. Shiv Hari Jalan, Practicing Company Secretary is annexed to this Annual Report. The Report does not contain any qualifications, reservations or adverse remarks.

The Secretarial Compliance Report as prescribed by SEBI is provided elsewhere in the annual report.

SECRETARIAL STANDARDS:

The Company complies with the mandatory Secretarial Standards i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

MEETINGS OF THE BOARD AND COMMITTEES:

During the financial year 2020-21, 10 meetings of the board of directors were held and the related details, including details of various committees and meetings thereof are available in the Report of Directors on Corporate Governance forming part of this Annual Report.

PARTICULARS OF LOANS, GAURANTEES OR INVESTMENTS:

Since the Company is an NBFC-HFC, the disclosures regarding particulars of the loans given, guarantees given and securities provided is exempt under the provisions of Section 186 (11) of the Companies Act, 2013.

As regards investment made by the Company, the details of the same are provided under Note no. 5 forming part of Financial Statements of the Company for the year ended March 31, 2021.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

There is no information to disclose under the head 'Conservation of Energy and Technology Absorption' given in the above rules since the Company is engaged

in providing housing loans. However, your Company is taking every step to conserve and minimize the use of energy wherever possible. There were no foreign exchange earnings and outgo, during financial year 2020-21.

REQUIREMENT FOR MAINTENANCE OF COST RECORDS:

Since the Company is into housing finance, the Company is not required to maintain cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and can be accessed at <https://www.srghousing.com/Annual-Report>.

PARTICULARS OF EMPLOYEES:

As at March 31, 2021, the Company had 1 employee employed throughout the year who was in receipt of remuneration of more than ₹ 1.02 crore per annum. Except this no other employee employed throughout the year that was in receipt of remuneration of ₹ 1.02 or more per annum or ₹ 8.50 lakhs or more per month if employed for part of the year. Disclosures on managerial remuneration are annexed to this report.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes and commitments affecting financial position of the Company between March 31, 2021 and the date of Director's Report.

CHANGE IN NATURE OF BUSINESS:

There are no changes in the nature of business.

DETAILS RELATING TO DEPOSITS:

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

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

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

DISCLOSURES ON MANAGERIAL REMUNERATION:

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

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to BSE where the Company's securities are listed.

INVESTOR COMPLAINTS AND COMPLIANCE:

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

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

The Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's policy on the same is placed on the website of the Company www.srghousing.com.

In terms of section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, we report that, during 2020-21, no case has been reported under the said act.

ADDITIONAL DISCLOSURES UNDER COMPANIES (ACCOUNTS) RULES, 2014:-

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- a. the Company has made neither any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
- b. There was no instance of onetime settlement with any Bank or Financial Institution

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the advice, guidance and support given by various regulatory authorities including the National Housing Bank (NHB), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Stock Exchange (BSE), Depositories (NSDL & CDSL), Debenture Trustees, Debenture Holders, and all the Bankers and Lenders of the Company.

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

Your Directors also record their appreciation for the dedicated services of the employees and their

contribution to the growth of the Company especially during the difficult times of the pandemic.

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

Last and foremost your directors extend gratitude to medical personnel, health officers, government leaders and volunteers around the world who are working endlessly to overcome the COVID-19 pandemic.

Best Wishes

Vinod K. Jain
Managing Director
DIN: 00248843

Seema Jain
Director
DIN: 00248706

Date:- 05-08-2021
Place:- Udaipur

Annexure - I

Details of Managerial Remuneration

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

Sr. No.	Requirements	Disclosures
(i)	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2020-21	Executive Director Mr. Vinod K. Jain- Managing Director- 180.92 times
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	Executive Director Mr. Vinod K. Jain- Managing Director- 4.32%
		KMPs(Other than Managing Director) Mr. Ashok Kumar- There was no increase in the remuneration of the KMP in the financial year. Ms. Sunaina Nagar- There was no increase in the remuneration of the KMP in the financial year.
(iii)	The percentage increase in the median remuneration of employees in the financial year	There was increase of 0.81% in the median remuneration of the employees in the financial year.
(iv)	The number of permanent employees on the rolls of company	There were 298 permanent employees on the rolls of the Company, as on March 31, 2021.
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There is no increase in Average remuneration of all employees other than the Managerial Personnel.
		There is no increase in Average remuneration of Managerial Personnel Justification: Due to COVID-19 outbreak no increment has been done during the period.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company.

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

Annexure - II

Annual Report on Corporate Social Responsibility (CSR) Activities

1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

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

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

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

2. THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE COMPRISED OF:-

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

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

The Web-link for the requisite information is as under:
<https://www.srghousing.com/Corporate-Social-Responsibility-Policy>.

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

Not applicable.

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

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

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

The average net profit of SRG Housing Finance Limited of the last three financial years was calculated to be ₹ 1,755.15 lakh.

7. CSR OBLIGATION

Sr. No.	Particulars	Amount (in Lakh)
1.	2% of average net profit of the Company as per section 135(5)	35.10
2.	Surplus arising out of the CSR projects or programmes or activities of the previous	Nil
3.	Amount required to be set off for the financial year, if any	Nil
4.	Previous year Unspent CSR Amount	20.11
5.	Total CSR obligation for the financial year (7a+7b-7c)	55.21

8. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR

During the financial year 2020-21, SRG Housing Finance Limited spent a total of ₹ 55.21 lakh on CSR projects. A breakdown of the manner in which this expenditure was made has been depicted in the table given below;

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

Total Amount Spent for the Financial Year (in Lakh)	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)		
55.21	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Nil	Nil	Nil	Nil	Nil

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

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

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (In Lakh)	(7) Mode of Implementation -Direct (Yes/No)	(8) Mode of implementation through implementing agency	
				State	District			Name	CSR Registration number
1	Combating COVID-19 relief activities	(i) Promoting health care including preventive health care	Yes	PAN India	PAN India	45.87	Direct	-	-
4	Promotion of the Arts and heritage restoration	(v) Promotion of the Arts and heritage restoration	No	Uttar Pradesh	Ayodhya	5.01	Direct	-	-
5	Plantation activities	(iv) environmental sustainability	Yes	Udaipur	Rajasthan	2.33	Direct	-	-
6	Healthcare-Kidney Transplant Programmes for prevention, early diagnosis, treatment and care	(i) Promoting healthcare, including preventive healthcare	Yes	Udaipur	Rajasthan	0.50	Direct	-	-
	Healthcare - Other Interventions		Yes	Udaipur	Rajasthan	1.50	Direct	-	-

d) Amount spent in Administrative Overheads: Nil.

e) Amount Spent on Impact Assessment: Not Applicable.

f) Total amount spent for the Financial Year: of ₹ 55.21 lakh

g) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in Lakh)
i	Two percent of average net profit of the company as per section 135(5)	55.21*
ii	Total amount spent for the Financial Year	55.21
iii	Excess amount spent for the financial year [(ii)-(i)]	0
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

*Including ₹ 20.11 lakh, amount unspent of previous year which was carry forwarded in the current Financial Year 2020-21.

9) (a) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sr. No.	Preceding financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (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	Amount (in ₹)	Date of transfer	
1	2019-2020	Nil	20.11	Nil	Nil	Nil	Nil

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

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

For **SRG Housing Finance Limited**

Vinod K. Jain
Managing Director

Mr. Nishant Badala
Chairperson of CSR Committee

Date:- 05-08-2021

Place:- Udaipur

Annexure -III

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 No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SRG HOUSING FINANCE LIMITED
321, S.M. Lodha Complex,
Near Shastri Circle,
Udaipur - 313001

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

Due to COVID -19 lockdown We have conducted Secretarial Audit from remote location through documents provided us on Email based on said verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2021 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 Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the period under review)
 - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the period under review)
 - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the period under review)

- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the period under review)
 - (j) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the period under review)
- (vi) Other laws applicable specifically to the Company namely:
- (a) National Housing Bank (NHB) Act, 1987 and Rules, Regulations, Circulars, Directions and Guidelines prescribed thereunder;
 - (b) Housing Finance Companies (NHB) Directions, 2010;
 - (c) Housing Finance Companies issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014 and
 - (d) Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002.
 - (e) Non-Banking Financial Company –Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 read with Review of regulatory framework for Housing Finance Companies (HFCs) dated October 22, 2020 issued by Reserve Bank of India

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent

Place: Mumbai
Date: 05-08-2021
UDIN: F005703C000739953

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

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

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 the company had following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

The Company has allotted 100 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures on private placement basis of ₹ 10,00,000/- each fully paid up on June 29, 2020 which has been listed on BSE Limited on July 09, 2020 with script code 959686 vide BSE Ltd notice dated July 08, 2020.

The Company has allotted 250 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures on private placement basis of ₹ 10,00,000/- each fully paid up on July 31, 2020 which has been listed on BSE Limited on August 12, 2020 with script code 959845 vide BSE Ltd notice dated August 11, 2020.

The Company has allotted 250 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures on private placement basis of ₹ 10,00,000/- each fully paid up on December 10, 2020 which has been listed on BSE Limited on December 15, 2020 with script code 960299 vide BSE Ltd notice dated December 14, 2020.

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

(Shiv Hari Jalan)
Proprietor
FCS No: 5703
C.P.NO: 4226

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

Annexure - A

To,
The Members,
SRG HOUSING FINANCE LIMITED
321, S.M. Lodha Complex,
Near Shastri Circle,
Udaipur - 313001

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

Place: Mumbai
Date: 05-08-2021
UDIN: F005703C000739953

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

(Shiv Hari Jalan)
Proprietor
FCS No: 5703
C.P.NO: 4226

Secretarial Compliance Report

of

SRG Housing Finance Limited

for the year ended March 31, 2021

(Pursuant to circular CIR/CFD/CMD1/27/2019 dated February 8, 2019)

Due to COVID-19 lockdown restrictions We have examined through remote location though documents provided us on Email:

- (a) all the documents and records of SRG Housing Finance Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 (“Review Period”) in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the period under review)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the period under review)
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the period under review)
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Applicable Regulation 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:-

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
		NONE	

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
NONE				

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

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

Place: Mumbai
Date: 28-06-21
UDIN: F005703C000531789

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

(Shiv Hari Jalan)
Proprietor
FCS No: 5703
C.P.NO: 4226

Annexure - IV

Report on Corporate Governance

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

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

PHILOSOPHY ON CODE OF GOVERNANCE-

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

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

The policy is available on the website of the Company at:

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

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

1) BOARD OF DIRECTORS:

A. Composition & Category of Directors:

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

The Board based on the recommendation of the Nomination and Remuneration Committee and subject to approval of the Shareholders of the Company, appointed Mr. Sureshkumar Kanhaiyalal Porwal (DIN: 08966740) as an Additional Independent Director of the Company w.e.f December 1, 2020 for tenure of 5 years i.e. upto November 30, 2025 subject to approval of the members in the 22nd Annual General Meeting of the Company.

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

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

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

Directors	Age	No. of Directorship (including SRGHFL)	Name of the Listed Companies	No. of Committees		Category of Director
				Member (Including SRGHFL)	Chairman (Including SRGHFL)	
Mr. Vinod K. Jain	50	2	SRG Housing Finance Limited	0	0	Promoter - Managing Director
			S R G Securities Finance Limited	1	0	Promoter - Managing Director
Mrs. Seema Jain	45	2	SRG Housing Finance Limited	1	0	Promoter -Non-Executive Director
			S R G Securities Finance Limited	1	0	Promoter - Whole Time Director
Mr. Ashok Kabra	49	1	SRG Housing Finance Limited	2	0	Independent Director
Mr. Vikas Gupta	41	1	SRG Housing Finance Limited	1	1	Independent Director
Mr. Nishant Badala	31	2	SRG Housing Finance Limited	0	1	Independent Director
			S R G Securities Finance Limited	0	2	Independent Director
Ms. Garima Soni	27	1	SRG Housing Finance Limited	0	0	Non-Executive Director
Mr. Sureshkumar Kanhaiyalal Porwal	60	1	SRG Housing Finance Limited	0	0	Independent Director

Notes:

Other directorships exclude foreign companies, private limited companies and Companies under Section 8.

In accordance with SEBI (LODR) Regulations, 2015 membership/ Chairpersonship of only Audit Committee and Stakeholders' Relationship Committee have been reckoned in all other public limited Companies.

None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

Disclosure of Relationship Between Directors inter-se:

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

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

Details of Shareholding of Directors as on March 31, 2021:

A	Vinod Kumar Jain (Managing Director)	Shareholding at the beginning of the year 01/04/2020		Cumulative Shareholding during the year 31/03/2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	16,78,955	12.92		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	Acquisition :- 31-03-2020	2086	0.01		
3(1+2)	At the End of the year	16,81,041	12.93	16,81,041	12.93

B	Seema Jain (Director)	Shareholding at the beginning of the year 01/04/2020		Cumulative Shareholding during the year 31/03/2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	543751	4.18		
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):		No Change		
3(1+2)	At the End of the year	543751	4.18	543751	4.18

C	Garima Soni (Director)	Shareholding at the beginning of the year 01/04/2020		Cumulative Shareholding during the year 31/03/2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	4652	0.03		
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):		No Change		
3(1+2)	At the End of the year	4652	0.03	4652	0.03

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

B. Responsibilities of Board:

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

C. Board Expertise and Attributes

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

Sr. No.	Specific skills/ expertise/ competency	Name of Director
1	Knowledge on Company's businesses, policies, major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni Mr. Nishant Badala Mr. Ashok Kabra Mr. Vikas Gupta Mr. Suresh K Porwal
2	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni Mr. Sureshkumar Kanhaiyalal Porwal
3	Business Strategy, Governance, Administration, Decision Making.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni

Sr. No.	Specific skills/ expertise/ competency	Name of Director
4	Financial and Management skills.	Mr. Vinod Kumar Jain Mrs. Seema Jain Ms. Garima Soni Mr. Ashok Kabra Mr. Vikas Gupta Mr. Sureshkumar Kanhaiyalal Porwal
5	Technical / Professional skills and specialized knowledge in relation to Company's business.	Mr. Vinod Kumar Jain Ms. Garima Soni Mr. Nishant Badala Mr. Vikas Gupta Mr. Sureshkumar Kanhaiyalal Porwal
6	Experience in finance, risk management, legal, compliance and corporate governance.	Mr. Vinod Kumar Jain Ms. Garima Soni Mr. Nishant Badala Mr. Vikas Gupta Mr. Sureshkumar Kanhaiyalal Porwal Mrs Seema Jain

D. Independent Directors

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

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

- **Role of Independent Directors:**

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

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

- **Appointment of Independent Directors:**

The Company has 4 (four) Independent Directors on its Board. All Independent Directors are not liable to retire by rotation. Formal letters of appointment were issued to the Independent Directors in terms of the provisions of the Companies Act, 2013. A copy of the letter detailing the terms and conditions of appointment of the Independent Directors is placed on the Company's website at the link: <https://www.srghousing.com/Terms-Of-Appointment#>

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

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

that they meet the criteria of Independence. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

- **Familiarisation Programme for Independent Directors:**

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

- **Meetings of Independent Directors:**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. The Independent Directors of the Company met once during the year on March 22, 2021 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and access the quality, quantity and timeliness of flow of information between the Company management and the Board.

E. Evaluation of Directors and Board:

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

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

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

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

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

F. Code of Conduct:

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

The Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for financial year 2020-21. A declaration signed by the Company's Managing Director is published in this Report.

The Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

2) BOARD MEETINGS, COMMITTEE MEETINGS AND PROCEDURES:**Board Meetings:-**

The meetings of the Board of Directors are generally held at the Registered Office of the Company. During the year, Board met 10 (Ten) times. The Board of Directors of the Company had met within a maximum time gap of one hundred and twenty days.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors present
14-05-2020	6	4
22-06-2020	6	6
26-06-2020	6	5
29-07-2020	6	4
19-08-2020	6	6
10-09-2020	6	5
09-11-2020	6	5
01-12-2020	6	4
29-01-2021	7	6
22-03-2021	7	4

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

Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM) of each Director for the year ended March 31, 2021 is given below:

Name of Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM	Number of Directorships in other Companies	Number of Committee Memberships in other Companies	
					Chairman	Member
Mr. Vinod K. Jain	10	10	Yes	1	0	1
Mrs. Seema Jain	10	8	Yes	1	0	1
Mr. Ashok Kabra	10	10	Yes	0	0	0
Mr. Vikas Gupta	10	7	Yes	0	0	0
Mr. Nishant Badala	10	8	Yes	1	2	0
Ms. Garima Soni	10	4	No	0	0	0
Mr. Suresh K Porwal	2	2	NA	0	0	0

Leave of absence was granted to the Directors as requested.

Mr. Suresh K Porwal has been appointed as an independent Director of the Company with effect from December 1, 2020.

Board Committees:

A) Audit Committee:

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR), Regulations 2015 and RBI Directions. Members of the Audit Committee are financially literate and have relevant finance/audit exposure. Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company held on September 24, 2020

Terms of Reference:-

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

The audit committee met 4 (Four) times during the year on 26-06-2020, 10-09-2020, 09-11-2020 & 29-01-2021.

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

Name of Members	Number of Meetings attended
Mr. Nishant Badala - Chairman	4
Mr. Vikas Gupta - Member	3
Mr. Ashok Kabra - Member	4

Leave of absence was granted to the Committee Member as requested.

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

B) Nomination and Remuneration Committee:

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

Terms of Reference:-

The role of the Nomination and Remuneration Committee inter alia, includes, Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal; Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees; Evaluate and approve the adequacy of the compensation plans, policies and programs for Company's Executive Directors, KMP and Senior Management; Recommend appointment and removal of Directors, for approval at the general meeting of shareholders; Carry out evaluation of the performance of the Board and review the evaluation's implementation and compliance; Devise a policy on diversity of Board; Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company and monitor compliance with regard to the same. The role and responsibilities of the committee shall include such other items as may be prescribed by the Board in compliance with applicable law from time to time.

During the financial year 2020-21 the committee met on 14-05-2020 & 09-11-2020.

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

Directors	No. of Meeting attended
Mr. Vikas Gupta - Chairman	1
Mr. Ashok Kabra - Member	2
Mrs. Seema Jain - Member	2

Leave of absence was granted to the Committee Member as requested.

C) Stakeholder's Relationship Committee:

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

Terms of Reference:-

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

The chairman of the committee was present at the 21st AGM to answer shareholder queries.

Investor Grievance Redressal:

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. During the year company did not receive any complaints from investors.

During the Financial year 2020-21 the committee met on 02-03-2021.

The Company Secretary is the Secretary to the Committee.

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

Directors	No. of Meeting attended
Mr. Vikas Gupta - Chairman	1
Mr. Ashok Kabra - Member	1
Mrs. Seema Jain - Member	1

There are no complaint received during the year and no complaint is pending as on March 31, 2021.

D) Corporate Social Responsibility Committee:

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

Terms of Reference:-

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

The Committee met two times during the year on 26-06-2020&22-03-2021. The details of attendance at the CSR Committee meeting are as under:

Directors	No. of Meeting attended
Mr. Nishant Badala - Chairman	2
Mr. Vinod K. Jain-Member	2
Mrs. Seema Jain - Member	2

E) Risk Management Committee:

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

Terms of Reference:-

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

During the financial year 2020-21 the Committee met 4 times during the year on, 03-07-2020, 03-08-2020, 15-09-2020 & 20-11-2020 the details of attendance at the Risk Management Committee meeting are as under:

Directors	No. of Meeting attended
Mr. Vinod K. Jain - Chairman	4
Ms. Seema Jain -Member	4
Mr. Vikas Gupta - Member	4

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

Performance Evaluation Criteria for Independent Directors:

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

Remuneration Policy:

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

The remuneration policy is in consonance with the existing industry practice. A copy of the said policy is available at the link:
<https://www.srghousing.com/DataImages/download/POLICY.pdf>

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

Remuneration to Directors

Non-Executive Directors:

During the financial year 2020-21, except sitting fees no remuneration is paid to Non-executive directors.

The board of directors and Nomination & Remuneration Committee in their meeting. The and Nomination & Remuneration Committee in their meeting held on November 9, 2020 approved payment of Sitting Fees to Non-executive directors for attending Board Meeting, Audit Committee and Nomination & Remuneration Committee Meetings.

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

Name of Director	Fees for attending board/ committee meetings (in ₹)
Mr. Vinod K. Jain	-
Mrs. Seema Jain	11,000/-
Mr. Ashok Kabra	18,000/-
Mr. Vikas Gupta	11,000/-
Mr. Nishant Badala	12,000/-
Ms. Garima Soni	10,000/-
Mr. Suresh K. Porwal	5,000/-

Executive Director:

Detail of the remuneration paid to the executive director:-

Particulars	Mr. Vinod K. Jain (Managing Director)
Salary	₹ 314.60 lakhs

No sitting fees is paid to executive director.

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

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

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

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

- (iii) **Service contracts, notice period, severance fee:** Not applicable.

- (iv) **Stock option details, if any, and whether issued at a discount as well as the period over which accrued and over which exercisable:** Not applicable.

Transactions with Non-Executive Directors:

There was no pecuniary relationship or transactions of the non-executive directors vis-à-vis the company during the Financial Year ended March 31, 2021 except sitting fees for attending board/committee meetings to the non-executive

directors and the rent agreement entered into by the Company with Non- Executive Director Mrs. Seema Jain for taking on rent the office premises of the Company.

3) GENERAL MEETINGS / POSTAL BALLOTS:

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

Annual General Meetings of the Company:

Venue	Financial Year	Date & Time
Udaipur Chamber of Commerce & industry, Chamber Bhawan, Chamber Marg, M.I.A., Udaipur-313001	2017-2018	September 8, 2018 at 03:00 PM
The Solitaire - Gardens and Banquets, Delhi Public School shobhagpura road, opposite Mahila police station, near Yois hotel, Bhuwana, Udaipur (Raj.),313001	2018-2019	September 30, 2019, at 12:15 p.m.
Via audio visual mean at the registered office of the Company at 321, S.M. Lodha Complex Near Shastri Circle Udaipur Rajasthan 313001	2019-2020	September 24, 2020 at 12:15 PM

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

AGM/EGM	Subject
19 th Annual General Meeting held on 08/09/2018	<ul style="list-style-type: none"> Approval for issuance of non-convertible debentures/ unsecured redeemable subordinated debt -tier-II NCDs.
20 th Annual General Meeting held on 30/09/2019	<ul style="list-style-type: none"> Approval for Issuance of Redeemable Non Convertible Debentures/ Unsecured Redeemable Subordinated Debt -Tier-II NCDs/Bonds. Approval for increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 upto ₹ 725 crore. Approval for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1) (a) of the Companies Act, 2013: Approval for Re-appointment of Mr. Vinod K. Jain, Managing Director Approval for Re-appointment of Mr. Ashok Kabra (DIN 00240618) as an Independent Director of the Company Approval for Re-appointment of Mr. Vikas Gupta (DIN 05280808) as an Independent Director of the Company Approval for Related Party Transactions/ Arrangements Issue of Equity Shares
21 st Annual General Meeting held on 24/09/2020	<ul style="list-style-type: none"> Approval for Issuance of Redeemable Non-Convertible Debentures/ Secured or Unsecured Redeemable Subordinated Debt -Tier-II NCDs Bonds Approval for increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 upto ₹ 850 crore. Approval for creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1) (a) of the Companies Act, 2013. Approval for Re-appointment of Mr. Nishant Badala (DIN 06611795) as an Independent Director of the Company To consider and, if though. Approval for Further issue of Equity Shares.

Postal Ballot:

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

4) MEANS OF COMMUNICATION TO SHAREHOLDERS:

The main source of information for the shareholders is the Annual Report that includes inter alia, the Board's Report, the shareholders' information and the audited financial results. SRGHFL recognizes the importance of regular dialogue with its shareholders to ensure that the Company's strategy is clearly understood. The Company had 1477 shareholders as on March 31, 2021.

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

Quarterly performance and financial results of the Company are intimated to the Shareholders through the website of Bombay Stock Exchange (BSE) i.e. on www.bseindia.com, SRGHFL's website i.e. www.srghousing.com. The Company also publishes the abridged version of audited/ unaudited financial results on a quarterly/ annual basis, in the prescribed format, in English and Regional Language newspaper. Company normally publishes the abridged version of audited/ unaudited financial results in leading newspapers in English viz. Financial Express and in the Regional Language i.e. Jai Rajasthan/Nafa Nuksaan/Business Remedies. Shareholders have an opportunity to attend the Annual General Meeting at which the business outlook is presented and relevant aspects of the Company's operations are discussed. In addition, the registered office as well as the Registrar's Office (RTA), serves as a contact point for shareholders

on issues such as share transfers, dividends and announcements. Along with the financial results, other information as per the listing regulations such as Annual Report and Shareholding Pattern, are being uploaded on BSE website. The Company complies with Regulation 30 read with Schedule III and Regulation 46 of SEBI (LODR) Regulations, 2015 in respect of presentation made to analysts or to Institutional Investors. Further, the Company has also displayed official news releases which are available on company's website www.srghousing.com.

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

5) SHAREHOLDERS' INFORMATION:

Annual General Meeting:

Date and time:	September 3, 2021, through Video-Conference facility (VC)
Deemed Venue:	SRG Housing Finance Limited 321, S.M. Lodha Complex, Near Shastri Circle , Udaipur Rajasthan- 313001
Book Closure Date:	August 27, 2021 to September 3, 2021 (both days inclusive)
Financial Year	April 1 to March 31

Pursuant to Ministry of Corporate Affairs ('MCA') circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 read with SEBI Circulars dated May 12, 2020 and January 15, 2021, the ensuing 22nd Annual General Meeting ('AGM') is being conducted through VC or OAVM.

In terms of the said circulars, the financial statements (including the Boards' Report, Corporate Governance Report, Management Discussion Analysis, Auditors' Report and other documents required to be attached therewith) are being sent through only electronic mode to those shareholders whose email addresses are registered with the Company's Registrar and Share Transfer Agent as on Friday August 6, 2021. The Company has also made arrangements for those shareholders who have not yet registered their email address to get the same registered by following the procedure prescribed in the Notice of AGM.

Financial Calendar 2021-22 (Tentative):

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

Quarter ending June, 2021	During First/Second week of August 2021
Quarter/ Half Year ending September, 2021	During First/Second week of November 2021
Quarter ending December, 2021	During First/Second week of February 2022
Quarter/ Half Year/ Year ending March, 2022	During First/Second week of May 2022
Annual General Meeting	By September, 2022

Particulars of Dividend for the Year Ended 31.03.2021:

No Dividend was declared or paid during the year 2020-21.

Listing of Equity Shares:

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

(Note: Annual Listing fees for the year 2020-21 was duly paid to the above stock exchange)

Debt Securities:

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

Stock Market Data:**BSE**

Month	Open Price	High Price	Low Price	Close Price	Volume (No.)	BSE SENSEX
April-20	52.95	65.35	45.00	60.50	2,89,382	33,717.62
May-20	57.60	63.00	44.15	45.90	53,980	32,424.10
June-20	45.90	75.40	43.70	66.25	46,467	34,915.80
July-20	63.00	122.00	62.05	110.15	1,78,059	37,606.89
August-20	115.30	145.50	106.50	122.95	27,342	38,628.29
September-20	117.00	134.45	114.60	120.00	29,420	38,067.93
October-20	120.10	125.00	106.15	115.15	15,370	39,614.07
November-20	118.00	137.70	101.20	130.55	35,166	44,149.72
December-20	133.80	209.45	127.00	155.00	81,070	47,751.33
Jan-21	159.80	183.15	141.05	173.05	24,812	46,285.77
Feb-21	175.00	232.80	160.00	210.75	1,34,985	49,099.99
March 21	210.00	240.00	178.40	214.00	2,09,709	49,509.15

The listed NCDs did not trade during the financial year 2020-21

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

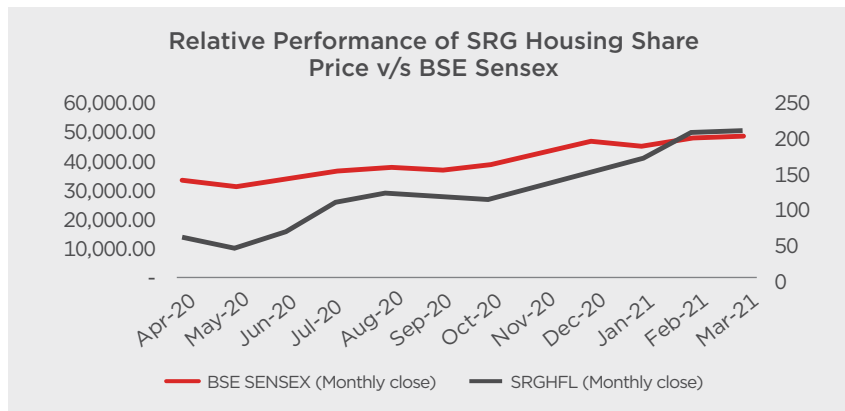
Note: Annual Listing fees for the year 2020-21 was duly paid to the above stock exchange)

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

Debenture Trustee:

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

Chart: Performance in comparison to BSE SENSEX



Distribution of Shareholding:

Distribution of Shareholding Across Categories-

Categories	March 31, 2021		March 31, 2020	
	No. of shares	% to total Capital	No. of shares	% to total Capital
Promoter and Promoter Group	80,00,021	61.54	7997935	61.52
Foreign Portfolio Investors (FPIs)/ Foreign Institutional Investor	76264	0.59	48950	0.38
Resident Individuals	4253005	32.72	4725506	36.35
Bodies Corporates	162287	1.25	78713	0.61
Non Resident Individuals	25639	0.20	36480	0.28
Alternate Investment Funds	0	0	20000	0.15
Others*	482784	3.71	92416	0.71
Total	13000000	100	13000000	100

*Includes Clearing Members/HUF

Distribution of Shareholding According to Size Class as on March 31, 2021-

Number of Equity Shares held	Number of Share holders	(%) of holders	Number of Shares held	% of Capital
UPTO TO 100	840	56.795	26027	0.200
101 TO 200	158	10.683	26203	0.202
201 TO 500	174	11.765	60698	0.467
501 TO 1000	75	5.071	58556	0.450
1001 TO 5000	91	6.153	202230	1.556
5001 TO 10000	57	3.854	447918	3.446
10001 TO 100000	53	3.584	1554290	11.956
100001 TO ABOVE	29	2.096	10624078	81.724
Total	1477	100	13000000	100

The Annual Return in form MGT-7 as at March 31, 2021 is available on the website of the Company and can be accessed at <https://www.srghousing.com/Annual-Report>

Registrar and Share Transfer Agents & Share Transfer System:

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

Corporate Benefits to Investors:

Dividend declared:

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

Bonus Issue of Fully paid up Equity Shares:

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

Dividends that have not been claimed by the shareholders for the financial year 2014-15 will have to be transferred to the Investor Education and Protection Fund in April, 2022 in accordance with the provisions of the Companies Act. The details of the unclaimed dividend and the last date for claiming the same, prior to its transfer to the IEPF, are as under:

Financial Year	No. of Members who have not claimed their dividend	Unclaimed Dividend as on March 31, 2021	Unclaimed Dividend as % to Total Dividend	Date of Declaration	Last date for claiming the dividend prior to its transfer to IEPF	Due date for transfer
2014-15	24	5025	0.17	March 11, 2015	April 10, 2022	May 9, 2022

Shareholders holding shares in electronic form are requested to deal only with their Depository Participant in respect of change of address, nomination facility and furnishing bank account number, etc.

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

Unclaimed Shares:

Pursuant to section 124(6) of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016,

Information In Respect of Unclaimed Dividends Due for Remittance into Investor Education and Protection Fund (IEPF) is given below:

Under the provisions of the Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. There are no Unpaid/ Unclaimed Dividend as on 31.03.2021 to be transferred to Investor Education & Protection Fund.

Members who have either not received or have not encashed their dividend Cheques for the financial years 2014-2015 are requested to claim the unpaid dividend from the Company before transfer to the above mentioned fund.

Pursuant to section 125 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 in case your shares, unclaimed dividend thereon have been transferred to IEPF, you can claim the same by making an application directly to IEPF in the prescribed form under the IEPF Rules which is available on the website of IEPF i.e. www.iepf.gov.in.

as amended (the 'IEPF Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to Demat Account of the IEPF Authority by the Company within a period of thirty days of expiry of said seven years.

The Company will publish a notice in newspapers intimating the members regarding the said transfer. These details will also be made available on the Company's website at <https://www.srghousing.com/Divident>.

Shareholder can claim such shares and unclaimed dividends transferred to the Fund by following the procedure prescribed in the IEPF Rules. The procedure for making such claim will also be made available on the Company's website at www.srghousing.com.

Request to Investors:

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

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

Reconciliation of Share Capital:

A quarterly audit was conducted by a Practicing Company Secretary, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on March 31, 2021, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 13000000 equity shares representing 100% of the paid up equity capital have been dematerialized as on March 31, 2021.

Nomination Facility:

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

Dematerialisation of Shares and liquidity:

SRGHFL's shares are available for trading with National Securities Depository Ltd. (NSDL) and with Central

Depository Services (India) Limited (CDSL). The ISIN allotted to SRGHFL's equity shares is INE559N01010.

Outstanding GDRs/ADRS/ WARRANTS

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

Commodity Price Risk /Foreign Exchange Risk / Hedging Activities:

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

Plant Locations:

Not Applicable being a Housing Finance Company.

Address for Correspondence:

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

Credit Ratings:

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

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

Information with regards to credit ratings is available on the website of the Company i.e. at www.srghousing.com.

6) COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:

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

7) GOING CONCERN:

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

8) AUDIT QUALIFICATIONS:

The Financial Statements of the Company are unqualified.

9) SEPARATE POSTS OF CHAIRMAN AND MANAGING DIRECTOR:

The Company has appointed only Managing Director of the Company.

10) REPORTING OF INTERNAL AUDITOR:

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

11) DECLARATION BY BOARD:

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

12) REAPPOINTMENT OF DIRECTOR:

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

13) ACCOUNTING STANDARDS/ TREATMENT:

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

14) MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report forms part of this Report which includes discussion on industry structure, opportunities and threats, segment/ product-wise performance, outlook, risks and concerns, internal control systems and their adequacy, financial performance with respect to operational performance, developments, if any, in Human Resources/Industrial Relations front, including number of people employed, details of significant changes in key financial ratios etc.

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

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

16) PREVENTION OF INSIDER TRADING

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

17) OTHER DISCLOSURES:**a) Related party transactions**

There were no transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business are included in the notes forming part of the financial statements and are also uploaded on the website of the Company, along with submission to stock exchanges on a half-yearly basis. The transactions in accordance with Regulation 23 of SEBI (LODR) Regulations, 2015 were entered with the related

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

b) Details of Non-Compliance:

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

c) Vigil Mechanism/Whistle Blower:

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

The whistle blower policy/Vigil Mechanism is placed on the website of the Company and can be accessed at <https://www.srghousing.com/DataImages/download/PolicyonVigilMechanism.pdf>

d) Compliance:

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

e) Non Mandatory Requirements:

The Company has a regime of un-qualified financial statements. There were no qualifications on financial statements by the Auditors. During the period under review, Company has complied with all the mandatory requirements of SEBI LODR Regulations. The Company shall endeavor to adopt the non-mandatory requirements, as and when necessary.

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

The Company has obtained a Certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, from Mr. Shiv Hari Jalan, Company Secretary in practice, confirming that none of the Directors on the Board of the

Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authority. The said certificate forms part of this report.

g) Fees Paid to Statutory Auditors:

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

Particulars	Amount (₹ in Lakhs)
Audit Fees	1.50
Certification Fees	0.39
Total	1.89

h) Declaration under Sexual Harassment of Women at Workplace

As required under the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the Company has implemented a policy on Sexual Harassment of Women at Workplace. An internal complaint committee has been set up to receive complaints, investigate matter and report to the management. During FY20-21 no cases of sexual harassment were reported.

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

During the period under review, the Company has not raised funds through preferential allotment or qualified institutions placement

Compliance with the Mandatory Requirements as Specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI LODR Regulations-

The Board periodically reviews the compliance of all applicable laws. The Company has complied with all mandatory requirements of the Code of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the SEBI LODR Regulations. It has obtained a certificate affirming the compliances from Mr. Shiv Hari Jalan, Company Secretary in practice and the same is attached to this report.

Annexure - IV-A

Policy on Related Party Transactions

A Policy to set out the materiality thresholds and the manner of dealing with the Related Party Transactions pursuant to provisions of the Companies Act, 2013 (“the Act”) and Rules framed thereunder (as amended from time to time), the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 (“the Regulations”), the NHB Directions, Indian Accounting Standards and other applicable laws.

I. INTRODUCTION

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

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

II. GOVERNING LAWS

This policy shall be governed by provisions of the Companies Act, 2013 and Rules framed thereunder (as amended from time to time), the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 NHB Act,

Directions and Notification issued by NHB/RBI from time to time, Indian Accounting Standards, on Related Party Disclosures (IND AS 24) and other applicable laws.

In case any term or procedure is not defined in this policy or differs from those defined under the applicable laws; the provisions of the applicable laws shall prevail over and above the clauses of this policy until such time this policy is amended/ updated to confirm to the applicable governing laws.

III. DEFINITIONS

1. “**Arm’s length transaction** (‘ALP’)” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
2. “**Related Party**” Means
 - (i) As per regulation 2(1) (zb) of SEBI (LODR), 2015 related party means a related party as defined under section 2(76) of the Companies Act, 2013 or under the applicable accounting standards.

Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party.

Relative

In terms of Section 2(77) of the Companies Act, 2013 read with the Companies (Specification of Definitions Details) Rules, 2014 a person is said to be a relative of another, if -

- a. They are members of a Hindu undivided family;
- b. They are husband and wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son’s wife;
- g. Daughter;
- h. Daughter’s husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

3. “Related Party Transaction” (RPT) Means -

- 3.1 Following types of the transactions considered as related party as per section 188 of Companies Act 2013:-

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company.

3.2 Types of the transactions considered as related party as per Reg.2 (1) (zc) of SEBI (LODR) Regulations, 2015 and and IND AS-24, of the Companies (Indian Accounting Standards) Rules, 2015.:-

Transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged, whether single transaction or group of transactions in a contract.

IV. MATERIALITY THRESHOLDS

Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 requires Company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of a resolution. The Company has fixed its materiality threshold at ten percent of the Annual Consolidated Turnover as per the last Audited Financial Statements of the Company for the transactions to be entered into individually or taken together with previous transactions during a financial year, for the purpose of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

Transactions involving payments made to a related party with respect to brand usage or royalty, if individually or taken together with the previous transactions during a financial year exceeds 2% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Material RPT as per Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014

Nature of Transactions	Materiality Threshold for the Transactions
Sale, purchase, supply of any goods or materials, directly or through agent	Amounting to 10% or more of the Turnover of the Company or ₹ 100 crore, whichever is lower
Selling or otherwise disposal of or buying property of any kind directly or through agent	Amounting to 10% or more of Net worth or ₹ 100 crore, whichever is lower
Leasing of property of any kind	Amounting to 10% or more of Net worth or 10% or more of the Turnover of the Company or ₹ 100 crore, whichever is lower
Availing or rendering of services directly or through agent	Amounting to 10% or more of Turnover of the Company or ₹ 50 crore, whichever is lower
The limits specified above shall apply for transaction/ transactions individually or taken together with previous transactions during a financial year.	
Appointment to any office or place of profit in the Company, its subsidiary company or associate company	Monthly remuneration exceeding ₹ 2,50,000/-
Remuneration for underwriting the subscription of any securities or derivatives thereof of the Company.	Exceeding 1% of the Net worth

Note- The Turnover or Net worth referred above shall be computed on the basis of the audited financial statements of the preceding financial year.

V. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

1. Identification of Related Parties

SRGHFL has formulated guidelines for identification and updating the list of related

parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 23 of the Regulations.

2. Identification of Related Party Transactions

SRGHFL has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and Regulation 23 of the Regulations. SRGHFL has also formulated guidelines for determining whether the transaction is in the ordinary course of business and at arm's length basis and for this purpose, the Company seeks external professional opinion, if necessary.

3. Procedure for approval of Related Party Transactions

a) Approval of the Audit Committee

All related party transactions shall require prior approval of the Audit Committee.

Omnibus approval:

The Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliances with the following conditions:

- i. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with this Policy and such approval shall be applicable in respect of transactions which are repetitive in nature;
- ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- iii. The omnibus approval shall provide -
 - a) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
 - b) the indicative base price / current contracted price and the formula for variation in the price if any (for ex: +/- 5%) and
 - c) such other conditions as the Audit Committee may deem fit.

However, in case of Related Party Transactions which cannot be foreseen and where the above details are not available, Audit Committee may grant omnibus

approval provided the value does not exceed ₹ 1 crore per transaction;

- iv. The Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given;
- v. Such omnibus approval shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

While assessing a proposal put up before the Audit Committee / Board for approval, the Audit Committee / Board may review the following documents / seek the following information from the management in order to determine if the transaction is in the ordinary course of business and at arm's length or not:

- i. Nature of the transaction i.e. details of goods or property to be acquired / transferred or services to be rendered / availed - including description of functions to be performed, risks to be assumed and assets to be employed under the proposed transaction;
- ii. Key terms (such as price and other commercial compensation contemplated under the arrangement) of the proposed transaction, including value and quantum;
- iii. Key covenants (non-commercial) as per the draft of the proposed agreement/ contract to be entered into for such transaction;
- iv. Special terms covered / to be covered in separate letters or undertakings or any other special or sub arrangement forming part of a composite transaction;
- v. Benchmarking information that may have a bearing on the arm's length basis analysis, such as:
 - a) market analysis, research report, industry trends, business strategies, financial forecasts, etc.;
 - b) third party comparable, valuation reports, price publications including stock exchange and commodity market quotations;

- c) management assessment of pricing terms and business justification for the proposed transaction;
- d) Comparative analysis, if any, of other such transaction entered into by the company.

b) Approval of the Board of Directors of the Company

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business and at arm's length basis, shall be placed before the Board for its approval.

In addition to the above, the following kinds of transactions with related parties shall also be placed before the Board for its approval:

- i. Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
- ii. Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;
- iii. Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval.
- iv. Transactions meeting the materiality thresholds laid down Clause 4 of the Policy, which are intended to be placed before the shareholders for approval.

c) Approval of the Shareholders of the Company

All the transactions with related parties meeting the materiality thresholds, laid down in Clause 4 of the Policy, shall be placed before the shareholders for approval.

For this purpose, all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

Regulation 23(5) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 provides that the requirement for seeking shareholders' approval shall not be applicable to:

- i. Transactions between two government companies;
- ii. Transactions between a holding company and its wholly owned subsidiary/ies (if any) whose accounts are consolidated with the holding company and placed before the shareholders at the general meeting for approval.

In addition to the above, all kinds of transactions specified under Section 188 of the Act which:

- (a) are not in the ordinary course of business and at arm's length basis; and
- (b) exceeds the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 shall be placed before the shareholders for their approval.

VI. DISCLOSURES

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

SRGHFL shall also provide details of all related party transactions meeting the materiality threshold (laid down in Clause 4 of the Policy above) on a quarterly basis along with compliance report on Corporate Governance to the stock exchange.

Quarterly/periodical updates shall be provided to the Audit Committee members on the related party transactions entered by the Company.

This Policy shall be uploaded on the website of the Company and a web link thereto shall be provided in the Annual Report.

The particulars of all the Related Party Transaction entered into with the approval of the Audit Committee / Board of Directors / Shareholders shall be entered into the Register of Contracts or Arrangements in which Directors are interested, maintained by the Company as per the provisions of the Companies Act, 2013 and rules framed thereunder.

Material Transactions exceeding the threshold limits as prescribed under Rule 15 sub rule (3) of Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 shall be disclosed under “Details of material contracts or arrangements or transactions at arms’ length” in Form no. AOC-2 as a part of the Directors Report, as prescribed under Companies Act, 2013.

The Company shall submit disclosure of Related Party Transactions on a consolidated basis in the format specified in the relevant accounting standards for annual results to the stock exchanges within 30 days from the date of its publication of its standalone and consolidated financial results for the half year.

VII. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision

or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems, and shall take any such action it deems appropriate.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review/ approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

VIII. APPROVED/ REVIEWED

This policy shall be subject to review/amendment as may be deemed necessary by the Board of Directors primarily to comply with any regulatory amendment(s) or statutory modification(s) to the Listing Regulations or any other Act/Law/ Regulations from time to time.

Annexure - IV-B

Declaration by Managing Director on Code of Conduct Under Para D of Schedule V of SEBI (LODR) Regulations, 2015

To

The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2021.

Vinod K. Jain

Managing Director

DIN: 00248843

Date: 05-08-2021

Place: Udaipur

Annexure - IV-C

Certification by Managing Director (MD) and Chief Financial Officer (CFO) to the Board

We, Vinod K. Jain, Managing Director and Ashok Kumar, Chief Financial Officer of SRG Housing Finance Limited, certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief;
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and that we have disclosed to the statutory auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

Place: Udaipur
Date: 05-08-2021

Vinod K. Jain
Managing Director
DIN: 00248843

Ashok Kumar
Chief Financial Officer

Annexure - IV-D

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,
SRG HOUSING FINANCE LIMITED
321, S.M. Lodha Complex,
Near Shastri Circle,
Udaipur - 313001.

Due to COVID-19 lockdown restrictions we have examined from remote location though documents provided us on Email, the relevant registers, records, forms, returns and disclosures received from the Directors of SRG Housing Finance Limited having CIN: L65922RJ1999PLC015440 and having registered office at 321, S.M. Lodha Complex, Near Shastri Circle, Udaipur - 313001 (hereinafter referred to as 'the Company'), produced before 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 explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment in Company *
1	Ashok Kabra	00240618	07/05/2012
2	Seema Jain	00248706	10/03/1999
3	Vinod Kumar Jain	00248843	10/03/1999
4	Vikas Gupta	05280808	26/04/2012
5	Nishant Badala	06611795	14/05/2015
6	Garima Soni	08336081	23/02/2019
7	Sureshkumar Porwal	08966740	01/12/2020

*the date of appointment is as per the MCA Portal

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. 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.

Place: Mumbai
Date: 05-08-2021
UDIN: F005703C000739898

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

(Shiv Hari Jalan)
Proprietor
FCS No: 5703
C.P.NO: 4226

Annexure - V

Certification on Corporate Governance

To,
The Members,
SRG HOUSING FINANCE LIMITED

We have examined the compliance of conditions of Corporate Governance by **SRG Housing Finance Limited** ('the Company') for the year ended March 31, 2021 as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

Due to COVID -19 lockdown restrictions we have examined from remote location through documents provided on email based on said verification of the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place: Mumbai
Date: 05-08-2021
UDIN: F005703C000739942

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

(Shiv Hari Jalan)
Proprietor
FCS No: 5703
C.P.NO: 4226

Independent Auditor's Report

To
The Members
SRG Housing Finance Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021.
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- d) In the case of Statement of Changes in Equity, change in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of

Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matter

We draw your attention to Note no. 54 to the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Director's report and Management Discussion and Analysis report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with

governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as issued by Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we hereby give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements;
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts maintained for the purpose or preparation of the financial statements;
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;

- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid to the Managing

Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013 and the remuneration limit is in accordance with the first proviso of Section 197(1) and Schedule V of Companies Act, 2013.

For **PKJ & Co.**
Chartered Accountants
FRN: 124115W

Padam Jain
Partner

Place: Mumbai
Date: 28-05-2021

Membership No. 071026
UDIN:- 21071026AAAABU2017

Annexure A to the Independent Auditors' Report

(Referred to in para 1 under "Report on other Legal and Regulatory Requirement" of our report of even date on the accounts for the year ended March 31, 2021).

1. According to the information and explanations given to us, in respect of the property, plant and equipment:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) Property, plant and equipment have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - (c) We report that the title deed of the immovable property is held in the name of the Company as at the balance sheet date. Immovable property of land whose title deed has been pledged as security for non-convertible debentures is held in the name of the Company.
2. The Company does not have any inventory and hence reporting under clause (ii) of paragraph 3 of the Order is not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of The Companies Act, 2013 and therefore clause (iii) of paragraph 3 of the Order is not applicable.
4. The Company has not advanced any loan or given any guarantee or provided or securities to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under section 186.
5. As per the Ministry of Corporate Affairs notification dated March 31, 2014 the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Sub-Section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
7. According to the information and explanations given to us:
 - a) The Company is generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Cess, Goods and Service Tax and any other statutory dues as applicable with the appropriate authorities.
 - b) There are no undisputed statutory dues payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Value Added Tax, Cess, GST and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - c) There were no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax, GST as at March 31, 2021, which has not been deposited on account of dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to Financial Institutions, Banks and dues to Debenture Holders. The Company has not taken loans or borrowings from Government.
9. According to the information and explanations given to us the Company has not raised moneys by way of Public Offer during the year. The money raised by way of Non -Convertible Debenture and

- term loans have been applied by the Company during the year for the purposes for which they were raised.
10. According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
 11. According to the information and explanations given to us, 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 Companies Act, 2013.
 12. The Company is not a Nidhi Company; hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
 13. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of The Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes on Financial Statements as required by the applicable Indian Accounting Standards.
 14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, provision of clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
 15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him under provisions of Section 192 of The Companies Act, 2013. Therefore, provision of clause (xv) of paragraph 3 of the Order is not applicable to the Company.
 16. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of The Reserve Bank of India Act, 1934. Thus, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **PKJ & Co.**
Chartered Accountants
FRN: 124115W

Padam Jain
Partner

Place: Mumbai
Date: 28-05-2021

Membership No. 071026
UDIN:- 21071026AAAABU2017

Annexure B to the Independent Auditors' Report

(Referred to in para 2(f) under “Report on other Legal and Regulatory Requirement” of our report of even date on the accounts for the year ended March 31, 2021)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the Internal Financial Controls over financial reporting of SRG Housing Finance Limited (“the Company”) as of March 31, 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 is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under Section 143(10) of the Act, 2013 to the extent applicable, to an audit of internal financial controls both issued by The Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting

was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and

Balance Sheet

as at March 31, 2021

All amounts are in lakhs unless otherwise stated

Particulars	Notes to Accounts	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial Assets			
Cash and Cash Equivalents	3 (a)	1,035.07	899.52
Bank Balance other than Cash and Cash Equivalent	3 (b)	1,666.13	2,389.38
Loans	4	31,765.68	26,815.45
Investments	5	2,571.67	932.64
Other Financial Assets	6	197.35	174.66
Total Financial Assets		37,235.90	31,211.65
Non-Financial Assets			
Deferred Tax Assets (net)	7	270.39	216.15
Investment Property	8	4.34	4.34
Property, Plant and Equipment	8 (a)	261.22	394.82
Capital Work-in-progress	8 (b)	209.49	31.04
Other Intangible assets	8 (c)	0.82	1.52
Other Non-Financial Assets	9	1,351.17	1,205.45
Total Non-Financial Assets		2,097.43	1,853.32
Total Assets		39,333.33	33,064.97
Liabilities and Equity			
LIABILITIES			
Financial liabilities			
Payables			
	10		
- Trade Payable			
(i) Total outstanding dues of micro enterprises and small enterprises		103.28	36.47
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		0.06	-
- Other Payable			
(i) Total outstanding dues of micro enterprises and small enterprises		103.22	36.47
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt Securities	11 (a)	6,530.33	1,259.53
Borrowings (other than debt securities)	11 (b)	22,047.18	23,298.16
Other Financial Liabilities	12	725.71	470.00
Total Financial Liabilities		29,406.50	25,064.16
Non-Financial Liabilities			
Provisions	13	565.76	515.22
Deferred Tax Liabilities (Net)		-	-
Other Non- Financial Liabilities		-	-
Total Non-Financial Liabilities		565.76	515.22
Total Liabilities		29,972.26	25,579.38
Equity	14	1,300.00	1,300.00
Other Equity	15	8,061.07	6,185.59
Total Equity		9,361.07	7,485.59
Total Liabilities and Equity		39,333.33	33,064.97

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

Padam Jain

Partner

Membership No. 071026

Place : Mumbai

Date : 28.05.2021

For & on Behalf of the Board

Vinod K. Jain

Managing Director

(DIN: 00248843)

Sunaina Nagar

Company Secretary

(M.No. A40754)

Seema Jain

Director

(DIN: 00248706)

Ashok Kumar

Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Particulars	Notes to Accounts	As at March 31, 2021	As at March 31, 2020
REVENUE FROM OPERATIONS			
Interest Income	16	6,593.84	6,436.93
Fees and Commission Income	17 (a)	136.34	51.30
Interest on FDR	17 (b)	109.48	110.01
Other Income from Operation	17 (c)	503.18	533.46
Total Revenue From Operations		7,342.84	7,131.70
Other Income	18	306.53	102.38
Gain on Derecognition of Financial Instruments	19	7.70	3.07
Gain on Fair value changes		9.73	23.03
Total Income		7,666.80	7,260.18
EXPENSES			
Finance Costs	20	3,086.25	3,037.78
Impairment of Financial Instruments (Expected Credit Loss)	21	166.07	96.28
Employee Benefits Expenses	22	1,136.73	1,066.73
Depreciation and Amortisation Expenses	23	202.16	212.62
Other Expenses	24	698.15	597.65
Total Expenses		5,289.36	5,011.06
Profit Before Tax		2,377.44	2,249.12
Less : Tax Expense			
Current Tax		545.44	498.75
Deferred Tax (Net)	7	(51.40)	(46.67)
Net Profit After Tax		1,883.40	1,797.04
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Remeasurement of Post Employment Benefit Obligations		1.85	(7.09)
Net Gain on equity instrument designated at FVOCI for the year		(13.20)	3.08
Income tax relating to items that will not be reclassified to profit or loss		2.85	1.01
B. Items that will be reclassified to profit or loss			
		-	-
Other Comprehensive Income (A + B)		(8.50)	(3.00)
Total Comprehensive Income		1,874.90	1,794.04
Earnings Per Equity Share (Face value of ₹ 10 per Share)			
Basic (₹)		14.49	13.82
Diluted (₹)		14.49	13.82

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

Padam Jain

Partner

Membership No. 071026

Place : Mumbai

Date : 28.05.2021

For & on Behalf of the Board

Vinod K. Jain

Managing Director

(DIN: 00248843)

Sunaina Nagar

Company Secretary

(M.No. A40754)

Seema Jain

Director

(DIN: 00248706)

Ashok Kumar

Chief Financial Officer

Statement of Cash Flow

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from Operating Activities		
Net Profit Before Tax & Extraordinary Items	2,377.44	2,249.11
Adjustments For :		
Depreciation and Amortisation Expenses	202.16	212.62
Impairment of Financial Instruments (Expected Credit Loss)	166.07	96.28
Ind AS Adjustments		
Interest Income	(73.82)	(28.06)
Fees and Commission Income	99.12	67.94
Other Income	8.62	(12.93)
Gain on Derecognition of Financial Instruments	(7.70)	(3.07)
Finance Costs	28.92	49.09
Employee Benefits Expenses	1.85	(7.09)
Gain on change in FV	(9.73)	(23.03)
Others Expenses	(166.72)	(146.02)
Operating cash flow before working capital changes	2,626.21	2,454.84
(Increase)/Decrease in other financial assets	(8.28)	(2.25)
(Increase)/Decrease in other non-financial assets	(113.42)	(19.76)
Increase/(Decrease) in Trade Payables	66.81	(30.70)
Increase/(Decrease) in Other financial liabilities	383.34	(122.42)
Increase/(Decrease) in Provisions	3.84	9.37
Increase/(Decrease) in Loans	(5,114.58)	576.13
Cash From/(used) for Operations	(2,156.08)	2,865.21
Direct Taxes Paid (net)	(530.43)	(520.71)
Net Cash Generated From Operating Activity	(2,686.51)	2,344.50
B. Cash flow from investing activities		
Purchase of Fixed Assets	(246.31)	(86.79)
Investment in Mutal Funds	0.10	(0.10)
Investment in Debt Instruments	(1,665.63)	(843.51)
Net cash flow from investing activities (b)	(1,911.84)	(930.40)
C. Cash flow from financing activities		
Borrowings (net)	4,010.67	-938.90
Net cash flow from financing activities (c)	4,010.67	-938.90
Net increase in cash and cash equivalents (a+b+c)	(587.68)	475.20
Cash and cash equivalents as at beginning of the year	3,288.91	2,813.71
Cash and cash equivalents	2,701.23	3,288.91
Components of Cash & Cash Equivalents		
Cash on hand	30.96	51.03
Balance with Banks		
- Current Accounts	1,004.11	848.49
- Unpaid Dividend Account	0.05	0.05
- Original Maturity for more than 3 months	1,666.08	2,389.33
Total	2,701.20	3,288.91

- a) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard ("Ind AS 7") Statement of Cash Flows."
- b) Figures in brackets indicate outflow.
- c) Balance Available in unpaid dividend account is not available for use by the Company.
- d) During the year company has spent ₹ 55.21 lakhs (PY 16.42 lakhs) on eligible corporate social responsibility activities (refer Note 24).

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For & on Behalf of the Board

For **PKJ & CO.**
Chartered Accountants
FRN : 124115W

Vinod K. Jain
Managing Director
(DIN: 00248843)

Seema Jain
Director
(DIN: 00248706)

Padam Jain
Partner
Membership No. 071026

Sunaina Nagar
Company Secretary
(M.No. A40754)

Ashok Kumar
Chief Financial Officer

Place : Mumbai
Date : 28.05.2021

Statement for Changes in Equity

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Particulars	Equity Share Capital	Share Application Money	Reserves and Surplus				Total
			Special Reserves	General Reserve	Securities Premium	Retained Earnings	
Balance as at April 01, 2020	1,300.00	-	1,076.88	-	1,377.02	3,731.69	6,185.59
Equity shares issued during the years	-	-	-	-	-	-	-
Equity shares forfeited	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	1,883.40	1,883.40
Changes in accounting policy prior period errors	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-8.51	-8.51
Dividends	-	-	-	-	-	-	-
Transfer to special reserve in terms of Sec 29C of NHB Act, 1987	-	-	380.00	-	-	-380.00	-
Dividends (Including tax thereon)	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.59	0.59
Balance as at March 31, 2021	1,300.00	-	1,456.88	-	1,377.02	5,227.17	8,061.07

All amounts are in lakhs unless otherwise stated

Particulars	Equity Share Capital	Share Application Money	Reserves and Surplus				Total
			Special Reserves	General Reserve	Securities Premium	Retained Earnings	
Balance as at April 01, 2019	1,300.00	-	706.88	-	1,377.02	2,285.67	4,369.57
Equity shares issued during the years	-	-	-	-	-	-	-
Equity shares forfeited	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	1,797.03	1,797.03
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-3.00	-3.00
Dividends	-	-	-	-	-	-	-
Transfer to special reserve in terms of Sec 29C of NHB Act,1987	-	-	370.00	-	-	-370.00	-
Dividends (Including tax thereon)	-	-	-	-	-	-	-
Others	-	-	-	-	-	21.99	21.99
Balance as at March 31, 2020	1,300.00	-	1,076.88	-	1,377.02	3,731.69	6,185.59

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **PKJ & CO.**

Chartered Accountants

FRN : 124115W

Padam Jain

Partner

Membership No. 071026

Place : Mumbai

Date : 28.05.2021

For & on Behalf of the Board

Vinod K. Jain

Managing Director

(DIN: 00248843)

Sunaina Nagar

Company Secretary

(M.No. A40754)

Seema Jain

Director

(DIN: 00248706)

Ashok Kumar

Chief Financial Officer

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

1. CORPORATE INFORMATION

SRG Housing Finance Limited (“the Company”) is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956 and has been carrying on, as its main business of providing loans to Retail customers for construction, repair, renovation or purchase of residential property and loans against property. The company is registered with National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. The shares of the Company are listed on the Bombay Stock Exchange.

The Company’s Registered Office is at Udaipur and Corporate Office is at Mumbai with its branches in the states of Rajasthan, Gujarat, Maharashtra and Madhya Pradesh.

1.1. Basis of Preparation and Presentation

a. Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the “Act”) along with the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank (“NHB”) to the extent applicable.

For all periods up to and including the financial year ended March 31, 2019, the Company had prepared its Financial Statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”). The company has adopted IND AS from April 01, 2019 with effective transition date as April 01, 2018.

b. Basis of Presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Change in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. Amounts in the financial statements are presented in Indian

Rupees which is also functional currency of the Company. All values are rounded to the nearest lakhs with two decimals, except when otherwise indicated. The per share data are presented in Indian Rupee to two decimal places. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 36.

c. Basis of Measurement

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for the following:

- Certain Financial Assets and Liabilities are measured at fair value.
- Assets held for sale are measured at the lower of carrying value and fair value less costs to sell.
- Defined benefit plans where plan assets are measured at fair value.

Fair value is the price that likely to be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 Leases.

Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement date.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

d. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Accounting estimates could change from period to period. The estimates and judgments used are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Revisions to accounting estimates are recognized prospectively. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize. The management believes that the estimates used in the preparation of Financial Statements are prudent and reasonable. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are as below:-

1) Assessment of Business Model

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company considers all relevant information available when making the business model assessment.

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models each reporting period to determine whether the business model/(s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

- Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortized cost;
- Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.
- All other financial assets (e.g. managed on a fair value basis or held for sale) and equity investments are measured at FVTPL.

2) Development of ECL model and its stages

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk has been detailed in Note to accounts on impairment.

3) Fair Value Measurement of Investments

Company's investments are measured at fair value. Fair value is the price that would be received on sale of an investment at the measurement date, regardless of whether that price is directly observable or estimated using another technique.

In determining the fair value of such Investments, the company uses quoted prices (unadjusted) in active markets for identical assets or based on inputs which are observable either directly or indirectly. However in certain cases, the company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

4) Provision for Taxes

The company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

5) Defined Benefit Plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in

these assumptions. All assumptions are reviewed at each reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Property, Plant and Equipment (PPE)

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All PPE are stated at cost of acquisition, less accumulated depreciation and impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include freight, duties, taxes and expenses incidental to acquisition and installation. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent expenditures related to an item of PPE are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognized in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the Written Down Value method ('WDV') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of Property, Plant and Equipment are as below:

Office Equipment	5 Years
Building	60 Years
Furniture and fixtures	10 Years
Vehicle (Motor Car)	8 Years
Vehicle (Two Wheeler)	10 Years
Computer Hardware and software*	3 years

*For the above class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013

2.2. Intangible Assets

Intangible Assets comprising application software are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets.

Intangible assets are amortized on Written Down Value basis over the estimated useful life of 3 years. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

2.3 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and financial liabilities are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial Assets and Financial Liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit or Loss Account.

1) Financial Assets

Financial Assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

a. Recognition and Initial measurement

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognized immediately in profit or loss. All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

b. Classification of Financial Assets

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are Solely Payments of principal and Interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset by-asset basis :

- The Company may irrevocably designate a debt instrument that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

c. Subsequent Measurement

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost
- Fair Value through Other Comprehensive Income ("FVOCI")
- Fair Value through Profit and Loss ("FVTPL")

d. Debt instruments at Amortized Cost

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset individually and the Company's business model for managing the asset. For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

The expected credit loss (ECL) calculation for debt instruments at amortized cost is explained in subsequent notes in this section

e. Debt instruments at FVTPL

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the balance sheet at fair value. Interest and dividend income is recorded in interest income and dividend income respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognized on net basis through profit or loss.

The Company's investments into mutual funds and bonds for trading.

f. Investment in Equity Instruments at FVTOCI

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company measures its equity investments at fair value through Other Comprehensive Income.

g. Derecognition of Financial Assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in Statement of Profit and Loss.

h. Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of

the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Value of collaterals considered for loan loss allowance.
3. The criteria for assessing if there has been a significant increase in credit risk.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months. The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Performing assets with zero to sixty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 and Stage 3
- Stage 2- Under-performing assets having 61 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3 - Non-performing assets with overdue more than 90 DPD.

Being a housing finance company, the company has to follow the applicable guidelines given by the Reserve Bank of India and NHB on Prudential norms on Asset Classification and provisioning requirement. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI/NHB whichever is higher.

2) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments few examples of financial liabilities are trade payables, debt securities and other borrowings.

a) Recognition and Initial Measurement

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized

cost are determined based on the effective interest method.

b) Subsequent Measurement

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at FVTPL.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

c) Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

d) Collateral Valuation and Repossession

The Company provides fully secured, loans to individuals and Corporates to mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI")

2.4 EMPLOYEE BENEFITS

a. Short Term Employee Benefits:

Short Term Employee Benefits are recognized during the period when the services are rendered. These short term benefits include Bonus, Incentive and other benefits which fall due within twelve months after the end of the period in which services are rendered.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

b. Post-Employment Benefits

1) Defined Contribution Plan

Provident Fund:-

The Company contributes to a Government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees.

Employee state Insurance

The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

2) Defined Benefit Plan

The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognition of the asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. Measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the

start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

2.5 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.6 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

a) Interest Income

The main source of revenue for the Company is Income from Housing and Other property loans. Repayment of housing and property loan is generally by way of Equated Monthly Installments (EMIs) comprising of principal and interest. EMIs generally commence once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month on the loan that has been disbursed. Interest is calculated on monthly rest on the basis of agreed terms with the borrowers.

Interest income on housing and property loans and other financial instruments carried at amortized cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate (“EIR”) applicable.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at Fair Value through Profit or Loss (FVTPL), transaction costs are recognized in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets [i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)].

Delayed payment interest (penal interest) levied on customers for delay in repayments/

nonpayment of contractual cash flows is recognized on realization.

b) Fee and other charges

Processing fees and other loan related charges are recognized when it is reasonable to expect ultimate collection which is generally at the time of Login/ disbursement of the loan. Fees on delayed EMI/Pre-EMI Interest are recognized on receipt basis, when the ultimate collection is made.

c) Investment Income

Income from interest on deposits and interest bearing securities is recognized on the time proportionate method taking into account the amount outstanding and the rate applicable. The gains/losses on sale of investments are recognized in the Statement of Profit and Loss on trade date.

d) Dividend Income

Dividend income from investments is recognized when the Company’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably).

e) Other Income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract

f) Finance Cost

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method (EIR).

g) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

The company does not have any items of income and expense which categorized as exceptional items during the year 2020-21.

2.7 LEASES

With effect from 1 April 2019, the Company has applied Ind AS 116 'Leases' for all long term and material lease contracts covered by the Ind AS. The Company has adopted modified retrospective approach as stated in Ind AS 116 for all applicable leases on the date of adoption.

a) Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate and directly attributable cost. Subsequently, the lease liability is

- (i) increased by interest on lease liability;
- (ii) reduce by lease payment made; and
- (iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

2.8 TAXES

a) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

i. Current Tax

The tax currently payable is based on the estimated taxable profit for the year for the Company and is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that

have been enacted or substantively enacted by the end of the reporting period.

ii. Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

b) Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilizing the credits.

2.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, balance in current account and Balances with banks in deposits accounts with original maturity of less than 3 months. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.10 SEGMENT REPORTING

The Company is engaged mainly in the business of Housing finance. This in the context of Ind AS 108 - operating segments reporting is considered to constitute one reportable segment.

2.11 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.12 SECURITIES PREMIUM

Securities premium is credited when shares are issued at premium. It can be used to issue bonus

shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

2.13 STATEMENT OF CASH FLOW

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

3.

(a) Cash and Cash Equivalents

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Cash on hand	30.96	51.03
(ii) Balances with bank		-
- On Current Account	1,004.11	848.49
- Remittances in transit	-	-
Total	1,035.07	899.52

(b) Bank Balance other than Cash and Cash Equivalents

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
(i) In Other Deposit Accounts*		
- Original Maturity for more than 3 months	1,666.08	2,389.33
(ii) Earmarked balances with banks		
- Unclaimed Dividend Accounts	0.05	0.05
Total	1,666.13	2,389.38

*Other deposit carry a charge created against borrowings obtained from various Banks & FIs.

4. LOANS

At Amortised Cost

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Loans		
Loans repayable on Demand	-	-
Term Loan-		
Housing Loans	22,060.29	19,829.72
Property Loans	10,480.00	7,594.27
Total Gross (A)	32,540.29	27,423.99
Less: Impairment Loss Allowance (Expected Credit Loss)	774.61	608.54
Total Net (A)	31,765.68	26,815.45
(B) (i) Secured by tangible assets	32,540.29	27,423.99
(ii) Unsecured	-	-
Total Gross (B)	32,540.29	27,423.99
Less: Impairment Loss Allowance (Expected Credit Loss)	774.61	608.54
Total Net (B)	31,765.68	26,815.45
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	32,540.29	27,423.99
Total Gross (C) (I)	32,540.29	27,423.99
Less: Impairment Loss Allowance (Expected Credit Loss)	774.61	608.54
Total Net (C) (I)	31,765.68	26,815.45
(II) Loans outside India	-	-
Total Gross (C) (II)	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total Net (C) (II)	-	-
Total Net (C) (I) and (II)	31,765.68	26,815.45

4.1 Loans and instalments due from borrowers are secured by mortgage of property.

4.2 For movement of Loans & Provision, refer RBI/NHB notes enclosed hereinafter in the notes to financial statements.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

5. INVESTMENTS

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021			As at March 31, 2020				
	Amortised Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account	Total	Amortised Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account	Total
Equity instruments	-	52.80	-	52.80	-	66.00	-	66.00
Debt Instruments	-	-	2,518.87	2,518.87	-	-	866.54	866.54
Mutual Funds	-	-	-	-	-	-	0.10	0.10
Total Gross (A)	-	52.80	2,518.87	2,571.67	-	66.00	866.64	932.64
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	-	52.80	2,518.87	2,571.67	-	66.00	866.64	932.64
Total (B)	-	52.80	2,518.87	2,571.67	-	66.00	866.64	932.64
Less: Impairment Loss Allowance (Expected Credit Loss) (C)*	-	-	-	-	-	-	-	-
Total - Net (D)= (A)-(C)	-	52.80	2,518.87	2,571.67	-	66.00	866.64	932.64

* The Company has not recognised any provision under Expected Credit Loss on Investments made in Debt Securities.

5.1 DETAILS OF INVESTMENT HELD IN DEBT SECURITIES CARRIED AT FVTPL

Debt Securities	All amounts are in lakhs unless otherwise stated	
	March 31, 2021	March 31, 2020
7.90% Mahindra Rural Housing Bonds 2030	513.57	-
8.44% INDIAN BANK PERP BONDS 2025	1,504.59	-
8.50% CANARA BANK PERP 2025	500.71	-
8.50% STATE BANK OF INDIA PERPETUAL BOND	-	866.54
Total	2518.87	866.54

5.2 DETAIL OF EQUITY INSTRUMENT CARRIED AT FVTOCI

Equity Fully Paid up	All amounts are in lakhs unless otherwise stated	
	March 31, 2021	March 31, 2020
SRG Security Finance Limited (150000 Shares, Face Value ₹ 10/- each)	52.80	66.00
Total	52.80	66.00

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

5.3 DETAIL OF MUTUAL FUND CARRIED AT FVTPL

All amounts are in lakhs unless otherwise stated

Equity Fully Paid up	March 31, 2021	March 31, 2020
Kotak Mahindra Liquid Fund (Direct)	-	0.10
Total	-	0.10

6. OTHER FINANCIAL ASSETS

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit - Unsecured; considered good	182.06	166.52
Advances recoverable in cash or in kind or for value to be received	15.29	8.14
Capital Advances	-	-
Total	197.35	174.66

6.1 Security deposit include rent deposit given for related parties ₹ 184 Lakhs (PY: ₹184 Lakhs). Refer Note No. 24.

7. DEFERRED TAX ASSET (NET)

Deferred tax assets/(liabilities) recorded in Balance Sheet

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance of Deferred Tax Asset	216.15	167.37
Changes in deferred tax assets/(liabilities) recorded in profit or Loss	51.39	46.67
Changes in deferred tax recorded in other comprehensive income	2.85	1.01
Changes in deferred tax recorded in Retained Earning	0.00	1.10
Closing Balance of Deferred Tax Asset	270.39	216.15

Changes in deferred tax assets/(liabilities) recorded in profit or Loss

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax relates to the following		
Disallowance u/s 43B of the Income Tax Act, 1961	-	-
Impairment on financial instruments	(41.80)	(24.23)
Depreciation and amortisation expenses	(39.16)	(44.40)
Financial instruments measured at EIR	(1.87)	(10.59)
Lease liability impact	32.12	25.72
Unrealised net gain/(loss) on fair value changes	(3.35)	5.80
Others	2.66	1.03
Deferred Tax Liabilities	(51.39)	(46.67)

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Changes in deferred tax recorded in other comprehensive income

All amounts are in lakhs unless otherwise stated

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Deferred tax relates to the following		
Disallowance u/s 43B of the Income Tax Act, 1961	-	-
Remeasurement of Post Employment Benefit Obligations	0.47	(1.79)
Net Gain on equity instrument designated at FVOCI for the year	-3.32	0.77
Deferred Tax Liabilities	(2.85)	(1.01)

Changes in deferred tax recorded in Retained Earning

All amounts are in lakhs unless otherwise stated

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Deferred tax relates to the following		
Disallowance u/s 43B of the Income Tax Act, 1961	-	-
Lease liability impact	-	(1.10)
Deferred Tax Liabilities	-	(1.10)

7.1 The evaluation of uncertain tax positions involves an interpretation of relevant tax laws which could be subject to challenge by the tax authorities and an assessment of whether the tax authorities will accept the position taken. The Corporation does not currently consider that assumptions or judgements made in assessing tax liabilities have a significant risk resulting in a material adjustment within the next financial year.

8. INVESTMENT PROPERTIES

All amounts are in lakhs unless otherwise stated

Particulars	₹ In Lakhs	
	As at	
	March 31, 2021	March 31, 2020
Cost	4.34	4.34
Less: Accumulated Depreciation and Impairment	-	-
Net Carrying Amount	4.34	4.34

Previous Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation				Net Block		
	As at April 01, 2019	Addition	Deduction/ Sale	As at March 31, 2020	As at April 01, 2019	Deduction/ Sale	For the Year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Land	4.34	-	-	4.34	-	-	-	-	4.34	4.34

*Land is mortgaged by pari passu charge under Redeemable Non -Convertible Debentures (NCD 10.90%-21-8-22) and treated as investment property.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Current Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2020	Addition	Deduction/Sale	As at March 31, 2021	As at April 01, 2020	Deduction/Sale	For the Year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Land*	4.34	-	-	4.34	-	-	-	-	4.34	4.34

*Land is mortgaged by pari passu charge under Redeemable Non -Convertible Debentures (NCD 10.90%-21-8-22) and treated as investment property.

8(a) PROPERTY, PLANT AND EQUIPMENT (INCLUDING ROU ASSETS) AND CAPITAL WORK-IN-PROGRESS

All amounts are in lakhs unless otherwise stated

Particulars	₹ In Lakhs	
	As at	
	March 31, 2021	March 31, 2020
Property, Plant and Equipment – Cost	454.64	387.90
Less: Accumulated Depreciation and Impairment	309.49	247.57
Net Carrying amount of Property, Plant and Equipment	145.16	140.33
Right of Use (ROU) Assets	393.30	393.30
Less: Accumulated Depreciation and Impairment	277.24	138.81
Net Carrying amount of Right of Use Assets	116.06	254.49
Net Carrying amount of Property, Plant and Equipment (including ROU Assets)	261.22	394.82
Capital Work-in-Progress	209.49	31.04
Total Net Carrying Amount	470.71	425.86

Previous Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2019	Addition	Deduction/Sale	As at March 31, 2020	As at April 01, 2019	Deduction/Sale	For the Year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Tangible Assets										
Computers	58.85	18.43	-	77.28	34.12	-	21.75	55.87	21.41	24.73
Office Equipments	39.87	37.51	-	77.38	25.64	-	17.78	43.42	33.96	14.23
Motor Cars**	139.59	-	0.33	139.26	84.03	-	16.84	100.87	38.39	55.56
Motor Cycles	1.03	-	-	1.03	0.65	-	0.10	0.75	0.28	0.38
Franking Machine	1.80	-	-	1.80	1.71	-	-	1.71	0.09	0.09
Furniture & Fixture	83.76	7.39	-	91.15	30.02	-	14.93	44.95	46.20	53.74
Right to use*	393.30	-	-	393.30	-	-	138.81	138.81	254.49	-
Sub Total	718.20	63.33	0.33	781.20	176.17	-	210.21	386.38	394.82	148.73

* Right of Use Assets are combined with all other tangible assets and presented through a single line item 'Property, Plant and Equipment' under Non-Financial Assets on the face of the Balance Sheet.

**Specific Motor Car hypothecated under Term Loan from Banks.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Current Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2020	Addition	Deduction/ Sale	As at March 31, 2021	As at April 01, 2020	Deduction/ Sale	For the Year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Tangible Assets										
Computers	77.28	14.66	0.98	90.96	55.87	0.93	16.16	71.10	19.85	21.41
Office Equipments	77.38	10.49	-	87.87	43.42	-	17.87	61.29	26.57	33.96
Motor Cars**	139.26	40.34	-	179.60	100.87	-	16.38	117.25	62.35	38.39
Motor Cycles	1.03	-	-	1.03	0.75	-	0.07	0.82	0.21	0.28
Franking Machine	1.80	-	-	1.80	1.71	-	0.09	1.80	-	0.09
Furniture & Fixture	91.15	2.24	-	93.39	44.95	-	12.27	57.22	36.17	46.20
Right to use*	393.30	-	-	393.30	138.81	-	138.43	277.24	116.06	254.49
Sub Total	781.20	67.72	0.98	847.94	386.38	0.93	201.28	586.73	261.22	394.82

** Right of Use Assets are combined with all other tangible assets and presented through a single line item 'Property, Plant and Equipment' under Non-Financial Assets on the face of the Balance Sheet.

**Specific Motor Car hypothecated under Term Loan from Banks.

Items of Property, Plant and Equipment, Other Intangible Assets Investment Property

Useful Life (Years)

Computers	3
Office Equipment	5
Motor Car	8
Motor Cycles	10
Furniture & Fixture	10
Software	3
Land	Infinite

8(b) CAPITAL WORK IN PROGRESS

Previous Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2019	Addition	Deduction/ Sale	As at March 31, 2020	As at April 01, 2019	Deduction/ Sale	For the Year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Capital Work In progress										
Furniture & Fixture & Other WIP	7.98	23.06	-	31.04	-	-	-	-	31.04	7.98
Sub Total	7.98	23.06	-	31.04	-	-	-	-	31.04	7.98

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Current Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2020	Addition	Deduction/Sale	As at March 31, 2021	As at April 01, 2020	Deduction/Sale	For the Year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Capital Work In progress										
Furniture & Fixture & Other WIP	31.04	178.45	-	209.49	-	-	-	-	209.49	31.04
Sub Total	31.04	178.45	-	209.49	-	-	-	-	209.49	31.04

8(c) OTHER INTANGIBLE ASSETS

All amounts are in lakhs unless otherwise stated

Particulars	₹ In Lakhs	
	As at	
	March 31, 2021	March 31, 2020
Cost	11.59	11.41
Less: Accumulated Depreciation and Impairment	10.77	9.89
Net Carrying Amount	0.82	1.52

Previous Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2019	Addition	Deduction/Sale	As at March 31, 2020	As at April 01, 2019	Deduction/Sale	For the Year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Other Intangible Asset										
Software	10.68	0.73	-	11.41	7.48	-	2.41	9.89	1.52	3.20
Sub Total	10.68	0.73	-	11.41	7.48	-	2.41	9.89	1.52	3.20

Current Year

All amounts are in lakhs unless otherwise stated

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2020	Addition	Deduction/Sale	As at March 31, 2021	As at April 01, 2020	Deduction/Sale	For the Year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Other Intangible Asset										
Software	11.41	0.18	-	11.59	9.89	-	0.88	10.77	0.82	1.52
Sub Total	11.41	0.18	-	11.59	9.89	-	0.88	10.77	0.82	1.52

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

9. OTHER NON FINANCIAL ASSETS

All amounts are in lakhs unless otherwise stated

	March 31, 2021	March 31, 2020
Prepaid Expenses - Unsecured ; Considered Good	464.70	391.24
Advance Tax and TDS	513.35	481.05
Interest Accrued but not due	332.11	301.47
Interest Accrued but not due - Others	9.82	10.26
Other Advance	31.19	21.43
Total	1,351.17	1,205.45

10. PAYABLES

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Total Outstanding dues of micro enterprises and small enterprises	0.06	-
Total Outstanding dues of creditors other than micro enterprise and small enterprises	103.22	36.47
Other Payables		
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprises	-	-
Total	103.28	36.47

10.1 Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows.

All amounts are in lakhs unless otherwise stated

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;	0.06	-
b) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
Total	0.06	-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

11. DEBT SECURITIES & BORROWINGS

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
11(a) Debt Securities		
Secured		
At Amortized Cost		
Non-Convertible Debentures	6,530.33	1,259.53
Less: Discount	-	-
Net	6,530.33	1,259.53
Unsecured	-	-
Total	6,530.33	1,259.53
11(b) Borrowings (other than debt securities)		
Secured		
At Amortized Cost		
Term Loans:		
- From Banks	10,225.97	12,984.97
- From National Housing Bank (NHB)	4,098.36	589.54
- From Financial Institutions (FI)	7,722.86	9,723.66
Others:		
- Loan Repayable on Demand	-	-
Unsecured	-	-
Total	22,047.19	23,298.17
Out of above		
In India	28,577.52	24,557.70
Outside India	-	-
	28,577.52	24,557.70

11.1 NATURE OF SECURITY

- Refinance from National Housing Bank(NHB) and other Term Loans from banks and Financial Institutions are secured by first and exclusively charge on the specific book debts/receivables of the company and irrevocable power of attorney given by the company in favour of Banks/FI's/NHB for recovery of dues, Lien on specific FDR's and Personal Guarantee of specific Directors and Third party guarantee as the case may be.
- Redeemable Non convertible debentures are secured by first and exclusive charge on specific assets by way of hypothecation of book debts and NCD 10.90%-21-8-22 secured with hypothecation of book debts and pari passu charge of specific immovable property in favour of debenture trustee.
- Car loan secured against hypothecation of Specific Motor Cars of Company and personal guarantee of specified directors and third party guarantee.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

11.2 TERMS OF REPAYMENT OF TERM LOANS AND DEBENTURES

As at March 31, 2021

(₹ in crore)

Particulars	Upto 1 Year	Over 1 Year	Over 3 Year	Over 5 Year	Total
Term Loans					
From Banks					
ROI 9.73% - 10.73%	33.09	56.18	10.57	2.42	102.26
From National Housing Bank					
ROI 5.15% - 8.90%	15.58	14.02	10.59	0.77	40.96
From Financial Institutions					
ROI 9.40% -12.50%	21.41	39.55	14.89	1.05	76.90
Non- convertible Debentures					
ROI 9.90% - 11.35%	13.57	51.66	-	-	65.23
Total	83.65	161.41	36.05	4.24	285.35
EIR Impact					0.43
Total					285.78

11.3 TERMS OF REPAYMENT OF TERM LOANS AND DEBENTURES

As at March 31, 2020

(₹ in crore)

Particulars	Upto 1 Year	Over 1 Year	Over 3 Year	Over 5 Year	Total
Secured					
Term Loans					
From Banks					
ROI 9.73% - 10.73%	33.01	59.45	31.51	5.89	129.86
From National Housing Bank					
ROI 5.15% - 8.90%	1.69	1.64	1.30	1.26	5.89
From Financial Institutions					
ROI 9.40% -12.50%	21.09	42.96	27.49	5.46	97.00
Non- convertible Debentures					
ROI 9.90% - 11.35%	5.17	7.33	-	-	12.50
Total	27.95	51.93	28.79	6.72	245.25
EIR Impact					0.33
Total					245.58

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

12. OTHER FINANCIAL LIABILITIES

All amounts are in lakhs unless otherwise stated

Loans	March 31, 2021	March 31, 2020
Interest Accrued But Not Due on Debt Security	269.66	3.72
Interest Accrued But Not Due on Borrowings	33.73	26.37
Unpaid Dividends	0.05	0.05
Others		
- Expenses payable	205.96	134.50
- Statutory Dues	89.45	50.87
Lease Liability*	126.86	254.49
Total	725.71	470.00

*Disclosures as required by Ind AS 116 - Leases are stated below

a. Lease Liability Movement

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	254.49	356.68
Add :		
Addition during the year	-	-
Interest on Lease Liability	19.77	32.01
Lease modification/ adjustments	-	-
Less :		
Derecognised during the year	-	-
Lease rental payments	147.40	134.20
Balance as at the end of the year	126.86	254.49

b. Lease rentals of ₹ 105.51 Lakhs (Previous year 98.52 Lakhs) pertaining to short-term leases has been charged to statement of profit and loss.

c. Maturity Analysis of Lease Liability as at March 31, 2021:

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	126.86	-

d. Maturity Analysis of Lease Liability as at 31 March 2020:

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	127.63	229.05

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

13. PROVISIONS

All amounts are in lakhs unless otherwise stated

Particulars	As at	
	March 31, 2021	March 31, 2020
Provision Employee Benefits		
- Gratuity (Funded)	20.32	16.48
Provision for Tax	545.44	498.75
Total	565.76	515.23

14. EQUITY SHARE CAPITAL

Equity Share Capital

All amounts are in lakhs unless otherwise stated

Particulars	As at	
	March 31, 2021	March 31, 2020
Authorised Capital :		
Equity Shares	1,600	1,600
1,60,00,000 Equity shares of INR 10 each (PY: 1,60,00,000 Equity shares of ₹ 10 each)		
	1,600	1,600
ISSUED, SUBSCRIBED & PAID UP:		
1,30,00,000 Equity shares of ₹ 10 each (PY : 1,30,00,000 Equity Shares of ₹ 10 each)	1,300	1,300
Total	1,300	1,300

14.1

Reconciliation of the number of shares outstanding

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,30,00,000	1,300	1,30,00,000	1,300
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,30,00,000	1,300	1,30,00,000	1,300

14.2

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 the Financial Statements

for the year ended March 31, 2021

14.3

Details of Shareholders holding more than 5% shares in Company

All amounts are in lakhs unless otherwise stated

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Vinod Kumar Jain	16,81,041	12.93	16,78,955	12.92
Ambitious Associates Pvt Ltd	7,56,060	5.82	7,56,060	5.82
Vinod Jain HUF	6,61,876	5.09	6,61,876	5.09

14.4

For the period of five years immediately preceding the FY 2020-21

- (A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash is NIL
- (B) During the year 2014-15, pursuant to approval of shareholders at the Extra-Ordinary General Meeting (EOGM) of SRG Housing Finance Limited held on May 12, 2014, the Company allotted 3,232,200 Bonus Equity Shares of ₹ 10/- each fully paid up shares in the proportion of 2:5 i.e. two shares for every five shares held.
- (C) Aggregate number and class of shares bought back is NIL.

14.5

The Company has not:

- A) Issued any securities convertible into equity/preference shares.
- B) Issued any shares where calls are unpaid.
- C) Forfeited any shares.
- D) Issued any shares reserved for issue under options and contracts or commitments for sale of shares or divestment.

15. OTHER EQUITY

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Other Equity		
Special Reserves	1,456.88	1,076.88
Securities Premium	1,377.02	1,377.02
General Reserve	-	-
Retained Earnings	5,227.17	3,731.68
Total	8,061.07	6,185.58
Special Reserve		
In terms of Section 36(1)(viii) of the Income tax Act, 1961)		
Balance at the beginning of the year	1,076.88	706.88
Add : Transferred during the year	380.00	370.00
Balance at the end of the year	1,456.88	1,076.88

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Balance at the beginning of the year	1,377.02	1,377.02
Add : Transferred during the year	-	-
Balance at the end of the year	1,377.02	1,377.02
General Reserve		
Balance at the beginning of the year	-	-
Add : Transferred during the year	-	-
Add: DTL created on Special Reserve - reversed	-	-
Balance at the end of the year	-	-
Retained Earning		
Surplus In Statement Of Profit And Loss		
Balance at the beginning of the year	3,731.69	2,285.67
Profit for the Year	1,883.40	1,797.03
Item of other comprehensive income recognised directly in retained earnings	-8.51	-3.00
Amount available for Appropriations	5,606.58	4,079.70
Appropriations		
Transferred to General Reserve	-	-
Transferred to Special Reserve	380.00	370.00
Excess Prov for Tax	-0.59	-24.64
Balance at the end of the year	5,227.17	3,734.35
Add/ (Less):- Adjustment to retained earnings due to adoption of Ind AS	-	-2.66
Balance at the end of the year	5,227.17	3,731.69
Total	8,061.07	6,185.59

15.1

Nature and purpose of reserve

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Special Reserve

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The Company has transferred an amount of ₹ 3.80 Crores (Previous year ₹ 3.70 Crores) to Special Reserve in terms of Section 36(1) (viii) of the Income Tax Act, 1961. Refer note 26.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

16. INTEREST INCOME

Amortised Cost

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on Housing and Property Loans*	6,593.84	6,436.93
Total	6,593.84	6,436.93

*As per Effective Interest Rate (EIR).

16.1 In accordance with the RBI Circular No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 and the methodology for calculation of interest on interest based on guidance issued by Indian Banks' Association, the Company has put in place a Board approved policy to refund / adjust interest on interest charged to borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020. The Company has estimated the said amount and created liability in the financial statements for the year ended March 31, 2021. As on March 31, 2021, the Company holds a specific liability of ₹ 3.73 Lakhs which is debited to interest income to meet its obligation towards refund of interest on interest to eligible borrowers as prescribed by the RBI. Accordingly, interest income for the year ended March 31, 2021 is lower by ₹ 3.73 Lakhs.

17(a) FEES AND COMMISSION INCOME

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Fees and Other Charges	136.34	51.30
Total	136.34	51.30

17(b) INTEREST ON FDR

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on FDR	109.48	110.01
Total	109.48	110.01

17(c) OTHER INCOME FROM OPERATION

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Other Income from Operation	503.18	533.46
Total	503.18	533.46

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

18. OTHER INCOME

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Income From Mutual Fund & Bonds	285.13	89.33
Others	6.99	0.12
Interest on Deposit	14.41	12.93
Total	306.53	102.38

19. GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS (NET)

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Loans	7.70	3.07
Total	7.70	3.07

20. FINANCE COST

On Financial liabilities measured at Amortised Cost

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on Loans from Banks & FI's, on Refinance from NHB and on NCD	2,957.42	2,934.62
Bank Charges and other borrowing cost	109.06	71.14
Interest on Lease Liability	19.77	32.01
Total	3,086.25	3,037.78

21. IMPAIRMENT ON FINANCIAL INSTRUMENTS

All amounts are in lakhs unless otherwise stated

Particulars	For the period Ended March 31,2021	For the period Ended March 31,2020
	On Financial Instruments measured	On Financial Instruments measured
	At Amortised Cost	At Amortised Cost
Loans	166.07	96.28
Investments	-	-
Total	166.07	96.28

The details relating to movement in Impairment on Loans (Expected Credit Loss) is disclosed in RBI/NHB notes enclosed hereinafter in the notes to financial statements.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

22. EMPLOYEE BENEFIT EXPENSES

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Salaries and Bonus	1,060.37	1,026.17
Company's Contribution to Provident and Other Funds	48.80	34.62
Staff Welfare Expenses	27.56	5.94
Total	1,136.73	1,066.73

23. DEPRECIATION AND AMORTISATION EXPENSES

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation on Property, Plant and Equipment (Refer Note 8, 8(a), 8(b), 8(c))	202.16	212.62
Total	202.16	212.62

24. OTHER EXPENSES

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
Advertisement	32.24	13.65
Auditors Remuneration	1.89	1.75
Vehicle Running & Maintenance	19.58	23.76
CIBIL EXP.	11.21	9.28
Computer Maintenance	3.64	4.68
Electricity	10.56	9.12
Insurance	7.85	2.13
Legal & Professional Fees	136.84	147.35
Office Expenses	44.97	44.50
Postage and Telegramme	10.66	7.40
Printing and Stationery	10.28	7.41
Rent	105.51	98.52
Communication Expenses	12.27	11.60
Travelling and Conveyance	13.00	21.51
Commission	52.41	5.82
Business Promotion Exp.	53.18	55.56
Recovery and Inspection	7.41	5.05
CSR Expenses	55.21	16.42
Software License and Maintenance	43.33	24.85
Other Expenses	65.44	87.30
Sitting Fees	0.67	-
Total	698.15	597.65

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

25. AUDITOR'S REMUNERATION INCLUDES

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Audit Fees	1.50	1.50
Certification Fees	0.39	0.25
Total	1.89	1.75

26. SPECIAL RESERVE

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. Refer note 15.1.

27. DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013:-

Expenditure incurred for Corporate Social Responsibility is ₹ 55.21 Lakhs (Previous Year ₹ 16.42 Lakhs).

The Board of Directors of the Company has approved an amount of CSR ₹ 55.21 Lakhs, including brought forward CSR Obligation of FY 2019-2020 ₹ 20.11 Lakhs, which was spent during the year.

Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under:

- Gross amount required to be spent by the company during the year ₹ 35.10 Lakhs (Previous Year ₹ 36.53 Lakhs)
- Amount spent, utilized and charged during the year:

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
(i) Construction / acquisition of any Asset	-	-
(ii) On purposes other than (i) above :	55.21	16.42
Total	55.21	16.42

- The Company does not have any unspent amount as on March 31, 2021.
- Excess amount spent as per Section 135 (5) of the Companies Act, 2013

Particulars	₹ In Lakhs
Opening Balance **	20.11
Amount required to be spent during the year	35.10
Amount spent during the year	55.21
Closing Balance - Excess amount spent	0.00

** brought forward CSR obligation of FY 2019-20 ₹ 20.11 Lakhs

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

28. TAX EXPENSE:

a. Income Tax recognized in Profit or Loss

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Current Tax		
In respect of the current year	545.44	498.75
Deferred Tax (Net)		
In respect of the current year	-51.40	-46.67
Total Tax Expense recognised in the current year relating to Continuing Operations	494.04	452.08

* The Company opted for income tax rate under section 115BAA of the Income Tax Act, 1961; the effective tax rate is at 25.168%.

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

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Profit Before Tax	2377.44	2249.11
Income Tax Expense	598.35	566.06
Effect of Expenses for which deduction under tax laws is allowed	-52.91	-67.31
Others	-51.40	-46.67
Income Tax Expense recognised in Statement of Profit and Loss	494.04	452.08

The tax rate used for the reconciliations above is the corporate tax rate of 25.168% (Previous year 25.168%) for the financial year ended March 31, 2021 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

29. EARNING PER SHARE (EPS):

In accordance with the Indian Accounting Standard (Ind AS) 33 on 'Earnings Per Share':

The following is the computation of earnings per share on basic and diluted earnings per equity share:

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Net profit after tax (in Cr)	18.83	17.97
Weighted Average Number of Equity Shares (No's)	1,30,00,000	1,30,00,000
Earnings Per Share- Basic and Diluted (₹)	14.49	13.82

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

30. EMPLOYEE BENEFIT EXPENSE:

The Company provides for gratuity, a defined benefit plan, to its employees. The Plan provides a lump sum payment to eligible employees, an amount based on the respective employee's last drawn salary and years of employment with the Company. The Company has employees' gratuity fund managed by the Life Insurance Company of India.

a. Defined Contribution Plan

The company makes contributions to provident fund for qualifying employees to Regional Provident Fund Commissioner under defined contribution plan under the Provident Fund Act.

The company's contribution to provident fund aggregating ₹ 31.74 Lakhs (Previous year ₹ 31.88 Lakhs) has been recognized as an expense and included under the head "Contribution to Provident and Other Funds" of Statement of Profit and Loss.

b. Defined Obligation Benefit:

The company provides gratuity to its employees which are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The details of post-retirement benefits for the employees (including Key Management Personnel) as mentioned hereunder are based on the report as provided by Independent Actuary as mentioned above and relied upon by the Auditors.

Gratuity (Funded)

All amounts are in lakhs unless otherwise stated

Table Showing Change in the Present Value of Projected Benefit Obligation	Current Year	Previous Year
Present Value of Benefit Obligation	16.48	7.11
Interest Cost	0.99	0.54
Current Service Cost	5.27	2.57
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(1.30)	3.31
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.13)	2.95
Present Value of Benefit Obligation at the End of the Period	20.31	16.48

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Table Showing Change in the Fair Value of Plan Assets	Current Year	Previous Year
Fair Value of Plan Assets	4.66	3.73
Expected Return on Plan Assets	0.28	0.28
Contributions by the Employer	7.44	1.48
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.59)	(0.83)
Fair Value of Plan Assets at the End of the Period	11.79	4.66

All amounts are in lakhs unless otherwise stated

Amount Recognized in the Balance Sheet	Current Year	Previous Year
(Present Value of Benefit Obligation at the end of the Period)	(20.31)	(16.48)
Fair Value of Plan Assets at the end of the Period	11.79	4.66
Funded Status (Surplus/ (Deficit))	(8.52)	(11.82)
Net (Liability)/Asset Recognized in the Balance Sheet	(8.52)	(11.82)

All amounts are in lakhs unless otherwise stated

Expenses Recognized in the Statement of Profit or Loss	Current Year	Previous Year
Current Service Cost	5.27	2.57
Net Interest Cost	0.71	0.26
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	5.98	2.83

All amounts are in lakhs unless otherwise stated

Expenses Recognized in Other Comprehensive Income (OCI)	Current Year	Previous Year
Actuarial (Gains)/Losses on Obligation For the Period	(2.44)	6.25
Return on Plan Assets, Excluding Interest Income	0.59	0.83
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(1.85)	7.09

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Balance Sheet Reconciliation	Current Year	Previous Year
Opening Net Liability	11.82	3.38
Expense Recognized in Statement of Profit or Loss	5.99	2.83
Expenses Recognized in OCI	(1.85)	7.09
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out (Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(7.44)	(1.48)
Net Liability/(Asset) Recognized in the Balance Sheet	8.52	11.82

All amounts are in lakhs unless otherwise stated

Assumptions	Current Year	Previous Year
Expected Return on Plan Assets	6.44%	6.04%
Rate of Discounting	6.44%	6.04%
Rate of Salary Increase	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives mortality (2006-08) Ult	

Maturity Analysis

All amounts are in lakhs unless otherwise stated

Projected Benefits Payable in Future Year	Current Year	Previous Year
1 st Following Year	1.46	0.37
2 nd Following Year	2.00	0.39
3 rd Following Year	0.47	2.84
4 th Following Year	0.55	0.39
5 th Following Year	0.61	0.45
Sum of Years 6 to 10	6.54	5.31
Sum of Years 11 to above	66.21	49.47

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

All amounts are in lakhs unless otherwise stated

Sensitivity Analysis	Current Year	Previous Year
Projected Benefit Obligation on Current Assumptions	20.31	16.48
Delta Effect of +1% Change in Rate of Discounting	(2.73)	(2.28)
Delta Effect of -1% Change in Rate of Discounting	3.53	2.97
Delta Effect of +1% Change in Rate of Salary Increase	3.30	2.81
Delta Effect of -1% Change in Rate of Salary Increase	(2.78)	(2.32)
Delta Effect of +1% Change in Rate of Employee Turnover	0.40	0.19
Delta Effect of -1% Change in Rate of Employee Turnover	(0.54)	(0.28)

Characteristics of defined benefit plan:

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy Gratuity is payable as per entity's scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.

In absence of specific communication as regards contribution by the entity, Expected Contribution in the Next Year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

Interest Rate Risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

31. CONTINGENT LIABILITIES AND COMMITMENTS

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Contingent liabilities and commitments		
i. Claims against the Company not acknowledged as debts	-	-
ii. Disputed Income tax Liability	-	-
iii. Commitment towards sanction pending disbursement including part disbursement	1098.11	536.01
iv. Pending Capital Commitment	-	-

32. RELATED PARTY DISCLOSURES:

As per IND AS 24 on “Related Party Disclosure” details of transactions with related parties as defined therein are given below:

A. List of Related Parties (in accordance with IND AS 24 “Related Party Disclosures”)

Name of Related Party	Nature of Relationship
Vinod Kumar Jain	Managing Director (KMP)
Seema Jain	Non-Executive Director & Relative of KMP
Ashok Kabra	Non-Executive Independent Director
Vikas Gupta	Non-Executive Independent Director
Nishant Badala	Non-Executive Independent Director
Garima Soni	Non-Executive Director
Suresh K Porwal	Non-Executive Independent Director
Vinod Jain HUF	HUF of Vinod Kumar Jain, Managing Director
Archis Jain	Relative of KMP
Rajesh Jain	Relative of KMP
Ashok Kumar	Chief Financial Officer
Sunaina Nagar	Company Secretary
S R G Securities Finance Limited	Related Party Entity

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Compensation of key management personnel of the Company

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company includes Managing Director, Chief Financial Officer and Company Secretary & Chief Investor Relation Officer, to be key management personnel for the purposes of Ind AS 24 Related Party Disclosures.

Transactions with key management personnel of the Company

The Company enters into transactions, arrangements and agreements involving directors, senior management or close family members, in the ordinary course of business under the same commercial and market terms that apply to non-related parties.

B. Transactions carried out with the Related Parties in the ordinary course of business during the year are as follows:

All amounts are in lakhs unless otherwise stated

Short Term Employee Benefits	Current Year	Previous Year
Vinod Kumar Jain	314.60	301.57
Archis Jain	18.00	17.76
Ashok Kumar	15.00	19.80
Sunaina Nagar	11.20	14.18
Post-employment Benefits		
Ashok Kumar	0.21	0.21
Sunaina Nagar	0.21	0.21
Sitting Fee		
Nishant Badala	0.12	0.00
Ashok Kabra	0.18	0.00
Vikas Gupta	0.11	0.00
Suresh K Porwal	0.05	0.00
Seema Jain	0.11	0.00
Garima Soni	0.10	0.00
Lease/ Rent Expenses		
Vinod Kumar Jain	157.99	144.42
Seema Jain	15.50	14.09
Vinod Jain HUF	10.54	10.29
Rajesh Jain	1.21	0.15
Rent Deposit		
Vinod Kumar Jain	0.00	0.00
Seema Jain	0.00	0.00
Vinod Jain HUF	0.00	0.00

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

C. Details of balances with Related Parties

All amounts are in lakhs unless otherwise stated

Rent Deposit	As at	As at
	March 31, 2021	March 31, 2020
Vinod Kumar Jain	160.00	160.00
Seema Jain	14.00	14.00
Vinod Jain HUF	10.00	10.00
Investment (Shares)		
SRG Securities Finance Limited	41.95	41.95

Notes-

- All the Related party transactions are in ordinary course of business and at arm's length basis.
- Expenses towards gratuity are determined actuarially on overall Company basis at the end of the year and, accordingly have not been considered in the above information.
- During the Financial Year 2020-21, no payment is made to Non-Executive Directors and Independent Directors except Rent to Mrs. Seema Jain & Sitting Fee Amount to Non-Executive Director/ Independent Director as disclosed above.

33. SEGMENT REPORTING:

The Company's main business is to provide loans for purchase, construction, repairs and renovation etc. of residential house. All other activities of the company revolve around the main business. As such, there are no separate reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

34. FAIR VALUE MEASUREMENT:

Financial Instruments by Category

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets						
Investment	2,518.87	52.80	0.00	866.64	66.00	0.00
Loans (Net of ECL)	0.00	0.00	31,765.68	0.00	0.00	26815.45
Cash and Cash Equivalents	0.00	0.00	1,035.07	0.00	0.00	899.52
Bank Balance other than above	0.00	0.00	1,666.13	0.00	0.00	2389.38
Other Financial Assets	0.00	0.00	197.35	0.00	0.00	174.66
Total Financial Assets	2518.87	52.80	34664.23	866.64	66.00	30279.01
Financial Liabilities						
Trade Payables	0.00	0.00	103.28	0.00	0.00	36.47
Debt Securities	0.00	0.00	6,530.33	0.00	0.00	1259.54
Borrowings (Other than Debt Securities)	0.00	0.00	22,047.18	0.00	0.00	23298.16
Other Financial Liabilities	0.00	0.00	725.71	0.00	0.00	469.99
Total Financial Liabilities	0.00	0.00	29,406.50	0.00	0.00	25064.16

The Company had acquired equity instrument for the purpose of holding for a longer duration and not for the purpose of selling in near term for short term profit. Such instruments have been categorized as FVTOCI.

Notes Forming Part of the Financial Statements

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a. Fair Value Hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2021	Carrying Amount	Routed through P/L	Routed through OCI				Carried at Amortized cost			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets										
Cash and Cash Equivalents	1,035.07	-	-	-	-	-	-	-	1,035.07	1,035.07
Bank Balance other than Cash and Cash Equivalent	1,666.13	-	-	-	-	-	-	-	1,666.13	1,666.13
Loans	31,765.68	-	-	-	-	-	-	-	31,765.68	31,765.68
Investments	2,571.67	2,518.87	52.80	-	-	52.80	-	-	-	-
Other Financial Assets	197.35	-	-	-	-	-	-	-	197.35	197.35
Total Financial Assets	37,235.90	2,518.87	52.80	-	-	52.80	-	-	34,664.23	34,664.23
Financial Liabilities										
Trade Payable	103.28	-	-	-	-	-	-	-	103.28	103.28
Debt securities	6,530.33	-	-	-	-	-	-	-	6,530.33	6,530.33
Borrowings (other than debt securities)	22,047.18	-	-	-	-	-	-	-	22,047.18	22,047.18
Other Financial Liabilities	725.71	-	-	-	-	-	-	-	725.71	725.71
Total Financial Liabilities	29,406.50	-	-	-	-	-	-	-	29,406.50	29,406.50

As at March 31, 2020	Carrying Amount	Routed through P/L	Routed through OCI				Carried at Amortized cost			
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets										
Cash and Cash Equivalents	899.52	-	-	-	-	-	-	-	899.52	899.52
Bank Balance other than Cash and Cash Equivalent	2,389.38	-	-	-	-	-	-	-	2,389.38	2,389.38
Loans	26,815.45	-	-	-	-	-	-	-	26,815.45	26,815.45
Investments	932.64	866.64	66.00	-	-	66.00	-	-	-	-
Other Financial Assets	174.66	-	-	-	-	-	-	-	174.66	174.66
Total Financial Assets	31,211.65	866.64	66.00	-	-	66.00	-	-	30,279.01	30,279.01
Financial Liabilities										
- Trade Payable	36.47	-	-	-	-	-	-	-	36.47	36.47
Debt securities	1,259.54	-	-	-	-	-	-	-	1,259.54	1,259.54
Borrowings (other than debt securities)	23,298.16	-	-	-	-	-	-	-	23,298.16	23,298.16
Other financial liabilities	469.99	-	-	-	-	-	-	-	469.99	469.99
Total Financial Liabilities	25,064.16	-	-	-	-	-	-	-	25,064.16	25,064.16

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1, 2 and 3 during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

b. Valuation technique used to determine fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted prices and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Company and other valuation models. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Fair Value of the financial assets and financial liabilities are considered at the amount, at which the instrument could be exchanged in current transaction between willing parties, other than in forced or liquidation sale.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents (Refer Note 3 (a) and (b)), Other Financial Assets (Refer Note 9), Trade Payables (Refer Note 10) and Other Financial Liabilities (Refer Note 12), the carrying value approximates the fair value.

35. FINANCIAL RISK MANAGEMENT:

i. Liquidity Risk

The Company's Asset Liability Committee (ALCO) monitors asset liability mismatches to ensure there are no imbalances or excessive concentrations on either side of the balance sheet.

The Company continuously monitors liquidity in the market; and as a part of its ALCO strategy, it maintains a liquidity buffer managed by an active treasury desk to reduce this risk.

The Company maintains a judicious mix of borrowings from banks and other Financial Institutions, including NHB. The Company continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings, which generally matches with the different types of Loan Facilities offered by the company. This strategy of balancing varied sources of funds and long tenor borrowings has helped the Company maintain a healthy asset liability position.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

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.

The amounts disclosed in note 36 are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

ii. Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The Company does not have any exposure to foreign exchange rate and equity price risk

iii. Interest Rate Risk Exposure

The exposure of the Company's borrowing (including debt securities and term loans) face value to interest rate changes at the end of the reporting period are as follows:

All amounts are in lakhs unless otherwise stated

Particulars	March 31, 2021	%	March 31, 2020	%
	(Amount)		(Amount)	
Borrowings				
Variable rate Instruments	13,255.36	46%	16,747.51	68%
Fixed rate Instruments	15,322.16	54%	7,810.19	32%
Total borrowings	28,577.52	100%	24,557.70	100%
Loans (Gross)				
Variable rate Instruments	0.00	-	0.00	-
Fixed rate Instruments	32,540.29	100%	27423.98	100%
Total Loans (Gross)	32,540.29	100%	27423.98	100%

Sensitivity

100% of the Company's Loan Assets are at fixed rate of interest, and 54% of the borrowings are at fixed rate interest. Company is not in a position to pass on increase in cost of borrowings/benefit on reduction of cost of borrowings to its customers. Thus an impact on profit is as under:

All amounts are in lakhs unless otherwise stated

Particulars	Impact on Profit Before Tax	
	Current Year	Previous Year
Interest rates - increase by 25 basis points (25 bps)*	(20.31)	(16.48)
Interest rates - decrease by 25 basis points (25 bps)*	(37.59)	(63.76)

iv. Price Risk Exposure

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. The Company's exposure to Mutual Funds is not significant and hence the Company's exposure to price risk is insignificant.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

v. Credit Risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to company. In lending operations, the Company is principally exposed to credit risk.

The credit risk is governed by the Credit Policy approved by the Board of Directors. The Policy outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.

The Company measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for other borrowers. The credit risk for retail borrowers is being managed at portfolio level for both Home loans and Mortgage Loans. The Company has a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the Credit risk.

Credit Risk Methodology

Housing and Other Property Loans:

Company's customers for retail loans are primarily low and middle income segment, salaried and self-employed individuals.

The Company's credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income & obligations, the loan-to-value ratio, fixed obligation to income ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as KYC check, Credit Bureau Report analysis are undertaken. In addition to due diligence process including visits to offices and homes in the case of loans made to retail borrowers done by External agencies such as field investigation agencies, company's staff also performs comprehensive due diligence process including visits to customer's business and residence premises.

Company analyses the portfolio performance of each product segment regularly, and use these as inputs in revising the product programs, target market definitions and credit assessment criteria to meet the twin objectives of combining volume growth and maintenance of asset quality.

The loans are secured by the mortgage of the borrowers' property and third party guarantee.

Moratorium

The RBI had announced Moratorium for 6 months on repayments for the period March 2020 to August 2020 for term loans and working capital facilities outstanding as on February 29, 2020. This was part of the regulatory measures adopted to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure continuity of viable businesses. As part of the scheme and as per Company's Board approved policy, the Company has provided moratorium to eligible borrowers who opted for.

Risk Management and Portfolio Review

The Company ensures effective monitoring of credit facilities through a risk-based asset review framework under which the frequency of asset review is determined depending on the risk associated with the product.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

For both Housing and other borrowers, the company staff verifies adherence to the terms of the credit approval prior to the commitment and disbursement of credit facilities.

It also reviews the completeness of documentation, creation of security and compliance with regulatory guidelines.

The Company regularly reviews the credit quality of the portfolio. A summary of the reviews carried out is submitted to the concern teams.

Collateral and other credit enhancements- The Company holds collateral and other credit enhancements to cover its credit risk associated with its Loans, credit risk associated are mitigated because the same are secured against the collateral.

Expected Credit Loss (ECL)

Expected Credit loss is a calculation of the present value of the amount expected to be lost on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The key components of Credit Risk assessment are:

- **Probability of Default (PD)** represents the likelihood of default over a defined time horizon.
- **Exposure at Default (EAD)** represents how much the counterparty is likely to be borrowing at the time of default.
- **Loss Given Default (LGD)** represents the proportion of EAD that is likely to be lost post - default.

The definition of default is taken as 90 days or above past due for all retail and other loans. EAD is the total amount outstanding including accrued interest as of reporting date. The ECL is computed as a product of PD, LGD and EAD.

Delinquency buckets have been considered as the basis for the staging of all loans with:

- 0-60 days past due loans classified as Stage 1
- 61- 89 days past due loans classified as Stage 2
- 90 days or above past due loans classified as Stage 3.

For individual and other loans vintage analysis has been used to create PD terms structure which incorporates both 12 months PD for Stage 1 loans and life time PD for stage 2 and 3 loans. The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/default rate is then used to build the PD term structure. This methodology has been used to create the LGD vintage which takes into account the recovery experience across accounts of a particular portfolio post default. The recoveries are tracked and discounted to the date of default using the interest rate.

Macro-economic Variables: The measurement of ECL should be forward looking in nature. In order to incorporate forward looking macroeconomic characteristics into ECL, relationships with macroeconomic variables such as Gross Domestic Product, Inflation, Total investments, National Savings, etc. (relevant variables to the underlying loan portfolio) are analysed and modelled into estimates of Probability of Default (PD). Forecasted 12-months and Lifetime PDs are driven by IMF macroeconomic forecasts for India released as part of World Economic Outlook, October 2020.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Reconciliation of Loss Allowance

Particulars	Loss Allowance measured at life-time expected losses		
	Loss Allowance measured at 12 month expected losses (Stage 1)	Financial Assets for which credit risk has increased significantly and not credit-impaired (Stage 2)	Financial Assets for which credit risk has increased significantly and credit impaired (Stage 3)
Loss allowance on April 1, 2019	84.39	12.89	414.97
Add (Less) : Changes in loss allowances	41.34	1.43	53.52
Loss allowance on March 31, 2020	125.73	14.32	468.49
Add (Less) : Changes in loss allowances	4.61	2.86	158.6
Loss allowance on March 31, 2021	130.34	17.18	627.09

The following disclosures have been given in terms of Notification no. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by the RBI in connection with COVID-19 Regulatory Package - Asset Classification and Provisioning.

The disclosure requirements as required by RBI circular dated April 17, 2020 for the year ended March 31, 2021 is given below:

Particulars	₹in lakhs	
	March 31, 2021	March 31, 2020
Advances outstanding in SMA/overdue categories, where the moratorium / deferment was extended, as per the COVID 19 regulatory package as at February 29, 2020# (Refer point A)	2,487.50	3,004.02
Advances outstanding where asset classification benefits is extended * (Refer point B)	0.00	0.00
Provisions made in terms of paragraph 5 of the COVID 19 Regulatory Package (Refer point B)	0.00**	42.64
Provisions adjusted against slippages in terms of paragraph 6**	0.00	0.00
Residual provisions in terms of paragraph 6 of the COVID 19 Regulatory Package	0.00	0.00

SMA/Overdue category includes Cases {1-90 days past due (DPD)}

*Post the moratorium period, the movement of ageing has been at actuals.

- A. Outstanding as on March 31, 2021 and March 31, 2020 respectively on account of all loans where moratorium benefit was extended by the Company, that were in SMA/ overdue categories just before granting of Moratorium.
- B. The Outstanding as on March 31, 2021 and March 31, 2020 in respect of loans where in an asset classification benefit was extended due to Moratorium under the circular. The Company was required to carry an addition general provision for the purposes of regulatory submission in respect of such loans. The additional provision required as at March 31, 2020 amounted to ₹ 42.64 Lakhs. Post the moratorium period, the movement of ageing has been at actuals. There are NIL accounts where asset classification benefit is extended till March 31, 2021.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Risk Management amidst COVID - 19

The unprecedented health scare caused by Covid-19 which led to a countrywide lockdown is going to have a varying impact on different sectors of the economy. Salaried individuals may have to contend with a scenario of reduced income and/or job losses. Corporate, SMEs and MSMEs will struggle on account of reduced economic activities. All these will lead to major cash flow constraints and erosion in the asset value. These developments in turn will severely test risk management frameworks across the financial sector.

The RBI vide its notification dated March 27, 2020 and May 23, 2020, has provided relief on debt servicing obligations, permitted financial institutions to offer moratorium to their borrowers on instalments falling due between March 1, 2020 to August 31, 2020. With uncertainties caused by Covid-19 pandemic including the pace of easing of the lockdown restrictions, the time needed to restart the economy and attaining some level of normalcy; the credit performance and repayment behaviour of the customers need to be Monitored closely.

An analysis of the customer segments seeking moratorium and their past repayment behaviour reflects heightened anxiety from customer. Expectations of elevated default on timely payment of instalments and collection related constraints are likely to result in higher credit costs than witnessed hitherto.

vi. Regulatory Risk

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

36. MATURITY ANALYSIS 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. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behavior as used for estimating the EIR. Issued debt reflects the contractual coupon amortizations.

All amounts are in lakhs unless otherwise stated

ASSETS	As at March 31, 2021			As at March 31, 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial Assets						
Cash and Cash Equivalents	1035.07	0.00	1035.07	899.52	0.00	899.52
Bank Balances other than above	883.33	782.80	1666.13	931.58	1457.80	2389.38
Loans	5715.86	26049.82	31765.68	3887.78	22927.67	26815.45
Investments	2518.87	52.80	2571.67	866.64	66.00	932.64
Other Financial Assets						
Non-Financial Assets	0.00	197.35	197.35	0.00	174.65	174.65
Deferred Tax Assets (Net)	0.00	270.39	270.39	0.00	216.15	216.15
Investments Property	0.00	4.34	4.34	0.00	4.34	4.34
Property, Plant and Equipment	0.00	261.22	261.22	0.00	394.82	394.82
Capital Work-in-progress	0.00	209.49	209.49	0.00	31.04	31.04
Other Intangible Assets	0.00	0.82	0.82	0.00	1.52	1.52
Other Non-Financial Assets	0.00	1351.17	1351.17	0.00	1205.45	1205.45
Total Assets	10153.13	29180.20	39333.33	6585.52	26479.45	33064.97

Notes Forming Part of the Financial Statements

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All amounts are in lakhs unless otherwise stated

LIABILITIES	As at March 31, 2021			As at March 31, 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial Liabilities						
Trade Payables						
(i) total Outstanding dues of micro enterprises and small enterprises	0.06	0.00	0.06	0.00	0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprise	103.22	0.00	103.22	36.47	0.00	36.47
Debt Securities	1357.24	5173.09	6530.33	517.24	742.30	1259.54
Borrowings (Other than Debt Securities)	6997.98	15049.20	22047.18	5578.49	17719.67	23298.16
Other Financial Liabilities	0.00	725.70	725.70	0.00	469.99	469.99
Non-Financial Liabilities						
Provisions	545.44	20.32	565.75	498.74	16.48	515.22
Other Non Financial Liabilities	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities	9003.94	20968.31	29972.25	6630.94	18948.44	25579.38

37. CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of National Housing Bank (NHB). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB.

The Company has complied with the applicable capital requirements over the reported period.

a. Risk management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

The Company's strategy is to maintain a gearing ratio within stipulated by National Housing Bank. The gearing ratios were as follows:

All amounts are in lakhs unless otherwise stated			
Particulars		As at March 31, 2021	As at March 31, 2020
Gross Debt		28,577.52	24,557.70
Less:			
Cash and cash equivalent		1,035.07	899.52
Other Bank deposits		1,666.13	2,389.38
Adjusted Net Debt (A)		25,876.32	21,268.80
Total Equity (B)		8,061.09	7,485.61
Adjusted Net Debt to Equity Ratio (in times) (A/B)		3.21	2.84

Loan covenants

Under the terms of the major borrowing facilities, the Company has complied with the covenants throughout the reporting period.

38. There are no indications which reflects that any of the assets of the company had got impaired from its potential use and therefore no impairment loss was required to be accounted in the current year as per Indian Accounting Standard on 'Impairment of Assets' (Ind AS 36).

39. The Company does not have any exposure in foreign currency at the year end.

40. DISCLOSURE AS REQUIRED BY RESERVE BANK OF INDIA (RBI):

The following disclosures are in accordance with Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India.

Regulatory ratios, limits and disclosures are based on Ind AS figures in accordance with RBI circular dated October 22, 2020 read with RBI circular dated March 13, 2020 relating to Implementation of Ind AS. Further, in view of RBI circular dated March 13, 2020 made applicable to Housing Finance Companies (HFC) with effect from October 22, 2020, figures for previous year is not comparable with the current year figures as the previous year figures have been disclosed on the basis of previous GAAP pursuant to the NHB circular **NHB (ND)/DRS/Policy Circular No.89/2017-18 dated June 14, 2018** and few disclosures figures of closing balance of previous year may not match with opening balance of current year.

40.1 Disclosure as per Annexure IV of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021:-

a. Summary of Significant Accounting Policies:

The accounting policies regarding key areas of operations are disclosed as Note 2 to the Financial Statement for the year ended March 31, 2021.

b. Principal Business Criteria:

Principal Business Criteria for the Company to be classified as "Housing Finance Company" as per the Paragraph 4.1.17 of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, February 17, 2021 is given below:

All amounts are in lakhs unless otherwise stated	
Criteria	% As at March 31, 2021*
Percentage of total assets towards housing finance	56.09%
Percentage of total assets towards housing finance for individuals	52.28%

*Minimum regulatory percentage to be complied as per the roadmap approved by Board of Directors of the Company pursuant to RBI Directions.

c. Capital to Risk Assets Ratio (CRAR):

All amounts are in lakhs unless otherwise stated		
Items	Current Year	Previous Year
i) CRAR (%)	38.06	40.04
ii) CRAR - Tier I Capital (%)	37.43	39.32
iii) CRAR - Tier II Capital (%)	0.63	0.72
iv) Amount of Subordinated Debt Raised as Tier-II Capital	0.00	0.00
v) Amount Raised by Issue of Perpetual Debt Instruments	0.00	0.00

d. Reserve Fund Under Section 29C of the NHB ACT, 1987:

All amounts are in lakhs unless otherwise stated		
Particulars	Current Year	Previous Year
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act,1987;	106.99	52.00
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	969.89	654.88
c) Total	1076.88	706.88
Addition/Appropriation/Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act,1987;	71.76	54.99
b) Amount of special reserve u/s 36 (1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987;	308.24	315.01
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act,1987;	0.00	0.00
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act,1987	0.00	0.00
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	178.75	106.99
b) Amount of Special Reserve u/s 36 (1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of NHB Act,1987	1278.13	969.89
c) Total	1456.88	1076.88

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

As Per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.

e. Investments

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
(A) Value of Investments		
(i) Gross Value of Investments		
(a) In India	2571.67	41.95
(b) Outside India	0.00	0.00
(ii) Provision for Depreciation		
(a) In India	0.00	0.00
(b) Outside India	0.00	0.00
(iii) Net Value of Investments		
(c) In India	2571.67	41.95
(d) Outside India	0.00	0.00
(B) Movement of Provisions held towards depreciation on investments		
(i) Opening Balance	0.00	0.00
(ii) Add: Provisions made during the year	0.00	0.00
(iii) Less: Write-off/Written-back of excess provisions during the year	0.00	0.00
(iv) Closing Balance	0.00	0.00

f. Derivatives:

During the year, Company has not entered into any derivative transaction.

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

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
1. The notional principal of swap agreements		
2. Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
3. Collateral required by the HFC upon entering into swaps		
4. Concentration of credit risk arising from the swaps		
5. The fair value of the swap book		

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

(b) Exchange Traded Interest Rate (IR) Derivative

All amounts are in lakhs unless otherwise stated		
Particulars	As at March 31, 2021	As at March 31, 2020
1. The notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)		
2. The notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2021 (instrument wise)	Not Applicable	Not Applicable
3. The notional principal amount of exchange traded IR derivatives outstanding and not “highly effective” (instrument wise)		
4. 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:

The Company does not trade in derivatives and hence, this disclosure is not applicable.

B Quantitative Disclosure

All amounts are in lakhs unless otherwise stated		
Particulars	As at March 31, 2021	As at March 31, 2020
1. Derivatives (Notional Principal Amount)		
2. Marked to Market Positions	Not Applicable	Not Applicable
(a) Assets (+)		
(b) Liability (-)		
3. Credit Exposure		
4. Unhedged Exposures		

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

g. Securitization:

- (a) The Company has not entered into any transactions of securitization / assignment during the current year or previous year.

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
1. No. of SPVs sponsored by the HFC for securitisation transactions	-	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	-	-
(I) Off-balance sheet exposures towards credit enhancements	-	-
(II) On-balance sheet exposures towards credit enhancements	-	-
4. Amount of exposures to securitisation transactions other than MRR	-	-
(I) Off-balance sheet exposures towards credit enhancements	-	-
(a) Exposure to own securitisation	-	-
(b) Exposure to third party securitisation	-	-
(II) On-balance sheet exposures towards credit enhancements	-	-
(a) Exposure to own securitisation	-	-
(b) Exposure to third party securitisation	-	-

- (b) Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction:

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
i. No. of accounts		
ii. Aggregate value (net of provisions) of accounts sold to SC / RC		
iii. Aggregate consideration	Not Applicable	Not Applicable
iv. Additional consideration realized in respect of accounts transferred in earlier years		
v. Aggregate gain / loss over net book value		

- (c) Details of Assignment transactions undertaken by HFCs:

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
i. No. of accounts		
ii. Aggregate value (net of provisions) of accounts assigned		
iii. Aggregate consideration	Not Applicable	Not Applicable
iv. Additional consideration realized in respect of accounts transferred in earlier years		
v. Aggregate gain / loss over net book value		

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

(d) Details of non-performing financial assets purchased / sold:

i) Details of non-performing financial assets purchased

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
1. (a) No. of accounts purchased during the year	Not Applicable	Not Applicable
(b) Aggregate outstanding		
2. (a) Of these, number of accounts restructured during the year	Not Applicable	Not Applicable
(b) Aggregate outstanding		

ii) Details of Non-performing Financial Assets sold

All amounts are in lakhs unless otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
1. No. of accounts sold	Not Applicable	Not Applicable
2. Aggregate outstanding		
3. Aggregate consideration received		

h. Asset Liability Management:

(Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2021):

All amounts are in lakhs unless otherwise stated

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Liabilities:													
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowing from Banks	2.67	0.70	2.63	14.93	5.44	19.02	38.25	161.58	36.05	4.51	0.00	0.00	285.78
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liab.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets:													
Advances	1.25	0.13	1.59	6.18	4.77	14.12	29.12	130.58	82.16	42.73	12.77	0.00	325.40
Investments	1.45	1.23	1.43	9.12	1.45	6.05	11.00	21.00	0.00	0.00	0.00	0.00	52.73
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

(Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2020):

All amounts are in lakhs unless otherwise stated

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Liabilities:													
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowings	1.69	0.21	2.15	4.40	5.09	15.84	31.58	111.38	60.30	12.13	0.47	0.00	245.24
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency Liab.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets:													
Advances	0.51	0.72	1.07	2.33	2.38	10.00	21.88	97.64	76.51	40.48	22.34	0.00	275.85
Investments	2.61	0.00	0.00	3.00	3.18	6.47	8.85	13.53	1.81	0.79	1.57	0.00	41.81
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Investments includes cash and cash equivalents, investment and fixed deposit.

i. Exposure:

a. Exposure to Real Estate Sector:

All amounts are in lakhs unless otherwise stated

Category	Current Year	Previous Year
a) Direct exposure		
(I) Residential Mortgages:		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	30,882.28	26,718.89
(i) Out of the above Individual Housing Loans up to ₹ 15.00 lakh	18,508.56	17,670.23
(II) Commercial Real Estate:		
Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	1,658.01	867.74
(III) Investment in Mortgage Backed Securities (MBS) and other securitized exposures:		
a. Residential	0.00	0.00
b. Commercial Real Estate	0.00	0.00
b) Indirect Exposure	0.00	0.00
Fund based and non-fund based exposure on national Housing Bank (NHB) and Housing Finance Companies (HFCs)		

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

b. Exposure to Capital Market

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	0.00	0.00
(ii) Advance against shares/bonds/debentures or other securities or on clean basis to individual for investment in shares (including IPOs/ESOPs), Convertible bonds, convertible debentures, and units of equity -oriented mutual funds;	0.00	0.00
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	0.00	0.00
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares /convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	0.00	0.00
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	0.00	0.00
(vi) Loans sanctioned to corporate against the security of shares/ bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	0.00	0.00
(vii) Bridge loans to companies against expected equity flows/issues;	0.00	0.00
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	0.00	0.00
Total Exposure to Capital Market	0.00	0.00

j. Details of Financing of Parent Company Products:

These details are not applicable since the Company is not a subsidiary of any company

k. The Company has Not Exceeded Limit Prescribed by National Housing Bank for Single Borrower Limit (Sgl) And Group Borrower Limit (GBL).

l. Unsecured Advances

(a) The Company has not obtained any unsecured loans during the year.

(b) The Company has no intangible collateral and hence no advance is obtained against the Intangible Collateral.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

m. Exposure to Group Companies Engaged in Real Estate Business

Particulars	Amount	% of owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-

n. Miscellaneous

(a) The Company has obtained following registrations from any other financial sector regulator:

- Renewal of registration of the Company as LEI (Legal Entity Identifier) as required by RBI.
- Registration of Company as convergence partner with NCH (National Consumer Helpline) through software "INGRAM" as directed by NHB.
- The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 201

(b) No penalties have been imposed by NHB or any other regulator on the company during the year.

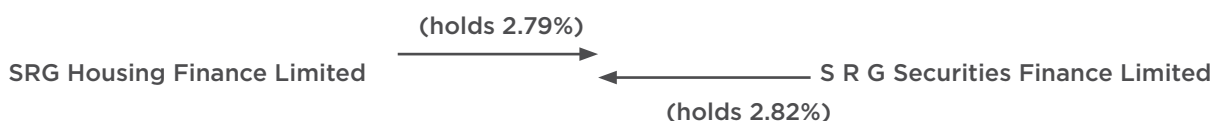
(c) Related party Transactions:

All contracts / arrangements/transactions entered into by the Company during the current year with related parties were in the ordinary course of business and on an arm's length basis (refer Note 32).

The policy on related party transactions is approved by the audit committee and the board of directors of the Company and is available on the website of the Company.

(d) Group Structure:

Diagrammatic representation of group structure given below:



Above shareholding is as of March 31, 2021

(e) Ratings Assigned by credit rating agencies and migration of rating during the year:

Sr. No.	Instrument	Rating Agency	Rating	Rating Action	Date of Rating
1	Bank Loan	Brickwork Ratings	BWR BBB; Stable	Reaffirmed BWR BBB; Stable	30.07.2020
2	NCD	Brickwork Ratings	BWR BBB; Stable	Reaffirmed BWR BBB; Stable	30.07.2020
3	NCD	Acuite Rating	ACUITE BBB; Stable	Assigned Acuite BBB Stable	26.11.2020

(f) Remuneration of Directors

During the year remuneration of ₹ 3.15 Crores (PY ₹ 3.02 Crores) per annum was paid to Mr. Vinod K. Jain, Managing Director. The Company has paid sitting fees of ₹ 0.67 Lakhs (previous year: ₹ 0.00) to the non-executive /independent directors during the current year.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

(g) Net profit or loss for the period, prior period items and change in accounting policies

There are no such material items which require disclosures in the notes to accounts in terms of the relevant accounting standards. There is no change in accounting policies during the year.

(h) There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

(i) Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

(j) During the year, the company has not granted loans against collateral of gold jewellery and the company does not have any exposure to teaser rate loans.

(k) During the year the Company has not accepted public deposits.

O. Additional Disclosures

(i) Provisions:

All amounts are in lakhs unless otherwise stated

Break up of Provisions shown under the head Expenditure in Profit and Loss Account and Reserves	Current Year	Previous Year
1. Provisions for depreciation on Investment	0.00	0.00
2. Provisions made towards income tax	545.44	498.75
3. Provision towards NPA	158.59	56.06
4. Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	7.48	40.22
5. Other Provision and Contingencies (with details)	0.00	0.00

All amounts are in lakhs unless otherwise stated

Break up Loan & Advances and Provisions thereon	Housing		Non-Housing	
	Current Year	Previous Year	Current Year	Previous Year
Standard Assets				
a) Total Outstanding Amount*	21,769.94	19,698.99	10,340.00	7,584.07
b) Provisions Made	96.22	86.36	51.29	40.39
Sub-Standard Assets				
a) Total Outstanding Amount	79.71	26.78	121.83	50.97
b) Provisions Made	29.38	7.24	36.76	7.64
Doubtful Assets-Category-I				
a) Total Outstanding Amount	22.87	258.83	43.40	77.54
b) Provisions Made	22.87	204.42	43.40	71.58
Doubtful Assets-Category-II				
a) Total Outstanding Amount	305.36	161.90	76.80	4.82
b) Provisions Made	305.36	161.90	76.80	4.82

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

All amounts are in lakhs unless otherwise stated

Break up Loan & Advances and Provisions thereon	Housing		Non-Housing	
	Current Year	Previous Year	Current Year	Previous Year
Doubtful Assets-Category-III				
a) Total Outstanding Amount	107.61	24.19	4.87	0.00
b) Provisions Made	107.61	24.19	4.87	0.00
Loss Assets				
a) Total Outstanding Amount	0.00	0.00	0.00	0.00
b) Provisions Made	0.00	0.00	0.00	0.00
Total				
a) Total Outstanding Amount	22,285.49	20,170.70	10,586.90	7,717.40
b) Provisions Made	561.44	484.11	213.12	124.43

*Standard Assets and Total Outstanding amount in Current Year figures include interest accrued but not due and provision thereon.

The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category-I
One to three years	Category-II
More than three years	Category-III

Details of Movement in Provisions:

All amounts are in lakhs unless otherwise stated

Particulars	Opening as on April 1, 2020	Provisions made during the year	Provisions reversed/adjusted	Closing as on March 31, 2021
Bad & Doubtful Debts	468.49	627.05	468.49	627.05
Taxation	498.75	545.44	498.75	545.44
Standard Assets	140.04	147.51	140.04	147.51
Investment	0.00	0.00	0.00	0.00

* Opening Balance for the current year is as per Ind AS in compliance with the RBI Master Direction dated February 17, 2021 read with RBI Circular on Ind AS implementation dated March 13, 2020.

(ii) During FY 2020-21, there were NIL (PY: NIL) draw down from Reserves.

(iii) Concentration of Loans and Advances:

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Total Loans & Advances to Twenty largest borrowers	3,137.99	1,755.46
Percentage of Loans & Advances to Twenty largest borrowers to Total Advances of the HFC	9.64%	6.36%

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

- Concentration of All Exposure (Including Off-Balance Sheet Exposure):**

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Total Exposures to Twenty largest Borrowers/Customers	3,137.99	1,755.46
Percentage of Exposures to Twenty largest Borrowers/Customers to Total Exposure of the HFC on Borrowers/Customers	9.64%	6.36%

- Concentration of NPAs:**

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
Total Exposure to Top Ten NPA Accounts	266.62	239.70

- Sector-Wise NPAs:**

All amounts are in lakhs unless otherwise stated

S. No.	Sector	Percentage of NPAs to Total Advances in that Sector	
		Current Year	Previous Year
A. Housing Loans:			
1.	Individuals	2.34%	2.45%
2.	Builders/Project Loans	0.00	0.00
3.	Corporates	0.00	0.00
4.	Other (Specify)	0.00	0.00
B. Non-Housing Loans:			
1.	Individuals	2.36%	1.78%
2.	Builders/Project Loans	0.00	0.00
3.	Corporates	0.00	0.00
4.	Others (Specify)	0.00	0.00

- (iv) Movement of NPAs**

All amounts are in lakhs unless otherwise stated

Particulars	Current Year	Previous Year
(I) Net NPAs to Net Advances (%)	0.42%	0.45%
(II) Movement of NPAs (Gross)		
a) Opening Balance	605.22	552.74
b) Additions during the year	201.54	77.75
c) Reductions during the year	44.31	25.45
d) Closing Balance	762.45	605.04
(III) Movement of Net NPAs		
a) Opening Balance	136.73	127.01
b) Additions during the year	123.49	62.87
c) Reductions during the year	136.73	66.63
d) Closing balance	123.49	123.25

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Liability Side		All amounts are in lakhs unless otherwise stated	
Particulars	Amount Outstanding	Amount Overdue	
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
a. In the form of Unsecured debentures	-	-	
b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	
c. Other public deposits	-	-	

Assets Side		All amounts are in lakhs unless otherwise stated	
Particulars	Amount Outstanding		
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
a. Secured		31,765.68	
b. Unsecured		-	
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		-	
5 Break-up of Investments			
Current Investments			
1. Quoted			
(i) Shares			
(a) Equity		-	
(b) Preference		-	
(ii) Debenture & Bonds		2,518.87	
(iii) Units of mutual funds		-	
(iv) Government Securities		-	
(v) Others - Venture Fund and AIF		-	
2. Unquoted			
(i) Shares			
(a) Equity		-	
(b) Preference		-	

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Assets Side		All amounts are in lakhs unless otherwise stated	
Particulars		Amount Outstanding	
(ii) Debenture & Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others - Venture Fund and AIF			-
Long Term investments			
1. Quoted			
(i) Shares			52.80
(a) Equity			-
(b) Preference			-
(ii) Debenture & Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others - Real Estate Investment Trust			-
(vi) Others - Security Receipts			-
2. Unquoted			
(i) Shares			-
(a) Equity			-
(b) Preference			-
(ii) Debenture & Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others - Pass Through Certificates			-
(vi) Others - Security Receipts			-
(vii) Others - Venture Funds & Other Funds			-

Assets Side		All amounts are in lakhs unless otherwise stated		
Category		Amount net of provisions		
		Secured	Unsecured	Total
6 Borrower group-wise classification of assets financed as in (3) and (4) above:				
1. Related Parties				
(a) Subsidiaries		-	-	-
(b) Companies in the same group		-	-	-
(c) Other related parties		-	-	-
2. Other than related parties		31,765.68	-	31,765.68
Total		31,765.68	-	31,765.68

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

Assets Side		All amounts are in lakhs unless otherwise stated		
Category		Amount net of provisions		
		Secured	Unsecured	Total
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
1.	Related Parties	-	-	-
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	52.80	-	52.80
	(c) Other related parties	-	-	-
2.	Other than related parties	2,518.87	-	2,518.87
	Total	2,571.67	-	2,571.67

Assets Side		All amounts are in lakhs unless otherwise stated	
Category		Amount	
8	Other information		
(i)	Gross Non-Performing Assets		-
	(a) Related parties		-
	(b) Other than related parties		762.46
(ii)	Net Non-Performing Assets		-
	(a) Related parties		-
	(b) Other than related parties		135.36
(iii)	Assets acquired in satisfaction of debt		-

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

42. Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019-20 Dated 13 March 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

All amounts are in lakhs unless otherwise stated

	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
	-1	-2	-3	-4	(5)=(3)-(4)	(7) = (4)-(6)
Asset Classification as per RBI Norms						
Performing Assets						
Standard	Stage 1	30,782.00	130.33	30,651.67	102.10	28.23
	Stage 2	995.83	17.18	978.65	2.68	14.50
Subtotal		31,777.83	147.51	31,630.32	104.78	42.73
Non-Performing Assets (NPA)						
Substandard	Stage 3	201.54	66.18	135.36	30.44	35.74
Doubtful - up to 1 year	Stage 3	66.27	66.27	0.00	16.60	49.67
1 to 3 years	Stage 3	382.17	382.17	0.00	153.19	228.98
More than 3 years	Stage 3	112.48	112.48	0.00	111.00	1.48
Subtotal for doubtful		560.92	560.92	0.00	280.79	280.13
Loss	Stage 3	0.00	0.00	0.00	0.00	0.00
Subtotal for NPA		762.46	627.10	135.36	311.23	315.87
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	0.00	0.00	0.00	0.00	0.00
	Stage 2	0.00	0.00	0.00	0.00	0.00
	Stage 3	0.00	0.00	0.00	0.00	0.00
Subtotal		0.00	0.00	0.00	0.00	0.00
	Stage 1	30,782.00	130.33	30,651.67	102.10	28.23
	Stage 2	995.83	17.18	978.65	2.68	14.50
	Stage 3	762.46	627.10	135.36	311.23	315.87
Total	Total	32,540.29	774.61	31,765.68	416.01	358.60

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Housing Finance Companies (HFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2021 and accordingly, no amount is required to be transferred to impairment reserve.

Provisions required as per IRACP norms amount to ₹ 416.01 Lakhs. The amounts tabulated above include.

The company has not invoked or implemented resolution plan under the "Resolution Framework for COVID-19 related stress" as per RBI circular dated August 6, 2020 for any of its borrower accounts.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

43. Disclosure in terms of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India read with para 15A on Guidelines on Liquidity Risk Management Framework in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Public disclosure on liquidity risk in terms of Guidelines on Liquidity Risk Management Framework.

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Type of Instrument	Number of Significant	Amount (crore)	% of Total deposits	% of Total Liabilities
Borrowings	2	79.24	NA	26.44%

A “Significant counterparty” is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 10% of the NBFC’s total liabilities.

(ii) Top 20 large deposits (amount in ₹ crore and % of total deposits- Not applicable. The Company is registered with National Housing Bank to carry on the business of housing finance institution without accepting public deposits.

(iii) Top 10 borrowings (amount in ₹ crore and % of total borrowings)

All amounts are in lakhs unless otherwise stated		
Particulars	As at March 31, 2021	%
Total amount of top 10 borrowings	221.36	77.54

(iv) Funding Concentration based on significant instrument/product

All amounts are in lakhs unless otherwise stated			
Sl. No.	Name of the instrument/product	Amount (₹ crore)	% of Total Liabilities
1	Term Loans	179.49	59.88%
2	Non-Convertible Debentures	65.30	21.79%
3	NHB Refinance/Other facilities	40.99	13.67%

* Total liabilities does not include net worth of the Company

A “Significant instrument/product” is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 10% of the NBFC’s total liabilities.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

(v) Stock Ratios:

Sl. No.	Stock Ratio	Percentage (%)
1	Commercial papers as a % of total liabilities	NA
2	Commercial papers as a % of total assets	NA
3	Non-convertible debentures (original maturity of less than one year) as a % of, total liabilities	NA
4	Non-convertible debentures (original maturity of less than one year) as a % of, total assets	NA
5	Other short-term liabilities, if any as a % of total liabilities	32.07%
6	Other short-term liabilities as a % of total assets	24.44%

vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk.

The Board of Directors of the Company has constituted an Asset Liability Committee (ALCO). The main objective of ALCO is to assist the Board and Risk Management Committee in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds.

The Risk Management Committee constituted by the Board of Directors is primarily responsible for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company.

44. Disclosure in terms of in accordance with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India read with RBI Circular No. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016- 17 on Monitoring of frauds in NBFCs

There were no cases of frauds reported during the Current year & Previous Year.

45. 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 the RBI Circular No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 and the methodology for calculation of interest on interest based on guidance issued by Indian Banks' Association, the Company has put in place a Board approved policy to refund / adjust interest on interest charged to borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020. The Company has estimated the said amount and made a liability in the financial statements for the year ended March 31, 2021. As on March 31, 2021, the Company holds a specific liability of ₹ 3.73 Lakhs which is debited to interest income to meet its obligation towards refund of interest on interest to eligible borrowers as prescribed by the RBI.

Notes Forming Part of the Financial Statements

for the year ended March 31, 2021

46. There are no Micro, Small and Medium Enterprises (MSME) to whom the Company owes dues, which are outstanding for more than 45 days as at 31-03-2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis at information available with the Company. (Refer Note 10)
47. There are no amounts to be reflected under payable to Investor Protection Fund.
48. In the opinion of management the Financial Assets are approximately of the value as stated if realized in the ordinary course of business unless otherwise stated. The provisions for all liabilities are adequate and not in excess / shortage of the amount reasonably necessary.
49. During the year, there was one employee, Mr. Vinod K. Jain, Managing Director employed throughout the year who was in receipt of remuneration of ₹ 3.15 Crores (PY ₹ 3.02 Crores) per annum.
50. Previous year figures have been regrouped/ reclassified/rounded off wherever applicable.
51. There have been no events after the reporting date that requires disclosure in these financial statements.
52. The Company has complied with all the prudential norms prescribed by National Housing Bank on income recognition, accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.
53. The Company has repossessed certain assets under SARFAESI Act which are required for the purpose of sale under the rules and regulation of SAEFAESI Act involving ₹ 50.23 Lakhs (₹ 55.90 Lakhs Previous Year) which are part of NPA portfolio for which necessary provisions have already been made. These assets are accounted as and when they are realized as per the related accounting policy.
54. Consequent to the outbreak of COVID-19 pandemic, the Indian government had announced lockdown in March 2020. Subsequently, the lockdown has been lifted by the government in a phased manner outside specified containment zones. The extent to which the COVID-19 pandemic, including the current second wave that has significantly increased the number of cases in India, may continue to impact Company's performance, will depend on ongoing and future developments, which are uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by us.
55. Notes on Financial statements 1 to 54 are annexed and forming part of the Balance Sheet and Statement of Profit & Loss.

For **PKJ & CO.**
Chartered Accountants
FRN : 124115W

Padam Jain
Partner
Membership No. 071026

Place : Mumbai
Date : 28.05.2021

For & on Behalf of the Board

Vinod K. Jain
Managing Director
(DIN: 00248843)

Sunaina Nagar
Company Secretary
(M.No. A40754)

Seema Jain
Director
(DIN: 00248706)

Ashok Kumar
Chief Financial Officer



SRG Housing Finance Limited

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CIN: L65922RJ1999PLC015440