

Directors' Report

Your Directors welcome the shareholders and take pleasure in presenting the 30th Annual Report together with the Audited Standalone and Consolidated Financial Statements of the Company for the year ended March 31st, 2018.

Financial Results

(₹ in crores)

| | As at March 31st, 2018 | As at March 31st, 2017 |
|--|---------------------------|---------------------------|
| Profit before tax | 1279.08 | 804.01 |
| Less: Provision for Tax | | |
| -Current year | 437.71 | 264.00 |
| -Earlier years | (0.08) | - |
| -Deferred Tax | 10.80 | 16.26 |
| Profit After Tax | 830.65 | 523.73 |
| Add: Balance brought for-ward from the previous year | 640.99 | 275.25 |
| | 1471.64 | 798.98 |
| Appropriation of Profits | | |
| Transfer to Special Reserve (including u/s 29C of NHB Act, 1987) | 166.13 | 105.60 |
| Transfer to General Reserve | 83.07 | 52.39 |
| Dividend | 99.95 | - |
| Dividend distribution Tax | 20.35 | - |
| Balance carried to Balance Sheet | 1102.14 | 640.99 |
| | 1471.64 | 798.98 |

(₹ in crores)

Income and expenditure

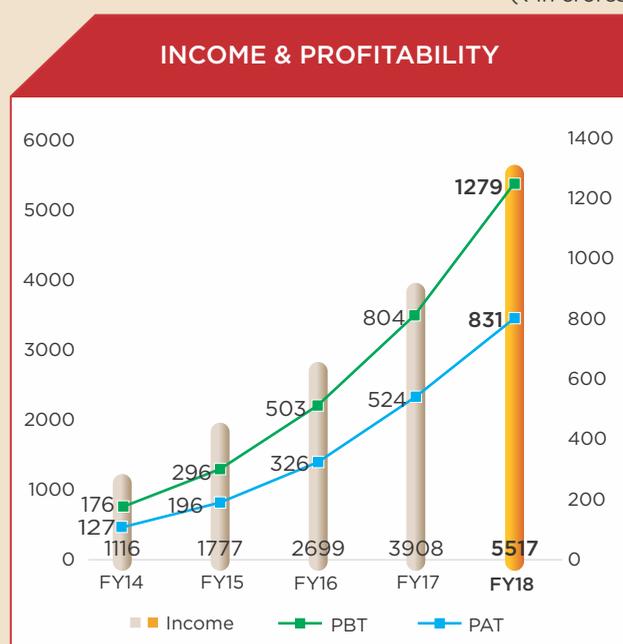
During the year, the Company has earned a total income of ₹ 5,516.95 crores as compared to ₹ 3,907.85 crores in the previous year, recording a growth of 41%.

Total expenses, provisions and write offs during the year were ₹ 4,237.87 crores as compared to ₹ 3,103.84 crores in the previous year, a growth of 37%.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 9.00 per share as compared to ₹ 6.00 per share for the previous year.

The dividend payout ratio including dividend distribution tax for the year ended March 31st, 2018 will be 21.88%.



Lending Operations

The year gone by was a challenging year. The impact of demonetization towards the fag end of FY2016-17 had its spill over effect in the first quarter of FY2017-18. Immediately thereafter, the goods and service tax (GST) law was implemented on July 1, 2017 to create a uniform tax structure.

The new tax system had a direct impact on home loan seekers and the entire real estate industry in India. Under the new tax structure, buying under-construction properties attracts a net effective rate of 12% as against the earlier rate of around 5.5% (including value-added tax and service tax). The enhanced tax on home prices have pulled down consumer sentiment.

Towards the second half of the FY2017-18, the northward movement in the rate of interest had started. The market, however, continued with irrational pricing to overcome the challenges of sluggish credit growth.

The Company did not chase business to gain market share. The Company stuck to its DNA of controlled aggression, good governance and proven fundamentals to protect both spreads and growth without compromising on credit quality and underwriting processes.

The Government of India has implemented all the provisions of Real Estate Regulation Act, 2016 (RERA) from May 1, 2017. RERA aims to protect the interests of the consumers and investors by introducing a regime to regulate and improve the level of transparency and accountability in the sector.

The developers had three months to register their new and ongoing projects with their respective State Real Estate Regulatory Authority. In the transition phase of RERA implementation, the number of new launches were minuscule.

On the positive side, the Government is actively working on 'Housing for all' by year 2022 scheme to address demand and supply side constraints, which had affected the growth of the sector in the past. Under the pradhan mantri awas yojana (PMAY), a reformed credit linked subsidy scheme (CLSS) for the middle-income group (MIG) was implemented.

The CLSS for mid-income affordable housing has been extended by 15 months up to March 2019. The cabinet has approved increase in carpet area of houses eligible for interest subsidy under PMAY.

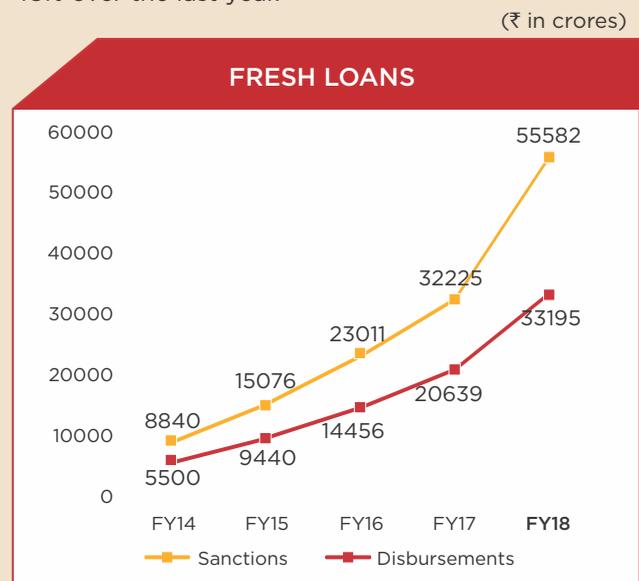
The developers have started re-modelling their projects to fit into the norms of CLSS for mid segment housing. Tax incentives on housing loans for both principal and interest repayment coupled with subsidies under CLSS for economically weaker sections (EWS), lower income group (LIG) and middle income group (MIG) have improved affordability levels of the customers, who are the first time home buyers and this initiative is likely to boost demand.

During the year, the Company has sanctioned loans amounting to ₹ 55,582 crores in respect of 1,02,468 applications as compared to ₹ 32,225 crores in respect to 63,894 applications in the previous year, recording a growth of 72% in sanction amount.

During the year, the Company has disbursed loans amounting to ₹ 33,195 crores as compared to ₹ 20,639 crores in the previous year, recording a growth of 61%. Out of total disbursements, ₹ 22,772 crores loans were disbursed for housing and ₹ 10,423 crores were disbursed for non-housing purposes.

Loan Book

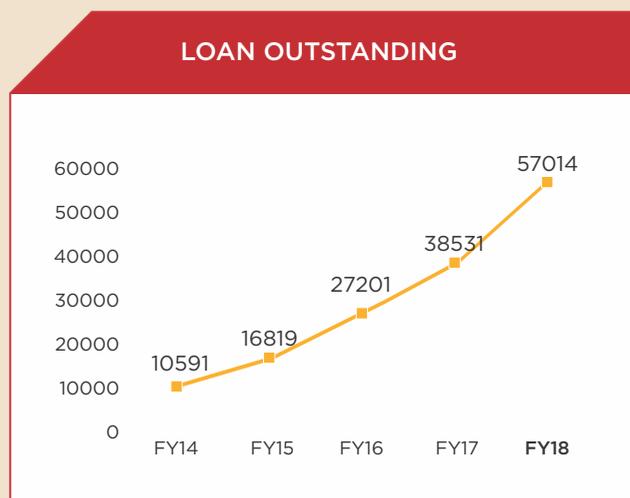
Loans outstanding (principal portion) as at March 31, 2018 were ₹ 57,014 crores, recording a growth of 48% over the last year.



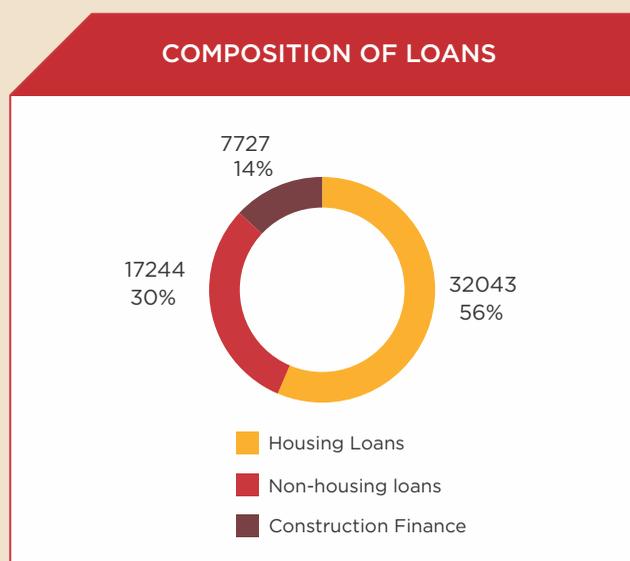
The total assets under management (AUM) as at March 31, 2018 were ₹ 62,252 crores, recording a growth of 50% over the previous year.

During the year, the Company sold loans amounting to ₹ 3,128 crores under loan assignment route to different institutions.

(₹ in crores)



(₹ in crores)



Distribution

Over the last 6 years, the Company has increased its share of business and grew to a position of being the 5th largest HFC by deepening presence in existing markets and expanding to new markets.

In this period, the Company has opened 53 branches, taking its branch network from 31 branches as on March 31, 2013 to 84 branches as on March 31, 2018.

In FY2017-18, the Company has opened 21 new branches, out of which 11 branches were opened in

the existing locations and 10 branches were opened in the new locations. The new locations were; Salem, Trichy, Kozhikode, Mangalore, Mysore, Kalyan, Panvel, Aurangabad, Jamshedpur and Haridwar. As on March 31, 2018, the Company has presence through 84 branches, 35 outreach locations, totalling to 119 distribution outlets in 86 cities.

Sales and Distribution Subsidiary

One of the big initiatives for the year was incorporation of the sales subsidiary Company, "PHFL Home Loans and Services Limited" on August 22, 2017. The Company has been floated as a distribution arm for PNB Housing, offering doorstep services to the prospective customers.

PHFL would be predominantly sourcing business for the products offered by PNB Housing and it will also explore cross sell of other third party products like credit card, insurance, property solution based opportunities to arrive at an optimum efficiency level.

This initiative would help in containing personnel attrition, hire better quality sales force and create better job satisfaction among the employees. The operating structure of PHFL has been finalized and the manpower is being hired in a phased manner. In FY2017-18, PHFL has worked for part of the year. It would be fully operational in FY2018-19.

A report on the performance and financials of PHFL, as per Companies Act, 2013 and rules made thereunder (the "Act") is provided in Form AOC 1 attached to the Consolidated Financial Statements forming an integral part of the Annual Report.

Underwriting and Risk Management

During the year, the Company implemented a comprehensive Enterprise Risk Management Policy along with functional level risk management policies covering; Integrated Risk Management Policy, Market Risk Policy, Assets Liability Management Policy, Stress Testing Policy, IT security policy and Credit Risk Policy.

The Company follows comprehensive underwriting process for all its loan products by using a well-trained manpower assisted by in-house teams from technical, legal and fraud control units. Throughout the year, the Company was consistent in honouring its commitment on timelines and arresting wastages. The Company is working on using various electronic and digital means in underwriting to make it more productive, efficient and optimum at the risk reward level.

The underwriting of loans is performed in specialized hubs located across the country. As on March 31, 2018, the Company has 21 loan processing hubs, 7 hubs in each zone viz. North, West and South Zones.

Recoveries and Non-Performing Loans

The Company has continued with a high class collection performance. The recovery teams were assisted by introduction of new technologies such as; the mobility application on mobile phones, a centralized dialler with priority setting logic, beside constant use of provisions of the SARFAESI Act, 2002.

The Company has also reduced the portion of doubtful assets in absolute terms and liquidated re-possessed assets through tie-ups and on-line auction of properties.

The gross non-performing assets were ₹ 186.11 crores i.e. 0.33% of the outstanding loans (last year 0.22%) and net non-performing assets (after provision as per NHB Directions) were ₹ 143.81 crores i.e. 0.25% of outstanding loans (last year 0.15%).

Provisions

The Company has continued to build sound provisions on its loan assets over the years. Besides provisions prescribed under the National Housing Bank Directions, 2010 for standard assets and provisions for non-performing assets, the Company has additionally provided "Provisions for 'Contingencies' to meet any contingencies in the future and to strengthen the balance sheet.

As per NHB Directions, 2010, the Company is carrying a total provision of ₹ 281.00 crores towards standard loans and ₹ 42.30 crores towards non-performing loans. The Company is also carrying a sum of ₹ 101.98 crores in 'Provisions for Contingencies'.

Resources

Over the years, the Company has been raising financial resources from multiple sources, both within and outside the country. The Treasury has consistently ensured raising of resources at most competitive cost to the Company. The team has worked innovatively to supply financial resources at the right price and on time.

There were some new initiatives taken during the year for raising financial resources;

- The Company has raised funds through zero coupon bonds.
- The Company has raised long term and short-term bank term loans linked to external benchmark.
- The Company is planning issuance of masala bonds of USD 1000 million over a period of time. The funds will be raised at a suitable time in the current financial year.

During the year, the Company has raised resources of ₹ 26,500 crores from various sources such as non-convertible debentures, deposits, bank term loans, NHB refinance and commercial paper.

The outstanding borrowings are a judicious mix of fixed and floating rate borrowings as well as money raised from international institutions.

Non-Convertible Debentures (NCDs)

The Company has raised ₹ 8,954 crores of secured NCDs through private placements in twelve series issued during the year.

The Company has redeemed on maturity, secured NCDs of Series XVI amounting to ₹ 300 crores on July 20, 2017, Series XVIII amounting to ₹ 600 crores on October 21, 2017 and Series XIX amounting to ₹ 300 crores on January 24, 2018.

The outstanding balance of NCDs as on March 31, 2018 was ₹ 22,325 crores as against ₹ 13,172 crores in the previous year.

Subordinate debt

The Company has not raised subordinated debt during the year. Based upon the balance term of maturity as on March 31, 2018 an amount of ₹ 1,359 crores is considered as Tier II capital under NHB directions for the purpose of computation of capital adequacy ratio.

The NCDs and subordinate debts issued by the Company are listed on the wholesale debt segment of National Stock Exchange.

External Commercial Borrowings

The Company has so far raised USD 250 million in ECB from two multilateral lending institutions viz. IFC and ADB under affordable housing scheme of RBI. The balance outstanding as on March 31, 2018 was USD 223.75 million.

Deposits

The outstanding deposits (including inter corporate deposits) as at March 31, 2018 were ₹ 11,586 crores as against ₹ 9,987 crores (including inter corporate deposits) outstanding last year, registering a growth of 16%.

The growth of deposits in FY2017-18 was sluggish but deposits continues to be one of the major funding sources of the Company, contributing nearly 20% of the total loan assets. The deposits of the Company have been rated FAAA/Stable by CRISIL and CARE AAA by CARE, which means highest safety.

The Company has worked on strengthening of its distribution arms and use of technology for better flow of deposits and improved customer service. During the year, the NHB has permitted auto renewal of deposits and has relaxed guidelines for pre-mature withdrawal of deposits.

The Company has accepted public deposits as per NHB Directions, 2010 and as per the provisions of the Companies Act, 2013. The Company has paid/accrued interest on all the outstanding deposits on due dates. There has been no default on repayment of deposits or payment of interest thereon during the year.

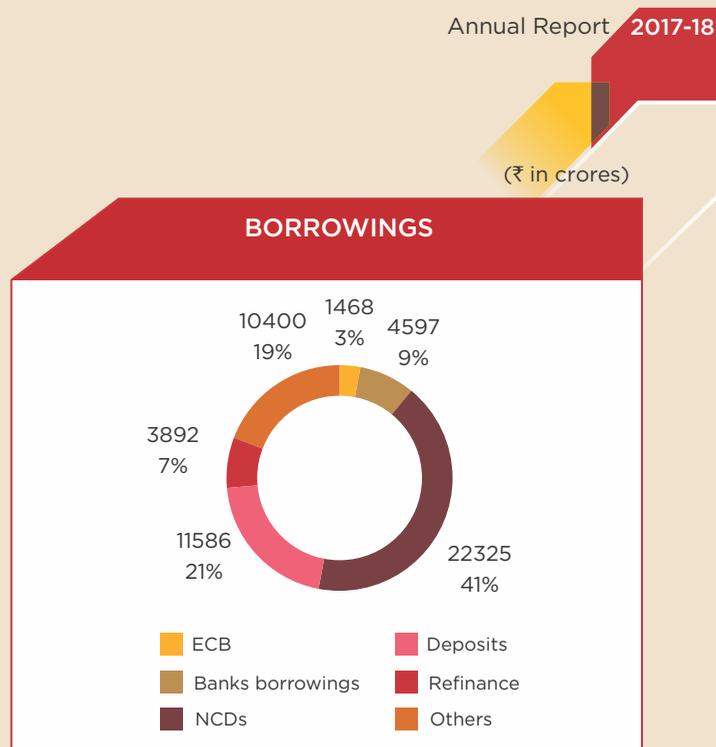
Unclaimed Deposits and NCDs

Out of the deposits, which became due for repayment up to March 31, 2018, public deposits of ₹ 53.21 crores, including interest accrued and due relating to 2,643 depositors had not been claimed or renewed. The depositors have been intimated regarding the maturity of their deposits with a request to either renew or claim the deposits and subsequent reminders have been sent.

During the year, the Company has transferred an amount of ₹ 7.86 lacs to Investor Education and Protection Fund (IEPF) established by the Central Government under section 125 of the Companies Act, 2013. In terms of the said section, no claim would lie against the Company after transfer to IEPF.

As at March 31, 2018 there was no NCDs or interest thereon, remaining unclaimed or unpaid.

The total outstanding borrowings as on March 31, 2018 were ₹ 54,268 crores with the following composition;



Credit Rating

NCDs

During the year, different series of NCD issuances were rated. The outstanding ratings are; CARE AAA, India Rating AAA, ICRA AA+ (stable) and CRISIL AA+ (stable). The rating indicates high safety.

Commercial Paper

CRISIL and CARE have rated commercial paper programme at CARE A1+. The rating indicates highest safety.

Capital Adequacy Ratio

The capital adequacy ratio (CRAR) as on March 31, 2018 was 16.67% (comprising tier I capital of 12.75% and tier II capital of 3.92%). The NHB has prescribed minimum CRAR of 12% of total risk weighted assets.

Investment in SLR

The Company has maintained its statutory liquid ratio (SLR) as stipulated by the NHB. The Company is having total SLR investments of ₹ 1,161.55 crores as on March 31, 2018. The Company has classified its SLR investments as per NHB Directions, 2010.

Human Resources

Human capital is the core asset of the Company. In order to keep pace with business growth, the Company has consistently hired right mix of people for its various verticals, having requisite talent and

sound background.

Throughout the year, the Company has worked towards harnessing the skills of its human capital across all functions. The learning and development team of the Company has conducted programmes to enhance functional knowledge and to upgrade skills. It is also helping the Company to build critical talent, which would give competitive advantage in delivering critical results.

The Company has introduced multiple organisational development initiative to reinforce performance driven culture through performance management system. As per the survey conducted by 'Great Place to Work', the overall score of the Company has improved compared to the last year. The Company has performed better under most of the parameters.

The Company has offered employees stock option schemes (ESOPs) to its key employees and for other high performing mid-level employees, the Company has a long term incentive programme (LTIP).

The young talent is the future of the Company. The Company has been regularly hiring management trainees from reputed campuses. So far, the two batches hired in 2015 and 2016 have been absorbed in various verticals after extensive training. The third batch of management trainees were hired in May 2017 and is presently undergoing training to be absorbed in FY2018-19.

As on March 31, 2018, the Company had a total of 1,290 full time employees on its rolls. There were 34 employees employed throughout the year, who were in receipt of remuneration of ₹ 1.02 crores or more per annum.

The remuneration comprises salary, allowances, perquisites/ taxable value of perquisites including perquisite value of ESOPs exercised and ex-gratia amount. In accordance with the provisions of Rule 5.2 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of such employees are set out in annexure to the Directors' Report.

In terms of the provisions of section 136(1) of the Companies Act, 2013 read with the said rule, the Directors Report is being sent to all the shareholders excluding the annexure indicating the list of above mentioned employees.

Any shareholder interested in obtaining a copy of the said annexure may write to the Company.

Further disclosures on managerial remuneration are provided in annexure 1 appended to the Directors'

Report.

Facility Management

During the year, the Company has added over 97,000 sq. ft. area, for building new offices across the country. The overall office space available with the Company as on March 31, 2018 has increased to 3.21 lac sq. ft.

Customer Service and Technology

Customer service is core to the Company. In this direction, the Company has taken a number of initiatives with a promise of providing omni channel experience to the customers.

Our 'customer service operations' are now ISO 9001:2015 certified. The Company has introduced non-branch/alternate channels of communication, which customers can use to interact and transact seamlessly. Through mobile application, the users can get information on loans and deposits and can avail multiple other services. Through loan application tracker, customers can track the step by step status of loan application.

The Company has started digitization of documents. Customers can get their loan documents images on various digital interfaces i.e. mobile app and the web portal.

The Company has introduced intelligent mailing solution for managing dispatch of physical communication through a robotic folder and inserter.

The Company has been constantly investing in upgrading technology and in acquiring new technology. The Company has developed state of the art digitization facility at NOIDA and Mumbai for digitization of security documents of the customers where scanned documents are stored on dedicated private cloud.

The Company is moving from physical verifications of customer's documents to e-verification to facilitate underwriting process.

The Company has moved to digitized vender servicing and all the payments are processed and made using digital platform.

These steps have brought in efficiencies and cost savings to the Company.

Awards and Recognition

During the year, the Company has received following prestigious awards;

- PNB Housing's IPO was awarded "IPO of the

Year” by Finance Monthly Magazine (M & A Award).

- Won bronze award at Outdoor Advertising Awards 2017 in the financial services category and recognized for the innovative outdoor campaign executed during the IPO.
- Conferred as ‘Best Housing Finance Company of the Year’ at ET Now Banking, Financial Services and Insurance Awards.
- Recognized as ‘Symbol of Excellence in the BFSI Sector’ at The Economic Times Best BFSI Brands 2018.
- Awarded ‘Housing Finance Company of the Year’ at the 10th Annual Estate Awards.
- Conferred as “Leading Housing Finance Company 2017” at National Awards for Best Housing Finance Companies.
- Awarded for ‘Excellence in Customer Relation’ at GIHED CREDAI Property Show 2017.
- Honored in the field of “IT Security” at CSO 100 Awards, organized by CSO 100 Award and IDG Security.
- Penguin based animated TV commercial has bagged the Gold Award at FICCI’s Best Animated Frames (BAF) Awards 2018.

Corporate Social Responsibility (CSR)

Company’s CSR projects were aimed at empowering the underprivileged communities in education, skilling of construction workers and other projects.

The Company is running two major programmes; skilling of construction workers and day care centres for the children of construction workers. In FY2017-18, the Company has supported 32-day care centres and rolled out training programme to train nearly 8,000 construction workers. The workers were certified by Construction Skilling Council of India or Plumbing Council of India.

The Company in partnership with developers and NGOs, has established and supported day care centres at the construction sites for the children of construction workers. The programme was initiated with Mobile Crèches and has now expanded to other partners to establish 32 new day care centres. In FY2017-18, the programme has reached out to nearly 3,500 children through its day care programme.

The Company has partnered with Vidya to support the operational cost of running two schools in Delhi providing formal education to 400 children coming

from the underprivileged community.

In accordance with the provisions of section 135 of the Companies Act, 2013 and rules framed thereunder, the Company has constituted a CSR Committee that reviews the CSR policy, steers activities to be undertaken by the Company towards CSR activities, and formulate a monitoring mechanism to ensure implementation of projects and activities undertaken by the Company.

During the year, the Company has spent a sum of ₹ 12.34 crores on various CSR activities. The annual report on CSR activities undertaken during the year forms part of annexure to the Board’s Report.

Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace. Members of the Internal Complaints Committee constituted by the Company are responsible for reporting and conducting inquiries pertaining to such complaints. During the year under review, no complaint was received by the committee.

Regulatory Compliance

During the year, National Housing Bank (NHB) has notified reduction in standard assets provisions on individual housing loans from 0.40% to 0.25% effective August 1, 2017. The NHB has also reduced risk weights on individual housing loans.

NHB has revised computation method of loan to value (LTV) ratio as a percentage with total outstanding in the account; “principal + accrued interest + other charges pertaining to the loan” in numerator and the realizable value of the residential property mortgaged to the HFC in the denominator.

Accordingly, NHB has advised HFC’s to put in place a system for realistic valuation of properties. NHB guidelines state that the HFC’s need to have a Board approved policy for valuation of properties and annual valuations of NPAs. The Company has framed valuation policy effective January 1, 2018.

The other important guidelines issued by NHB were; valuation of investments and revised model code of conduct for direct selling agents (DSAs).

The Company has been complying with the guidelines and directions issued by the NHB on asset classification, accounting standards, income recognition, provisioning, capital adequacy, concentration of credit/ investments, credit rating etc. as amended from time to time.

The modified know your customer (KYC) guidelines,

fair practice code and anti money laundering (AML) standards as notified by the NHB are available on the Company's website. The Company has also adopted the revised model code of conduct for direct selling agents and guidelines for recovery agents as stipulated by NHB.

Policies and Codes

As required in terms of Listing Obligation and Disclosure Requirement issued by the SEBI, the Company has adopted and placed following policies on its website;

(i) Insider trading policy, (ii) Related party policy, (iii) Whistle blower policy, (iv) Policy on preservation of documents, (v) Policy on archival of web disclosure, (vi) Dividend distribution policy, (vii) Policy on familiarization programme for independent directors, (viii) Policy on Board diversity, (ix) Code of conduct for non-Executive Directors, (x) Code of conduct for Executive Directors and senior management.

Investor Relations

During the year, the Company has entered into various indices viz BSE 200, Nifty 200, Nifty 500, Nifty Midcap 150, Nifty Mid Small Cap 400, Nifty Full Midcap 100 and Nifty Free float Midcap 100. The BSE has categorized PNB Housing script as Group "A" from Group "B".

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure

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. There were no foreign exchange earnings and the Company has incurred foreign exchange expenditure of ₹ 48.46 crores during the year.

Directors

Dr. Ram S Sangapure has resigned from the Board with effect from March 7, 2018 upon demitting the office of Executive Director in Punjab National Bank. Your Board wish to place on record his valuable contribution as member of the Board and on the Committees of the Board.

Mr. Sunil Mehta was appointed as Chairman and Non-executive Director of the Company with effect from May 12, 2017. Mr. Ashwani Kumar Gupta and Mrs. Shubhalakshmi Panse, were appointed as

Independent Directors on the Board with effect from May 12, 2017 and July 7, 2017 respectively.

Mr. Jayant Kumar Dang was appointed as an Additional Director on the Board with effect from March 15, 2018. He has over 37 years of experience in banking, risk management, re-structuring, consulting etc. The Board recommends his appointment as an Independent Director in the forthcoming Annual General Meeting.

The necessary resolutions and his profile for re-appointment has been included in the notice and in the explanatory statement of the notice convening the AGM.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 (Act) that he/she meets the criteria of independence laid down in the Act and SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015.

Re-appointment of Directors

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sunil Mehta is liable to retire by rotation at the ensuing Annual General Meeting (AGM). He is eligible for re-appointment. The necessary resolutions and his profile for re-appointment has been included in the notice and in the explanatory statement of the notice convening the AGM.

Your directors recommend his re-appointment in the forthcoming AGM of the Company.

All the directors have confirmed that they are not disqualified from being re-appointed as directors in terms of Section 164 (2) of Companies Act, 2013.

Performance Evaluation and its Criteria

Pursuant to the provisions of Section 178 of the Act, and Regulation 19 of Listing Regulations, performance evaluation of each Director, the Board as a whole, its Committees and the Chairman was carried out. A structured questionnaire was prepared for evaluating the performance of Directors, Board and its committees considering various factors.

Commission to Independent Director

The Company considers the time and efforts put in by the Independent Directors in deliberations at the Board/ Committee meetings. They are remunerated by way of sitting fees paid for attending the

meetings and through commission, as approved by the Board and shareholders of the Company. Details of commission and sitting fees paid to the Independent Directors for the year ended March 31st, 2018 are given in the form MGT-9.

Key Managerial Personnel

Mr. Jayesh Jain has resigned from the services of the Company as CFO with effect from January 6th, 2018. Mr. Kapish Jain was appointed by the Board as CFO with effect from February 9th, 2018.

Statutory Auditors

Messrs B R Maheshwari & Co LLP having registration no. 001035N were the Statutory Auditors for the financial year ended March 31st, 2018. The report of Statutory Auditors on annual accounts is enclosed along with Directors' Report.

Corporate Governance

The Company has been complying with the standards of corporate governance required under the Companies Act, 2013. The Board discharges the duties and responsibilities as required under the applicable statute(s) including the Companies Act. The Board lays strong emphasis on transparency, accountability, and integrity. The report on Corporate Governance is appended as a separate annexure to the Directors' Report.

A certificate from M/s B R Maheshwari & Co LLP, Statutory Auditors regarding compliance of the conditions of Corporate Governance as stipulated under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is also attached to the Corporate Governance Report.

Directors' Responsibility Statement

In terms of the provisions of section 134 (3) (c) of the Companies Act, 2013 the Board of Directors Report that;

- i. In preparation of annual accounts, the applicable accounting standards have been followed.
- ii. The Company has selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31st, 2018 and the profit and loss account for the year ended March 31st, 2018.
- iii. The Company has taken proper and sufficient

care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- iv. That the Company has prepared the accounts on a going concern basis.
- v. The Company has laid down internal controls which are adequate and are operating effectively.
- vi. The Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Internal Financial Control

The Company has put in place adequate policies and procedures to ensure that the system of internal financial control commensurate with the size and nature of the Company's business.

These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

Extracts of Annual Return (Form No. MGT 9)

The details forming part of the extracts of the Annual Return in Form MGT-9 has been attached as part of Directors' Report.

Particulars of loans, guarantees or investments made

Since the Company is a housing finance company, the disclosure regarding particulars of loans given, guarantees given and security provided is exempt under the provisions of section 186(11) of the Companies Act, 2013.

The details of investments made by the Company are provided under note 12 and note 15 forming part of Annual Accounts of the Company for the year ended March 31st, 2018.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 the Company has appointed M/s Preeti Pahwa & Associates a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as annexure to this report.

**Particulars of contract or arrangements entered
Material changes, details of subsidiaries and
litigations**

There has been no material changes and commitment, affecting the financial position of the Company which has occurred between the close of the financial year to which the financial statement relates and the date of the Report.

There has been no change in the nature of business of the Company. No material or significant order has been passed by the Regulator or Courts or Tribunals impacting the going concern status of the Company. The Company has a subsidiary “PHFL Home Loans and Services Limited”. The Company has been floated as a distribution arm for PNB Housing, offering doorstep services to the prospective customers

Acknowledgements

The Board of Directors thank the valued customers, shareholders, business partners and well-wishers for

their wholehearted support.

The Board acknowledge with gratitude the advice, guidance and support of Government of India, Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India, National Stock Exchange, Bombay Stock Exchange and other statutory bodies/departments.

The Directors place on record their appreciation and gratitude to depositors, debenture holders, shareholders, IFC, ADB, bankers, legal advisors, merchant bankers, registrar and transfer agents of the Company for their continued confidence and contribution to the growth of the Company.

Finally, the Directors express their appreciation for the dedication and commitment with which the employees of the Company at all levels have worked during the period.

For and on behalf of the Board

Dated: May 3, 2018

Place: New Delhi

Sunil Mehta

Chairman

Employee Remuneration

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18: 23.4:1
2. The percentage increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary, if any, in the financial year 2017-18;

| Name | Designation | Increase in Fixed Remuneration (%) |
|-------------------|-------------------------------------|------------------------------------|
| Mr. Sanjaya Gupta | Managing Director | 15% |
| Mr. Jayesh Jain | Chief Financial Officer | 12% |
| Mr. Kapish Jain | Chief Financial Officer-Current | NA |
| Mr. Sanjay Jain | Company Secretary & Head Compliance | 7% |

The performance linked variable pay given to the above managerial personnel is ₹ 91.51 lac, ₹ 26.0 lac, ₹ NA and ₹ 15.25 lac respectively.

3. The percentage increase in the median remuneration of employees in the financial year 2017-18: 9.25%.
4. The number of permanent employees on the rolls of company as on March 31st, 2018: 1290.
5. The 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:

The average increase in the salary of employees other than managerial personnel is 9.2% compared to the average increase of 12.6% of managerial personnel.

The average increase in the salary of both the managerial and non-managerial personnel was determined based on the overall performance of the Company and as per the remuneration policy. Further, the criteria for salary increase to non-managerial personnel is based on an internal evaluation of Key Performance Indicators (KPIs), while the salary increase of the managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

6. Affirmation that the remuneration is as per the remuneration policy of the company:

The remuneration is as per the remuneration policy of the Company.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or program proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.

Saksham - A PNB Housing CSR Initiative

Saksham means "capable" or "skilled", PNB Housing through its Corporate Social Responsibility initiatives aims to be a catalyst that enables the marginalized community to be empowered and self-reliant.

We have embodied the principles of corporate responsibility in our business philosophy and operations. In our journey so far, we have built a sustainable business model and created value for our stake holders. We are confident that we will be able to improve the lives of under privileged and reinforce our humble collective efforts towards nation building.

Our CSR Policy

The CSR policy of the Company ensures an effective and sustained CSR programme, which manifests in the form of a progressive, socially responsible and enlightened attitude. At a conceptual level, Company's policies on CSR are oriented towards stakeholder-participation approach, where the target groups are seen as stakeholders in the community.

The CSR policy of the Company is based on three guiding principles:

- Sustainability
- Transparency
- Accountability

The CSR Policy of the Company is available on Company's website: <https://www.pnbhousing.com/wp-content/uploads/2014/12/CSR-policy-final.pdf>

Our Focus Areas

One community that contributes significantly to mortgage sector and still remains at the bottom of the pyramid is construction workers. Through our CSR initiatives, we are committed to design and implement projects that work toward socio-economic up-liftment of construction workers and their immediate families. In FY2017-18 we have continued to strengthen our two key programmes for construction workers and their immediate family members. In partnership with CREDAI CSR Foundation, we have conducted construction workers skill development trainings Pan India. As part of our commitment to ensure holistic care of the children of construction workers, we have established on-site day care centres.

We have also extended support towards following social issues.

- Ensuring formal education to underprivileged children
- Improving access to health care
- Skilling of unemployed youth
- Environment conservation.

2. The Composition of the CSR Committee:

1. Mr. R Chandrasekaran
2. Mr. Shri Sunil Kaul
3. Mr. Sanjaya Gupta

The Company has also constituted a CSR Executive Committee, which works under the guidance of the CSR Committee of the Board to ensure effective implementation of the programs. The Managing Director oversees the working of the Executive Committee.

3. Average net profit of the Company for the last three financial years

| | FY2014-15 (₹ in crores) | FY2015-16 (₹ in crores) | FY2016-17 (₹ in crores) | Average (₹ in crores) |
|----------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|
| PBT | 295.77 | 503.08 | 804.01 | 534.29 |
| Total CSR Expenses for FY2017-18 | | | | 10.69 |

4. Details of CSR spent during the financial year:

- a) Total amount to be spent during the FY2017-18: ₹ 10.69 crores
 Carried forward from FY2016-17: ₹ 1.65 crores
 Total available amount to be spent for CSR in FY2017-18: ₹ 12.34 crores
- b) Total amount spent during FY2017-18: ₹ 12.34 crores
- c) Amount unspent, if any: NIL
- d) Manner in which the amount was spent during the financial year is detailed below:

| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs | Amount outlay (budget) project or program wise (₹ in lacs) | Amount spent on the project or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ in lacs) (2) overhead (₹ in lacs) | Cumulative expenditure up to the reporting period (₹ in lacs) | Amount spent: direct or through implementing agency |
|--|---|--|--|--|--|---|---|
| Projects - Skill Training of Construction Workers | | | | | | | |
| (1) | Promoting on the job skill development for the construction workers Pan India | Skill Development | An onsite/offsite training program for the upskilling of 8500 construction workers Pan India | 679.82 | Direct Expenditure-611.84 Overhead-67.98 | 679.82 | Implementing agency- "CREDAI CSR Foundation" |
| (2) | Skill development for the construction workers in rural geography | Skill Development | Mason training in rural geographical area of Raigad, Maharashtra | 24.68 | Direct Expenditure-24.68 | 24.68 | Implementing agency- "Swades Foundation" |
| (3) | Promoting skill development | Skill Development | Supporting CREDAI Kushal training interventions in Pune | 2.00 | Direct Expenditure-2.00 | 2.00 | Implementing agency- "CREDAI Kushal Pune" |

| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs | Amount outlay (budget) project or program wise (₹ in lacs) | Amount spent on the project or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ in lacs) (2) overhead (₹ in lacs) | Cumulative expenditure up to the reporting period (₹ in lacs) | Amount spent: direct or through implementing agency |
|--|---|--|--|--|--|---|---|
| Project - Day care centres for the children of Construction Workers | | | | | | | |
| (4) | A holistic day care centres for the children of construction workers ensuring education, health and nutrition for children under the age group 0-14 years | Promoting Education and Eradicating Malnutrition | To support eighteen day care centres at construction sites in Delhi-NCR, Bangalore and Ahmedabad | 76.68 | Direct Expenditure-70.01 Overhead-6.67 | 76.68 | Implementing agency- "Mobile Creches" |
| (5) | do | do | Supporting five day care centre at construction site in Pune | 41.77 | Direct Expenditure-38.43 Overhead-3.34 | 41.77 | Implementing agency- "Tara Mobile Crèches Pune" |
| (6) | do | do | Supporting one day care centre at construction site in Pune | 16.68 | Direct Expenditure-15.01 Overhead-1.67 | 16.68 | Implementing agency- "Mumbai Mobile Crèches" |
| (7) | do | do | Supporting one day care centre at construction sites in Faridabad | 8.38 | Direct Expenditure-7.71 Overhead-0.67 | 8.38 | Implementing agency- "Savera" |
| (8) | do | do | Supporting seven day care centres at construction sites in Hyderabad | 33.71 | Direct Expenditure-31.01 Overhead-2.70 | 33.71 | Implementing agency- "Plan International-India Chapter" |

| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs | Amount outlay (budget) project or program wise (₹ in lacs) | Amount spent on the project or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ in lacs) (2) overhead (₹ in lacs) | Cumulative expenditure up to the reporting period (₹ in lacs) | Amount spent: direct or through implementing agency |
|---|---|--|--|--|--|---|--|
| Project - Supporting education of underprivileged children | | | | | | | |
| (9) | Ensuring formal education to underprivileged children | Promoting education | Supporting the VIDYA - Bal Vihar school with their school running cost | 79.36 | Direct Expenditure- 71.43 Overhead- 7.93 | 79.36 | Through implementing agency- "VIDYA Integrated Development for Youth and Adults" |
| (10) | do | do | Supporting the VIDYA -SDMC school with their school running cost | 27.56 | Direct Expenditure- 25.36 Overhead- 2.20 | 27.56 | Implementing agency- "Mobile Crèches" |
| (11) | Enabling access to formal education | Promoting education | Supporting the construction of hostel for Tribal Girls in Pune | 1.51 | Direct Expenditure- 1.51 | 1.51 | Through implementing agency- "Vanavasi Kalyan Ashram, Maharashtra" |
| (12) | Promoting education | Education | Supporting the education for underprivileged children | 0.75 | Direct Expenditure- 0.75 | 0.75 | Direct |

| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs | Amount outlay (budget) project or program wise (₹ in lacs) | Amount spent on the project or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ in lacs) (2) overhead (₹ in lacs) | Cumulative expenditure up to the reporting period (₹ in lacs) | Amount spent: direct or through implementing agency |
|--|------------------------------------|--|--|--|--|---|---|
| Project - Improving access to Health Care | | | | | | | |
| (13) | Supporting health care | Health | To enhance infrastructure at Department of Neurosurgery, AIIMS Hospital | 20.00 | Direct Expenditure- 20.00 | 20.00 | Direct |
| (14) | Supporting health care | Health | To enhance infrastructure at Department of Neonatology, KGMU Hospital | 31.00 | Direct Expenditure- 31.00 | 31.00 | Direct |
| (15) | Supporting health care | Health | To support health and hygiene intervention for young adolescent girls in Uttar Pradesh | 10.96 | Direct Expenditure- 10.96 | 10.96 | Implementing agency- "Progress Alternative" |
| (16) | Supporting health care | Health | Health intervention for students of Vidya-Bal Vihar School | 1.00 | Direct Expenditure- 1.00 | 1.00 | Implementing agency- "Charities Aid Foundation" |
| (17) | Supporting health care | Health | Supporting Cancer patient helpline and clinic in Delhi | 14.98 | Direct Expenditure- 14.98 | 14.98 | Implementing agency- "CanSupport" |

| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs | Amount outlay (budget) project or program wise (₹ in lacs) | Amount spent on the project or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ in lacs) (2) overhead (₹ in lacs) | Cumulative expenditure up to the reporting period (₹ in lacs) | Amount spent: direct or through implementing agency |
|--|------------------------------------|--|---|--|--|---|---|
| (18) | Supporting health care | Health | Supporting mental health intervention in Delhi | 3.32 | Direct Expenditure- 3.32 | 3.32 | Implementing agency- "Sanjivini Society for Mental Health" |
| (19) | Supporting health care | Health | Supporting cancer patient | 0.53 | Direct Expenditure- 0.53 | 0.53 | Implementing agency- "Cancer Awareness Prevention and Early Detection Trust " |
| Project - Environment Conservation | | | | | | | |
| (20) | Swachh Bharat Abhiyan | Environment Conservation | To refurbish a park in partnership with Faridabad Municipal Corporation, Haryana | 27.35 | Direct Expenditure- 27.35 | 27.35 | Direct Implementation |
| (21) | Decentralized waste management | Environment Conservation | To support decentralized waste segregation project in Cochin | 10.12 | Direct Expenditure- 10.12 | 10.12 | Implementing agency- "CREDAI Clean City Movement" |
| Project- Skilling of unemployed youth | | | | | | | |
| (22) | Skilling of unemployed youth | Skill Development | To train unemployed in BFSI sector related trades and further create employment opportunity | 32.27 | Direct Expenditure- 32.27 | 32.27 | Implementing agency- "Social Empowerment & Economic Development Society" |

| Sr. No. | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs | Amount outlay (budget) project or program wise (₹ in lacs) | Amount spent on the project or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ in lacs) (2) overhead (₹ in lacs) | Cumulative expenditure up to the reporting period (₹ in lacs) | Amount spent: direct or through implementing agency |
|------------------------------|--------------------------------------|--|--|--|--|---|---|
| Project- Elderly Care | | | | | | | |
| (23) | Supporting underprivileged elderlies | Elderly Care | Supported operational cost of an old age home in Delhi | 17.34 | Direct Expenditure- 17.06 Overhead- 0.28 | 17.34 | Implementing agency- "Ayudham Society for Old and Infirm" |
| (24) | PM Relief Fund | | | 19.00 | Direct Expenditure- 19.00 | 19.00 | agency PM Relief Fund |
| Miscellaneous | | | | | | | |
| (25) | Administrative Overheads | | | | | 53.43 | |
| | Total | | | 1234.20 | | 1234.20 | |

5. Details of Implementing Agencies:

The Company has carried out its CSR interventions primarily through non-profit organizations. During the year, grants were provided to 19 implementing agencies, out of which major ones are:

- a) **The CREDAI CSR Foundation (CCF):** The CSR arm of Confederation of Real Estate Developers Associations' of India (CREDAI) is engaged in development and execution of social and charitable projects with focus on construction workers. In partnership with CCF, we have ensured skill training of 8,500 construction workers pan India.
- b) **Mobile Creches for Working Mothers Children (MC):** Since 1970 MC is providing creche services for children of migrant construction workers, at urban construction sites. At the day care centres MC ensures health, nutrition, learning, care and protection for children in the age group of birth to 14 years. In FY2017-18 we have supported 18 such day care centres in Delhi-NCR, Ahmedabad and Bangalore and ensured holistic development to 2,500 children.
- c) **Mumbai Mobile Creches (MMC):** Since 1972, Mumbai Mobile Creches has been one of the few non-profit organization specifically supporting the health, education and safety of children living at construction sites. MMC and PNB Housing have established one day care centres in Virar catering to 250 children.
- d) **Tara Mobile Creches Pune (TMCP):** A non-profit organization, set up in 2007. It ensures that migrant construction worker's children enjoy the right to safety, healthcare, education, recreation and participation. TMCP operates centres, or creches, on construction sites in and around Pune. In FY2017-18, in partnership with TMCP we have established 5 day care centres in Pune and supported 1,500 children through our centres.
- e) **Plan India:** It is a member of Plan International Federation. It is a nationally registered independent child

development organization. For over 35 years, 'Plan India' and its partners have improved the lives of millions of children by providing them access to protection, basic education, proper healthcare, a healthy environment, livelihood opportunities and participation in decisions which affect their lives. In FY2017-18 in partnership with Plan India, we have ensured holistic development to 500 children living at various construction sites in Hyderabad.

- f) **Vidya-Integrated Development of Youths and Adults:** VIDYA is a registered not-for-profit organization, started in 1985, at IIT Delhi campus, for education and empowerment of underprivileged children, youth and women through micro-level intervention. In partnership with Vidya, we have supported the operational cost of running two formal schools in Delhi and ensured formal education to 410 children.
- g) **Can Support:** Can Support is a NGO working towards a caring and supportive society where people with cancer and their families live with dignity, hope and comfort. Can Support's mission is to enable these people to make informed choices while receiving appropriate physical, emotional, social and spiritual support. In partnership with Can Support, we have supported the operational cost of running their helpline and cancer patient clinic.
- h) **Progress Alternative:** Established in 1997 the key goal of the organization is to create awareness on the issues of health and hygiene amongst young girls living in the rural belt in and around Lucknow, Uttar Pradesh. In partnership with Progress Alternative executing health programme in four villages. The programme at each village focuses on providing 'Reproductive and Child Health Training' (RCH) and awareness on the communicable and non - communicable diseases as well as awareness on social issues like disadvantages of early child marriage, family planning etc.
- i) **Social Empowerment & Economic Development Society (SEED):** SEEDS was pioneered with a vision to bring about social change for a more equitable society and to provide improved opportunities for growth. The focus areas for SEEDS activities are Education, Skill Development & Livelihoods and Sustainable Agriculture. Our CSR programme aims to impart training to unemployed youth in skills related to Banking, Financial Services and Insurance (BFSI) through a short duration vocational program and thus engaging them in a sustainable employment resulting in poverty alleviation.
- j) **PM National Relief Fund:** In pursuance of an appeal by the then Prime Minister, Pt. Jawaharlal Nehru in January, 1948, the Prime Minister's National Relief Fund (PMNRF) was established with public contributions to assist displaced persons from Pakistan. The resources of the PMNRF are now utilized primarily to render immediate relief to families of those killed in natural calamities like floods, cyclones, earthquakes, etc. and to the victims of the major accidents and riots.

6. In case the company has failed to spend 2% of the average net profit of the last 3 financial years or any part thereof, the company shall provide the reasons for not spending the amount:

Not applicable

Managing Director

Chairman of CSR Committee

Form MGT 9

Extracts of Annual return as on March 31st, 2018

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies Management and Administration Rules, 2014)

1. Registration and other details

| | |
|---|--|
| CIN | L65922DL1988PLC033856 |
| Registration Date | 11th November 1988 |
| Name of the Company | PNB Housing Finance Limited |
| Category/Sub Category of the Company | Housing Finance |
| Address of the registered office and contact details | 9th Floor, Antriksh Bhawan, 22, K G Marg, New Delhi-110001, Tel: 011-23445200, Fax: 011-23736857 |
| Whether Listed Company | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | Name : Link Intime India Private Ltd. Address : C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel: +91 22 49186000, Fax: +91 22 49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in |

2. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and description of main products/services | NIC code of the product/service | % of the total turnover of the Company |
|---------|---|---------------------------------|--|
| 1. | Financial Intermediation Activities of housing finance companies. | 65922 | 100% |

3. Particulars of Holding, Subsidiary and Associate Companies

| Sr. No. | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1. | PHFL Home Loans and Services Limited Flat No 207 & 209, 2nd Floor Antriksh Bhawan, 22, Kasturba Gandhi Marg New Delhi - 110001 | U67200DL2017PLC322468 | Subsidiary | 100% | 2(87) |
| 2. | Punjab National Bank Plot No 4, Sector -10 Dwarka New Delhi -110075 | - | Promoter Company | 32.96% | |

4. Shareholding pattern (Equity share capital break up as percentage of total equity)

I. Category-wise Share Holding

| Category of shareholder | No. of shares held at the beginning of the year (Demat.) | | No. of shares held at the end of the year (Demat.) | | % change during the year |
|---|--|-----------------|--|-----------------|--------------------------|
| | Number | % age of shares | Number | % age of shares | |
| A. Promoters | | | | | |
| 1) Indian | | | | | |
| a) Individual/HUF | - | - | - | - | - |
| b) Central Govt | - | - | - | - | - |
| c) State Govt (s) | - | - | - | - | - |
| d) Bodies Corp. Punjab National Bank | 64730700 | 39.08% | 54914840 | 32.96* | (6.12)* |
| e) Banks/FI | - | - | - | - | - |
| f) Any Other | - | - | - | - | - |
| Sub-total (A)(1): | 64730700 | 39.08% | 54914840 | 32.96* | (6.12)* |
| 2) Foreign | | | | | |
| a) NRIs-Individuals | - | - | - | - | - |
| b) Other Individuals | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - |
| e) Any Other... | - | - | - | - | - |
| Sub-total (A)(2): | - | - | - | - | - |
| Total shareholding of promoter (A)=(A)(1)+(A)(2) | 64730700 | 39.08/% | 54914840 | 32.96* | (6.12)* |
| B. Public shareholding | | | | | |
| 1) Institutions | | | | | |
| a) Mutual Funds | 6720510 | 4.06 | 10892178 | 6.54 | 2.48 |
| b) Banks/FI | 88803 | 0.05 | 1596914 | 0.96 | 0.91 |
| c) Central Govt | - | - | 0 | 0 | 0 |
| d) State Govt(s) | - | - | 0 | 0 | 0 |
| e) Venture Capital Funds | - | - | 0 | 0 | 0 |
| f) Insurance Companies | - | - | 0 | 0 | 0 |
| g) FIIs | 25428871 | 15.36 | 27209948 | 16.33 | 0.97 |
| h) Foreign Venture Capital Funds | - | - | 0 | 0 | 0 |
| i) Others (Alternate Investment Fund) | - | - | 232534 | 0.14 | 0.14 |
| Sub total (B) (1) : | 32238184 | 19.47 | 39931574 | 23.97 | 4.50 |
| 2) Non-Institutions | | | | | |
| a) Bodies Corp. | - | - | 0 | - | 0 |
| i) Indian | 2106874 | 1.27 | 2659201 | 1.60 | 0.33 |

| Category of shareholder | No. of shares held at the beginning of the year (Demat.) | | No. of shares held at the end of the year (Demat.) | | % change during the year |
|---|--|-----------------|--|-----------------|--------------------------|
| | Number | % age of shares | Number | % age of shares | |
| ii) Overseas | | | - | - | - |
| b) Individuals | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 3183277 | 1.92 | 4770208 (10 shares in physical) | 2.86 | 0.94 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 510053 | 0.30 | 1118558 | 0.67 | 0.37 |
| c) Others (specify) | | | | | |
| • Trusts | 617 | 0.00 | 54442 | 0.03 | 0.03 |
| • Foreign Nationals | 425 | 0.00 | 0 | 0.00 | 0.00 |
| • Hindu Undivided Family | 239720 | 0.14 | 360890 | 0.22 | 0.08 |
| • Foreign Companies# | 62192300 | 37.55 | 62192300 | 37.33 | (0.22) |
| • Non Resident Indians (Non Repat) | 59870 | 0.04 | 96589 | 0.06 | 0.02 |
| • Non Resident Indians (Repat) | 137563 | 0.08 | 252913 | 0.15 | 0.07 |
| • Clearing Member | 242726 | 0.15 | 234967 | 0.14 | (0.01) |
| Sub-total(B) (2): | 68673425 | 41.45 | 71740068 | 43.12 | 1.67 |
| Total Public Shareholding (B)= (B)(1) + (B)(2) | 100911609 | 60.92 | 111671642 | 67.09 | 6.17 |
| (C) Shares held by Custodian for GDRs & ADRs | - | - | - | - | - |
| Grand Total (A+B+C) | 165642309 | 100 | 166586482 | 100 | - |

* The percentage of shareholding of Punjab National Bank has reduced pursuant to the sale of 98,15,860 equity shares through the OFS route on November 28th, 2017 and November 29th, 2017.

The percentage of shareholding of foreign companies has reduced pursuant to allotment of 9,44,173 equity shares under Employee Stock Option Scheme.

II. Shareholding of promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | No. of shares held at the end of the year (Demat.) | | | % change in holding during the year |
|---------|----------------------|---|----------------------------------|--|--|----------------------------------|--------------------------------------|-------------------------------------|
| | | No. of shares | % of total shares of the Company | % of total shares encumbered/pledged to total shares | No. of shares | % of total shares of the Company | % of total shares encumbered/pledged | |
| 1. | Punjab National Bank | 64730700 | 39.08 | - | 54914840 | 32.96 | - | (6.12%)* |

* The percentage of shareholding of Punjab National Bank has reduced pursuant to the sale of 98,15,860 equity shares through the OFS route on November 28th, 2017 and November 29th, 2017.

III. Change in Promoters' shareholding

| Sr. No. | | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---------|------------------------------|---|--------------------------------------|---|--------------------------------------|
| | | No. of shares | % of the total shares of the Company | No. of shares | % of the total shares of the Company |
| 1 | At the beginning of the year | 64730700 | 39.08 | 64730700 | 39.08 |
| 2. | At the end of the year | | | 54914840 | 32.96 |

* The percentage of shareholding of Punjab National Bank has reduced pursuant to the sale of 98,15,860 equity shares through the OFS route on November 28th, 2017 and November 29th, 2017.

IV. Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|---|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the company |
| 1. | Quality Investment Holdings | 62192300 | 37.55 | - | - | - | 62192300 | 37.333 |
| | Closing balance | | | | | | 62192300 | 37.333 |
| 2. | General Atlantic Singapore Fund- FII PTE Ltd. | 11424537 | 6.897 | - | - | - | - | |
| | | | | 01.12.2017 | 2498500 | Transfer | 13923037 | 8.357 |
| | | | | 08.12.2017 | 145809 | Transfer | 14068846 | 8.445 |
| | | | | 15.12.2017 | 116766 | Transfer | 14185612 | 8.515 |
| | | | | 22.12.2017 | 14316 | Transfer | 14199928 | 8.524 |

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the Company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|--|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the Company |
| | Closing Balance | | | | | | 14199928 | 8.524 |
| 3. | Aditya Birla Sun Life Trustee Private Limited A/c Aditya Birla Sun Life Advantage Fund | 2118625 | 1.279 | | | | | |
| | | | | 07.04.2017 | 99503 | Purchase | 2218128 | 1.332 |
| | | | | 05.05.2017 | 24000 | Purchase | 2242128 | 1.346 |
| | | | | 19.05.2017 | 65000 | Purchase | 2307128 | 1.385 |
| | | | | 26.05.2017 | 82930 | Purchase | 2390058 | 1.435 |
| | | | | 02.06.2017 | 134270 | Purchase | 2524328 | 1.515 |
| | | | | 07.07.2017 | 60000 | Purchase | 2584328 | 1.551 |
| | | | | 18.08.2017 | 88000 | Purchase | 2672328 | 1.604 |
| | | | | 15-09.2017 | 27000 | Purchase | 2699328 | 1.620 |
| | | | | 06.10.2017 | 135000 | Purchase | 2834328 | 1.701 |
| | | | | 20.10.2017 | 9900 | Purchase | 2844228 | 1.707 |
| | | | | 10.11.2017 | (25000) | Sale | 2819228 | 1.692 |
| | | | | 01.12.2017 | 2055990 | Purchase | 4875218 | 2.927 |
| | | | | 08.12.2017 | 47000 | Purchase | 4922218 | 2.955 |
| | | | | 19.01.2018 | (82636) | Sale | 4839582 | 2.905 |
| | | | | 02.02.2018 | (14700) | Sale | 4824882 | 2.896 |
| | | | | 09.02.2018 | (9555) | Sale | 4815327 | 2.891 |
| | | | | 02.03.2018 | (20000) | Sale | 4795327 | 2.879 |
| | | | | 09.03.2018 | 40000 | Purchase | 4835327 | 2.903 |
| | | | | 16.03.2018 | 4100 | Purchase | 4839427 | 2.905 |
| | | | | 23.03.2018 | 25035 | Purchase | 4864462 | 2.920 |
| | Closing Balance | | | | | | 4864462 | 2.920 |
| 4. | Motilal Oswal Most Focussed Multicap 35 Fund | 2491436 | 1.504 | | | | | |
| | | | | 07.04.2017 | 50322 | Purchase | 2541758 | 1.526 |
| | | | | 14.04.2017 | 41070 | Purchase | 2582828 | 1.550 |
| | | | | 21.04.2017 | 267570 | Purchase | 2850398 | 1.711 |
| | | | | 28.04.2017 | 357778 | Purchase | 3208176 | 1.926 |
| | | | | 12.05.2017 | 47000 | Purchase | 3255176 | 1.954 |
| | | | | 26.05.2017 | 104247 | Purchase | 3359423 | 2.017 |
| | | | | 02.06.2017 | 135813 | Purchase | 3495236 | 2.098 |
| | | | | 09.06.2017 | 35674 | Purchase | 3530910 | 2.120 |

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|--|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the company |
| | | | | 14.07.2017 | (27) | Sale | 3530883 | 2.120 |
| | | | | 11.08.2017 | 129575 | Purchase | 3660458 | 2.197 |
| | | | | 18.08.2017 | 33476 | Purchase | 3693934 | 2.217 |
| | | | | 25.08.2017 | 86980 | Purchase | 3780914 | 2.270 |
| | | | | 08.09.2017 | 16924 | Purchase | 3797838 | 2.280 |
| | | | | 15.09.2017 | 39290 | Purchase | 3837128 | 2.303 |
| | | | | 06.10.2017 | (44591) | Sale | 3792537 | 2.277 |
| | | | | 13.10.2017 | 60000 | Purchase | 3852537 | 2.313 |
| | | | | 27.10.2017 | (28) | Sale | 3852509 | 2.313 |
| | | | | 17.11.2017 | (28) | Sale | 3852481 | 2.313 |
| | | | | 15.12.2017 | 102997 | Purchase | 3955478 | 2.374 |
| | | | | 19.01.2018 | 75000 | Purchase | 4030478 | 2.420 |
| | | | | 02.02.2018 | 9907 | Purchase | 4040385 | 2.425 |
| | | | | 09.02.2018 | 18914 | Purchase | 4059299 | 2.437 |
| | | | | 16.02.2018 | 153 | Purchase | 4059452 | 2.437 |
| | | | | 23.02.2018 | 20495 | Purchase | 4079947 | 2.449 |
| | | | | 16.03.2018 | 34 | Purchase | 4079981 | 2.449 |
| | | | | 31.03.2018 | (110) | Sale | 4079871 | 2.449 |
| | Closing Balance | | | | | | 4079871 | 2.449 |
| 5. | T. Rowe Price International Discovery Fund | - | - | | | | | |
| | | | | 01.12.2017 | 1697678 | Purchase | 1697678 | 1.019 |
| | Closing Balance | | | | | | 1697678 | 1.019 |
| 6. | Reliance Capital Trustee Co Ltd A/c-Reliance Regular Savings Fund-Balance Option | - | - | | | | | |
| | | | | 01.12.2017 | 1016000 | Purchase | 1016000 | 0.610 |
| | | | | 02.02.2018 | 224881 | Purchase | 1240881 | 0.745 |
| | Closing Balance | | | | | | 1240881 | 0.745 |
| 7. | United India Insurance Company Limited | - | - | | | | | |
| | | | | 10.11.2017 | 82313 | Purchase | 82313 | 0.049 |
| | | | | 17.11.2017 | 86543 | Purchase | 168856 | 0.101 |
| | | | | 24.11.2017 | 65000 | Purchase | 233856 | 0.140 |

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|---|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the company |
| | | | | 01.12.2017 | 45255 | Purchase | 279111 | 0.168 |
| | | | | 08.12.2017 | 171621 | Purchase | 450732 | 0.271 |
| | | | | 15.12.2017 | 45253 | Purchase | 495985 | 0.298 |
| | | | | 22.12.2017 | 36705 | Purchase | 532690 | 0.320 |
| | | | | 29.12.2017 | 29802 | Purchase | 562492 | 0.338 |
| | | | | 05.01.2018 | 36000 | Purchase | 598492 | 0.359 |
| | | | | 12.01.2018 | 74991 | Purchase | 673483 | 0.404 |
| | | | | 19.01.2018 | 42000 | Purchase | 715483 | 0.430 |
| | | | | 26.01.2018 | 67990 | Purchase | 783473 | 0.470 |
| | | | | 02.02.2018 | 68174 | Purchase | 851647 | 0.511 |
| | | | | 09.02.2018 | 45855 | Purchase | 897502 | 0.539 |
| | Closing Balance | | | | | | 897502 | 0.539 |
| 8. | Fidelity Investment Trust Fidelity International Discovery Fund | | | | | | | |
| | | | | 16.06.2017 | 482456 | Purchase | 482456 | 0.290 |
| | | | | 23.06.2017 | 355649 | Purchase | 838105 | 0.503 |
| | Closing Balance | | | | | | 838105 | 0.503 |
| 9. | Wasatch International Growth Fund | 1036827 | 0.622% | | | | | |
| | | | | 19.05.2017 | 150707 | Purchase | 1187534 | 0.713 |
| | | | | 06.10.2017 | (61147) | Sale | 1126387 | 0.676 |
| | | | | 12.01.2018 | (76072) | Sale | 1050315 | 0.631 |
| | | | | 19.01.2018 | (35228) | Sale | 1015087 | 0.609 |
| | | | | 26.01.2018 | (191192) | Sale | 823895 | 0.495 |
| | | | | 02.02.2018 | (61275) | Sale | 762620 | 0.458 |
| | Closing Balance | | | | | | 762620 | 0.458 |
| 10. | Malabar India Fund Limited | - | - | | | | | |
| | | | | 09.02.2018 | 16711 | Purchase | 16711 | 0.010 |
| | | | | 16.02.2018 | 41806 | Purchase | 58517 | 0.035 |
| | | | | 23.02.2018 | 247266 | Purchase | 305783 | 0.184 |
| | | | | 02.03.2018 | 67701 | Purchase | 373484 | 0.224 |
| | | | | 09.03.2018 | 157586 | Purchase | 531070 | 0.319 |
| | | | | 16.03.2018 | 153930 | Purchase | 685000 | 0.411 |
| | | | | 23.03.2018 | 76967 | Purchase | 761967 | 0.457 |

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|---|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the company |
| | Closing Balance | | | | | | 761967 | 0.457 |
| 11. | BNY Mellon Trust and Depositary(UK) Limited as trustee for St. James's Place Emerging Markets Equity Unit Trust Managed By Wasatch Advisors Inc | 1024231 | 0.618 | | | | | |
| | | | | 28.04.2017 | 45780 | Purchase | 1070011 | 0.642 |
| | | | | 29.12.2017 | (35750) | Sale | 1034261 | 0.621 |
| | | | | 05.01.2018 | (13400) | Sale | 1020861 | 0.613 |
| | | | | 12.01.2018 | (15446) | Sale | 1005415 | 0.604 |
| | | | | 19.01.2018 | (42236) | Sale | 963179 | 0.578 |
| | | | | 26.01.2018 | (253655) | Sale | 709524 | 0.426 |
| | | | | 02.02.2018 | (49039) | Sale | 660485 | 0.397 |
| | Closing Balance | | | | | | 660485 | 0.397 |
| 12. | Government of Singapore | 1579894 | 0.954 | | | | | |
| | | | | 05.05.2017 | (70948) | Sale | 1508946 | 0.906 |
| | | | | 12.05.2017 | (4499) | Sale | 1504447 | 0.903 |
| | | | | 26.05.2017 | (153370) | Sale | 1351077 | 0.811 |
| | | | | 02.06.2017 | 80160 | Purchase | 1431237 | 0.859 |
| | | | | 04.08.2017 | (112536) | Sale | 1318701 | 0.792 |
| | | | | 11.08.2017 | (349907) | Sale | 968794 | 0.582 |
| | | | | 06.10.2017 | 42818 | Purchase | 1011612 | 0.607 |
| | | | | 13.10.2017 | (68353) | Sale | 943259 | 0.566 |
| | | | | 20.10.2017 | (72733) | Sale | 870526 | 0.523 |
| | | | | 08.12.2017 | 511330 | Purchase | 1381856 | 0.830 |
| | | | | 12.01.2018 | (8580) | Sale | 1373276 | 0.824 |
| | | | | 19.01.2018 | (20831) | Sale | 1352445 | 0.812 |
| | | | | 16.02.2018 | (20740) | Sale | 1331705 | 0.799 |
| | | | | 23.02.2018 | (46815) | Sale | 1284890 | 0.771 |
| | | | | 02.03.2018 | (86333) | Sale | 1198557 | 0.720 |
| | | | | 09.03.2018 | (267176) | Sale | 931381 | 0.559 |
| | | | | 16.03.2018 | (259387) | Sale | 671994 | 0.403 |
| | | | | 23.03.2018 | (199181) | Sale | 472813 | 0.284 |
| | | | | 31.03.2018 | 44913 | Purchase | 517726 | 0.311 |

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|----------------------------|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the company |
| | Closing Balance | | | | | | 517726 | 0.311 |
| 13. | SBI Life Insurance Co. Ltd | 852965 | 0.515 | | | | | |
| | | | | 07.04.2017 | 21039 | Purchase | 874004 | 0.525 |
| | | | | 14.04.2017 | 35 | Purchase | 874039 | 0.525 |
| | | | | 21.04.2017 | (1541) | Sale | 872498 | 0.524 |
| | | | | 28.04.2017 | (33976) | Sale | 838522 | 0.503 |
| | | | | 12.05.2017 | (9186) | Sale | 829336 | 0.498 |
| | | | | 19.05.2017 | (58274) | Sale | 771062 | 0.463 |
| | | | | 26.05.2017 | (6200) | Sale | 764862 | 0.459 |
| | | | | 09.06.2017 | 11589 | Purchase | 776451 | 0.466 |
| | | | | 16.06.2017 | (34132) | Sale | 742319 | 0.446 |
| | | | | 23.06.2017 | (12368) | Sale | 729951 | 0.438 |
| | | | | 07.07.2017 | (28000) | Sale | 701951 | 0.421 |
| | | | | 21.07.2017 | (13500) | Sale | 688451 | 0.413 |
| | | | | 04.08.2017 | (25000) | Sale | 663451 | 0.398 |
| | | | | 18.08.2017 | (5000) | Sale | 658451 | 0.395 |
| | | | | 25.08.2017 | (20000) | Sale | 638451 | 0.383 |
| | | | | 01.09.2017 | (5000) | Sale | 633451 | 0.380 |
| | | | | 08.09.2017 | (50000) | Sale | 583451 | 0.350 |
| | | | | 15.09.2017 | (34661) | Sale | 548790 | 0.329 |
| | | | | 29.09.2017 | (40000) | Sale | 508790 | 0.305 |
| | | | | 06.10.2017 | (149726) | Sale | 359064 | 0.216 |
| | | | | 13.10.2017 | (20000) | Sale | 339064 | 0.204 |
| | | | | 27.10.2017 | (93595) | Sale | 245469 | 0.147 |
| | | | | 03.11.2017 | (17955) | Sale | 227514 | 0.137 |
| | | | | 10.11.2017 | (2812) | Sale | 224702 | 0.135 |
| | | | | 01.12.2017 | 100000 | Purchase | 324702 | 0.195 |
| | | | | 08.12.2017 | (5000) | Sale | 319702 | 0.192 |
| | | | | 22.12.2017 | (5676) | Sale | 314026 | 0.189 |
| | | | | 19.01.2018 | (25000) | Sale | 289026 | 0.174 |
| | | | | 23.03.2018 | (13733) | Sale | 275293 | 0.165 |
| | | | | 31.03.2018 | (31494) | Sale | 243799 | 0.146 |
| | Closing Balance | | | | | | 243799 | 0.146 |
| 14. | Parvest Equity India | 1180000 | 0.712 | | | | | |
| | | | | 07.04.2017 | (6829) | Sale | 1173171 | 0.704 |

| Sr. | Name | No. of Shares as on April 1st 2017 | % of total Shares of the company | Date | Increase in/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (April 1st, 2017 to March 31st, 2018) | |
|-----|---|------------------------------------|----------------------------------|------------|---------------------------------------|----------|---|----------------------------------|
| | | | | | | | No. of shares | % of total shares of the company |
| | | | | 14.04.2017 | (61171) | Sale | 1112000 | 0.668 |
| | | | | 21.04.2017 | (79139) | Sale | 1032861 | 0.620 |
| | | | | 12.05.2017 | (41) | Sale | 1032820 | 0.620 |
| | | | | 16.06.2017 | (45000) | Sale | 987820 | 0.593 |
| | | | | 23.06.2017 | (170820) | Sale | 817000 | 0.490 |
| | | | | 30.06.2017 | (48000) | Sale | 769000 | 0.462 |
| | | | | 07.07.2017 | (30045) | Sale | 738955 | 0.444 |
| | | | | 14.07.2017 | (68479) | Sale | 670476 | 0.403 |
| | | | | 25.08.2017 | (22000) | Sale | 648476 | 0.389 |
| | | | | 01.09.2017 | (6212) | Sale | 642264 | 0.386 |
| | | | | 08.09.2017 | (52264) | Sale | 590000 | 0.354 |
| | | | | 15.09.2017 | (11559) | Sale | 578441 | 0.347 |
| | | | | 29.09.2017 | (76858) | Sale | 501583 | 0.301 |
| | | | | 06.10.2017 | (4864) | Sale | 496719 | 0.298 |
| | | | | 13.10.2017 | (44719) | Sale | 452000 | 0.271 |
| | | | | 10.11.2017 | (53875) | Sale | 398125 | 0.239 |
| | | | | 08.12.2017 | (49000) | Sale | 349125 | 0.210 |
| | | | | 15.12.2017 | (82000) | Sale | 267125 | 0.160 |
| | | | | 22.12.2017 | (94000) | Sale | 173125 | 0.104 |
| | | | | 05.01.2018 | (47125) | Sale | 126000 | 0.076 |
| | | | | 12.01.2018 | (12000) | Sale | 114000 | 0.068 |
| | | | | 19.01.2018 | (20000) | Sale | 94000 | 0.056 |
| | | | | 26.01.2018 | (25000) | Sale | 69000 | 0.041 |
| | | | | 02.02.2018 | 97000 | Purchase | 166000 | 0.100 |
| | Closing Balance | | | | | | 166000 | 0.100 |
| 15. | Stichting Depository APG Emerging Markets Equity Pool | 753194 | 0.455 | | | | | |
| | | | | 28.04.2017 | (150317) | Sale | 602877 | 0.362 |
| | | | | 05.05.2017 | (160509) | Sale | 442368 | 0.266 |
| | | | | 12.05.2017 | (72174) | Sale | 370194 | 0.222 |
| | | | | 19.05.2017 | (298197) | Sale | 71997 | 0.043 |
| | | | | 26.05.2017 | (71997) | Sale | 0 | 0 |
| | Closing Balance | | | | | | 0 | 0 |

V. Shareholding of Directors and Key Management Personnel

| Sr. | Name | Shareholding | | Date | Increase in/ Decrease in share- holding | Reason | Cumulative Shareholding as on March 31st, 2018) | |
|-----|---|--|---|------------|--|-------------------------|--|--|
| | | No. of Shares as on April 1st, 2017 | % of total Shares of the company | | | | No. of shares | % of total shares of the company |
| 1. | Sanjaya Gupta, Managing Director | 304 | 0.00 | | | | | |
| | | | | 11.05.2017 | 133269 | ESOPs | 133573 | 0.08 |
| | | | | 26.05.2017 | (60000) | Sale | 73573 | 0.04 |
| | | | | 28.11.2017 | (1500) | Sale | 72073 | 0.04 |
| | Closing Balance | | | | | | 72073 | 0.04 |
| 2. | Jayant Dang, Independent Director | 0 | 0 | | | | | |
| | | | | 03.11.2017 | 250 | Purchase | 250 | 0.00 |
| | | | | 15.12.2017 | 250 | Purchase | 500 | 0.00 |
| | Closing Balance | | | | | | 500 | 0.00 |
| 3. | Jayesh Jain* | 0 | 0 | | | | | |
| | | | | 11.05.2017 | 46264 | Allotment under ESOP | 46264 | 0.02 |
| | Closing Balance | | | | | | 46264 | 0.02 |
| 4. | Kapish Jain, Chief Financial Officer | 19 | 0.00 | | | | 19 | 0.00 |
| 5. | Sanjay Jain, Company Secretary & Head Compliance | 285 | 0.00 | | | | | |
| | | | | 11.05.2017 | 15421 | Allotment under ESOP | 15706 | 0.00 |
| | Closing Balance | | | 19.05.2017 | (15706) | Sale | 0 | 0.00 |

* Ceased to be the Chief Financial Officer with effect from January 6th, 2018.

5. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in crores)

| | Secured loans excluding deposits | Unsecured loans indebtedness | Deposits | Total |
|--|-------------------------------------|---------------------------------|----------------|-----------------|
| At the beginning of the financial year | | | | |
| 1. Principal amount | 19900.78 | 5769.00 | 9827.36 | 35497.14 |
| 2. Interest due but not paid | - | - | - | - |
| 3. Interest accrued but not due | 14.95 | - | 159.73 | 174.68 |
| Total | 19915.73 | 5769.00 | 9987.09 | 35671.82 |

| | Secured loans excluding deposits | Unsecured loans indebtedness | Deposits | Total |
|--|----------------------------------|------------------------------|-----------------|-----------------|
| Change in indebtedness during the financial year | 11238.54 | 6030.00 | 1599.11 | 18867.65 |
| At the end of the financial year | | | | |
| 1. Principal amount | 30,881.68 | 11799.00 | 11,390.03 | 54070.71 |
| 2. Interest due but not paid | - | - | - | - |
| 3. Interest accrued but not due | 272.59 | - | 196.17 | 468.76 |
| Total | 31,154.27 | 11799.00 | 11586.20 | 54539.47 |

6. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr. No. | Particulars of remuneration | Name of the Managing Director | Total amount (₹) |
|---------|--|-------------------------------|---------------------|
| 1. | Gross Salary | | |
| | a) Salary (as per provisions contained in section 17(1) of the Income tax Act, 1961) | Mr. Sanjaya Gupta | 1,24,54,860 |
| | b) Value of perquisites under section 17(2) of the Income tax Act, 1961 | | - |
| | c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961 | | - |
| 2 | Stock Option* | | - |
| 3 | Sweat Equity | | - |
| 4 | Commission as % of profit | | - |
| 5 | Performance Bonus | | 91,51,650 |
| | Total (A) | | 2,16,06,510 |
| | Ceiling as per Act | | 63,95,40,000 |

*Exclude value of perquisite on exercise of 1,33,269 stock options received during the year. Exclude one time ex-gratia of ₹ 2.17 crores received from DEPL Mauritius.

B. Remuneration to other directors

| I) Independent Directors | | | | | | | | |
|---|-----------------------|-----------------------|--------------------|-----------------------|-------------------------|---------------------------|-----------------|-------------------|
| Particulars of remuneration | Name of Directors | | | | | | | Total Amount |
| | Mr. R Chandra-sekaran | Mr. Shital Kumar Jain | Dr. Gourav Vallabh | Mr. Nilesh S Vikamsey | Mr. Ashwani Kumar Gupta | Mrs. Shubha-lakshmi Panse | Mr. Jayant Dang | |
| Fee for attending Board/ Committee Meetings | 6,50,000 | 13,90,000 | 6,50,000 | 5,40,000 | 3,00,000 | 2,00,000 | 0 | 37,30,000 |
| Commission | 15,00,000 | 15,00,000 | 15,00,000 | 15,00,000 | 12,50,000 | 10,00,000 | 0 | 82,50,000 |
| Others | - | - | - | - | - | - | - | - |
| Total | 21,50,000 | 28,90,000 | 21,50,000 | 20,40,000 | 15,50,000 | 12,00,000 | 0 | 119,80,000 |

II) Other Non-executive directors (Paid to PNB for its nominee directors)

| | | | |
|---|----------|---|-----------------------|
| Fee for attending Board/ Committee Meetings | 5,60,000 | - | 5,60,000 |
| Commission | - | - | - |
| Others | - | - | - |
| Total | | | 5,60,000 |
| Total (B)=(i)+(ii) | | | 125,40,000 |
| Total Managerial Remuneration | | | 3,41,46,510 |
| Overall Ceiling as per Act | | | 1,40,69,88,000 |

I. Remuneration to key Managerial Personnel other than MD

| Sr. No. | Particulars of remuneration | Key Managerial Personnel | | | Total |
|---------|---|---------------------------------------|-------------------|---------------------------|--------------------|
| | | Mr. Sanjay Jain Company Secretary* | Mr. Jayesh Jain** | Mr. Kapish Jain CFO*** | |
| 1 | Gross Salary | | | | |
| | a) Salary (as per provisions contained in section 17(1) of the Income tax Act, 1961 | 41,94,929 | 61,97,951 | 12,22,994 | 1,16,15,874 |
| | b) Value of perquisites under section 17(2) of the Income tax Act, 1961 | 19,272 | 1,006 | - | 20,278 |
| | c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961 | - | - | - | |
| 2 | Stock Option* | - | - | - | |
| 3 | Sweat Equity | - | - | - | |
| 4 | Commission as % of profit | - | - | - | |
| 5 | Performance Bonus | 15,24,952 | 26,00,000 | 20,00,000 | 61,24,952 |
| | Total | 57,39,153 | 87,98,957 | 32,22,994 | 1,77,61,104 |

* Excludes value of perquisite on exercise of 15,421 stock options and one time ex-gratia of ₹ 23.67 lacs received from DEPL Mauritius during the year.

**Ceased to be CFO of the Company with effect from January 6th, 2018. Excludes value of perquisite on exercise of 46,264 stock options.

***Appointed with effect from February 9th, 2018

7. Penalties /Punishment /Compounding of offences

| Type | Section of the Companies Act | Brief Description | Details of penalty/ punishment/ compounding fee | Authority (RD/NCLT/Court) | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|---|---------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| B. DIRECTORS | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| Compounding | Nil | Nil | Nil | Nil | Nil |