

### Directors' Report

Your Directors take pleasure in presenting the Second Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2019.

#### OVERVIEW

PHFL Home Loans and Services Limited ('the Company' or 'PHFL') is a wholly owned subsidiary of PNB Housing Finance Limited ('PNBHFL').

The Company is a distribution arm for PNBHFL and was profitable entity in the first full year of its operation.

With the team strength of more than 3,000 employees spread across 44 cities, PHFL is predominantly involved in distribution of financial products provided by PNBHFL; such as offering doorstep services for purchase, construction, repair and upgradation of houses. Apart from Home loan products and property services, PHFL also source fixed deposits for PNBHFL, Life & Non-life insurance and Credit cards through various associated partners.

#### FINANCIAL RESULTS OF FOR YEAR ENDED MARCH 31, 2019

The Company has a paid up capital of Rs. 25 Lac. The Company's financial performance for the financial year ended March 31, 2019 is given below:

Particulars	Financial year ended March 31, 2019 (Rs. In Lakh)	Financial year ended March 31, 2018 (Rs. In Lakh)
Total Revenue	40,422.47	494.96
Total Expenditure	21,113.91	248.31
<b>Profit before tax</b>	<b>19,308.56</b>	<b>246.65</b>
-Current Tax	5608.45	68.60
-Deferred Tax	14.09	(0.63)
-Tax related to earlier years	1.10	-
<b>Total Tax</b>	<b>5,623.64</b>	<b>67.97</b>
<b>Profit after tax</b>	<b>13,684.92</b>	<b>178.68</b>
Other Comprehensive Income	(25.98)	-
Total Comprehensive Income	13,658.94	178.68
Balance Carried to Balance Sheet	13,658.94	178.68

#### CHANGE IN NATURE OF BUSINESS

During the year, there was no change in the nature of business activity of the Company.

#### DIVIDEND

The Board recommended a dividend of Rs. 4,400 per share on equity shares of the Company for Financial year March 31, 2019.

The dividend on equity shares of the Company is subject to approval of the shareholders at the Annual General Meeting.

#### OPERATIONS

The Company has logged in 1,06,440 loan applications for PNB Housing.

### PHFL Home Loans and Services Limited

पंजीकृत कार्यालय: 207 & 209, 2वीं मंजिल, अंतरिक्ष भवन, 22, कस्तूरबा गाँधी मार्ग, न्यू दिल्ली - 110001  
 Regd. Office: 207 & 209, 2<sup>nd</sup> Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110001  
 CIN: U67200DL2017PLC322468, Phone: 011-23735678, Website: www.phfl.com

During the year, out of the total logins, 80,643 loans were sanctioned for INR 23,661 crore with an approval rate of 76% by PNBHFL. Out of the total sanctions, loans of INR 16,494 crore were disbursed by PNBHFL. The product mix of Housing Loans to Non- Housing loans was 77:23. Geographically, West zone has contributed 39%, North 31% and South 30% of loans disbursed by PNB Housing.

There was slowdown in business due to rising interest rates and slowdown of new launches.

### **Website**

PHFL website has been integrated with PNBHFL website to display advertisements and information about related & non-competing products and services.

### **RELATED PARTY TRANSACTION**

The Company has sourced business for its parent Company PNBHFL. All the transactions entered into with PNBHFL during the year were in ordinary course of business and on arm's length basis. In terms of Section (134)(3)(h) of the Companies Act, 2013, the details of contracts/ arrangements entered into with related parties are provided in Form AOC-2 as an **Annexure – B** to this report.

### **HUMAN RESOURCE**

As on March 31, 2019, there were 3595 employees in the Company. To develop a robust in-house team, various interventions were undertaken for the employees, focussing on both functional as well as behavioural aspects.

### **STATUTORY AUDITORS**

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014, (including any statutory modification(s) or re-enactment thereof), the Shareholders of the Company in their meeting held on July 25, 2018 appointed B. R. Maheswari & Co. LLP, Chartered Accountants, (Firm Registration No.:001035N/N50050), M-118, Connaught Place, New Delhi – 110001, as Statutory Auditors of the Company to hold the office from the conclusion of First Annual General Meeting till the conclusion of Sixth Annual General Meeting of the Company.

The Auditors' Reports for the Financial Year ended March 31, 2019 do not contain any qualification, reservation, adverse remark or disclaimer.

### **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report submitted to the Company.

### **DIRECTORS**

During the year under review there was no change in the Composition of the Board of Directors of the Company. Mr. Shaji Varghese, Mr. Anshul Bhargava and Mr. Ajay Gupta continue as the Directors of the Company. They are non-executive Directors and are liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.

In terms of Section 152(6)(c) of the Companies Act, 2013, Mr. Ajay Gupta, non-executive director is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and is eligible for re-appointment. The necessary resolution and his profile for re-appointment has been included in the notice convening the AGM.

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

### **MEETINGS OF THE BOARD**

During the financial year ended March 31, 2019, Six Board meetings were held on May 01, 2018, August 08, 2018, September 19, 2018, November 02, 2018, January 21, 2019 and March 25, 2019. The attendance of each Director in the Board Meeting is as under:

<b>Name of Director</b>	<b>No. of Board meeting attended</b>
Mr. Shaji Varghese	6
Mr. Ajay Gupta	6
Mr. Anshul Bhargava	6

The maximum interval between any two Board Meetings was within the maximum period of one hundred twenty days as prescribed under Section 173(1) of the Companies Act, 2013.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Net profit of the Company for the year ended March 31, 2019 is 136.85 crore and hence the provisions of CSR are applicable on the Company effective from April 01, 2019. The CSR Policy of the Company was approved by the Board in the Board Meeting held on May 02, 2019.

The CSR Committee comprises of following members:

1. Mr. Shaji Varghese
2. Mr. Anshul Bhargava
3. Mr. Ajay Gupta

### **APPOINTMENT OF SECRETARIAL AUDITOR**

The Board of Directors have appointed M/s Preeti Pahwa and Associates, a firm of Company Secretaries in practice, to undertake the Secretarial Audit of the Company for the financial year 2018-19.

The Secretarial Audit Report is appended as Annexure-C. There has been no qualification, reservation or adverse remarks given by Secretarial Auditor of Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments 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 31, 2019 and of the profits of the Company for the year ended March 31, 2019;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

a) 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 service sector. The particulars of total energy consumption per unit of production are as per Form 'A' is not applicable.

b) **Additional investments & proposals, if any, being implemented for reduction of consumption of energy:**

Not Applicable.

c) **Impact of the measures at (a) and (b) above for reduction of energy consumption:**

Not Applicable

**(B) Technology absorption-**

Since the Company is not engaged in any manufacturing activity, the Directors have nothing to report on the matter.

**(C) Foreign exchange earnings and Outgo-**

Total foreign exchange earnings and expenditure by the Company during the year under review was Nil.

## **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. During the year, no complaints were received under the said policy.

## **EXTRACTS OF ANNUAL RETURN**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return is attached as **Annexure-A** to this Report. The extract of annual return is also placed on the website of the Company. (<https://www.phfl.com/>)

## **PUBLIC DEPOSITS**

The Company has neither accepted nor renewed any deposits during year under review, within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 framed thereunder.

## **REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, JOINT VENTURES (JV), ASSOCIATE COMPANIES:**

The Board has nothing to report under Rule 8(5) Clause iv of the Companies (Accounts) Rules, 2014 as there is no subsidiary, joint venture or associate company of the Company.

## **LOANS, GUARANTEES AND INVESTMENTS**

During the year, no loan, investments and guarantee was given by the Company which are required to be disclosed under Section 186 of the Companies Act, 2013(Act). The current investment of the Company in liquid funds is Rs. 10,345.44 Lacs as on March 31, 2019.

## **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and date of this report.



## **RISK MANAGEMENT**

The Company actively identifies evolving risks keeping in view its nature of operations and takes timely action to address and manage risks.

## **REMUNERATION RECEIVED BY MANAGING / WHOLE TIME DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY**

The Company does not have any Managing/ Whole Time Director and hence no remuneration was received by any Director from Holding Company.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No significant or material order has been passed by the regulators or courts or tribunals impacting the going concern status of the Company or its future operations.

## **SECRETARIAL STANDARDS OF ICSI**

The revised Secretarial Standard on meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) came into effect from 01<sup>st</sup> October, 2017. The Company is in compliance with the same.

## **GENERAL:**

### **OTHERS**

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

## **ACKNOWLEDGMENTS**

Your Directors would like to express their appreciation for the co-operation and assistance received from government authorities, customers, vendors, banks, financial institutions during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

**For and on behalf of the Board of  
PHFL Home Loans and Services Limited**

\* 

**Shaji Varghese  
Chairman**

**Date: New Delhi  
Place: May 02, 2019**

**Form MGT 9**  
**Extracts of Annual return**  
**As on 31<sup>st</sup> March 2019**

(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:**

<b>CIN</b>	U67200DL2017PLC322468
<b>Registration Date</b>	August 22, 2017
<b>Name of the Company</b>	PHFL Home Loans and Services Limited
<b>Category/Sub Category of the Company</b>	Financial Services
<b>Address of the registered office and contact details</b>	Flat No 207 & 209, 2nd Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg New Delhi 110001  Phone: 011-23445200
<b>Whether Listed Company</b>	No
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	NA

**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: -

<b>S. No.</b>	<b>Name and description of main products/services</b>	<b>NIC code of the product/service</b>	<b>% of the total turnover of the Company</b>
1	Financial Services	Division 64 and 65	100%

**3. Particulars of Holding, Subsidiary and Associate Companies**

<b>Sl. No.</b>	<b>Name and address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable section</b>
1.	PNB Housing Finance Limited 9 <sup>th</sup> Floor, Antriksh Bhawan, 22, K G Marg, New Delhi-110001, Tel: 011-23445200	L65922DL1988PLC033856	Holding	100%	2(46)

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

i)

S. No.	Name of Shareholders	No. of shares subscribed
1.	PNB Housing Finance Limited	2,49,994
2.	Mr. Nitant Desai – Nominee of PNB Housing Finance Limited	1
3.	Mr. Ajay Gupta - Nominee of PNB Housing Finance Limited	1
4.	Mr. Shaji Varghese - Nominee of PNB Housing Finance Limited	1
5.	Mr. Anshul Bhargava - Nominee of PNB Housing Finance Limited	1
6.	Mr. Kapish Jain - Nominee of PNB Housing Finance Limited	1
7.	Mr. Sanjay Jain - Nominee of PNB Housing Finance Limited	1
	<b>TOTAL</b>	2,50,000

Note: All equity shares are held in demat mode.

ii) Shareholding of promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year (D. mat.)		% change in holding during the year
		No. of shares	% of total shares of the Co.	No. of shares	% of total shares of the Co.	
1	PNB Housing Finance Limited	2,50,000#	100%	2,50,000#	100%	-

#Six shares are held by nominee shareholders of PNB Housing Finance Limited.



iii. Change in Promoters' shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Date wise Increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat)		Cumulative shareholding during the year (April 1, 2018 to March 31, 2019)		
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of the total shares of the Company
1	PNB Housing Finance Limited	2,50,000	100%	-	-	-	2,50,000	100%

iv. Shareholding of Directors and Key Management Personnel:

Sr. No.	Name	Shareholding at the beginning of the year		Date wise Increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat)	Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (April 1, 2018 to March 31, 2019)	
		No. of shares	% of the total shares of the company					No. of shares	% of the total shares of the Company
1.	Mr. Shaji Varghese, Director	1*	0.00%	-	-	-	-	1	0.00%
2.	Mr. Ajay Gupta, Director	1*	0.00%	-	-	-	-	1	0.00%
3.	Mr. Anshul Bhargava, Director	1*	0.00%	-	-	-	-	1	0.00%

\* Held as a Nominee Shareholder of PNB Housing Finance Limited.

## 5. Indebtedness

	Secured loans excluding deposits	Unsecured loans	Deposits (including inter corporate deposits)	Total indebtedness
At the beginning of the financial year				
I .Principal amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total	-	-	-	-
Change in indebtedness during the financial year	-	-	-	-
At the end of the financial year	-	-	-	-
1. Principal amount	-	-	-	-
2. Interest due but not paid	-	-	-	-
3. Interest accrued but not due	-	-	-	-
Total	-	-	-	-

## 6. Remuneration of Directors and Key Managerial Personnel

- a. Remuneration to Managing Director, Whole-time Directors and/or Manager: NA
- b. Remuneration to other Directors: Nil
- c. Remuneration to key Managerial Personnel other than MD: NA

## 7. Penalties /Punishment /Compounding of offences: None

## DETAILS OF RELATED PARTY TRANSACTIONS IN FORM AOC- 2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements not at Arm's length basis : NA
2. Details of material contracts or arrangements or transactions at Arm's length basis are as under:

Sr. No.	Name of the Party with which the contract is entered into	Nature of Contract/Transaction	Duration of Contract	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval at the meeting of the Board	Amount incurred during the year (in Lakhs)
1.	PNB Housing Finance Limited	Lease	As per Lease Agreement	Rent	NA	23.29
2.	PNB Housing Finance Limited	Fee and Commission expense	As per Agreement /PO/other document	Fee and Commission	NA	6,879.90
3.	PNB Housing Finance Limited	Property/Equipment purchase	As per Agreement /PO/other document	Property/Equipment purchased	NA	11.52
4.	PNB Housing Finance Limited	Reimbursement	As per Agreement /PO/other document	Reimbursement of Expenses	NA	1.75
5.	PNB Housing Finance Limited	Commission income	As per Agreement /PO/other document	Commission Income	NA	14,153.41
6.	PNB Housing Finance Limited	Outstanding Balance (payable)	As per Agreement /PO/other document	Outstanding Balance (Payables)	NA	1,078.31
	TOTAL					22,148.18

### 3. Details of contracts / arrangement of transactions which are not in the Ordinary course of Business - NA

For PHFL Home Loans and Services Limited  
Shaji Varghese



Chairman  
DIN: 00010788  
Add: 1412, Ivory Towers,  
The Retreat South City-I  
Gurgaon - 122002

Date: May 02, 2019  
Place: Delhi

**List of Shareholders of PHFL Home Loans & Services Limited as on March 31, 2019**

S.no	Name of the Shareholder	No. of Shares
1.	PNB Housing Finance Limited	2,49,994
2.	Mr. Shaji Varghese – Nominee of PNB Housing Finance Limited	1
3.	Mr. Anshul Bhargava – Nominee of PNB Housing Finance Limited	1
4.	Mr. Ajay Gupta – Nominee of PNB Housing Finance Limited	1
5.	Mr. Kapish Jain – Nominee of PNB Housing Finance Limited	1
6.	Mr. Sanjay Jain – Nominee of PNB Housing Finance Limited	1
7.	Mr. Nitant Desai – Nominee of PNB Housing Finance Limited	1
	<b>Total Number of shares</b>	<b>2,50,000</b>

For PHFL Home Loans and Services Limited



**Shaji Varghese**

**Chairman**

**DIN - 07781821**

**PHFL Home Loans and Services Limited**

पंजीकृत कार्यालय: 207 & 209, 2वीं मंजिल, अंतरिक्ष भवन, 22, कस्तूरबा गाँधी मार्ग, न्यू दिल्ली – 110001  
 Regd. Office: 207 & 209, 2<sup>nd</sup> Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110001  
 CIN: U67200DL2017PLC322468, Phone: 011-23735678, Website: www.phfl.com



Date: 01<sup>st</sup> May, 2019

To,  
The Members,  
PHFL Home Loans and Services Limited,  
Flat No 207 & 209, 2<sup>nd</sup> Floor, Antriksh Bhawan,  
22, Kasturba Gandhi Marg, New Delhi-110001

We have been appointed as Secretarial Auditor of the Company for conducting Secretarial Audit as per the provisions of the Companies Act, 2013 for the Financial Year 2018-19. We would like to inform that our report dated 01<sup>st</sup> May, 2019 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and occurrence of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Preeti Pahwa & Associates

  
  
Preeti Pahwa  
Practicing Company Secretary  
Certificate of Practice No.: 8263  
Membership No.: F-5846

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

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

To,  
The Members,  
PHFL Home Loans and Services Limited,  
Flat No 207 & 209, 2<sup>nd</sup> Floor, Antriksh Bhawan,  
22, Kasturba Gandhi Marg, New Delhi-110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PHFL Home Loans and Services Limited** ("the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts or statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, complied with the statutory provisions listed hereunder, wherever and to the extent applicable, 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 (except the provisional or unaudited financial statements for the above mentioned period) maintained by the Company for the above said financial year ended on 31<sup>st</sup> March, 2019, according to the provisions of the Companies Act, 2013 ("the Act") and the rules made there under.

We have further analyzed that the following Regulations and Guidelines prescribed under the SEBI Act are not applicable for the period under review:

- a. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- e. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- f. The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- g. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowings;
- h. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):





- (i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (iv) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
- (vi) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

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

- (i) The Secretarial Standards on Board meetings (SS-I) and Secretarial Standards on General Meetings (SS-II), as issued by the Institute of Company Secretaries of India; and
- (ii) The Memorandum and Articles of Association of the Company

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive 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.

We further report that adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast 7 days in advance, and the system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that the resolutions were passed at all the meetings by the requisite majority and there were no instances of the dissent which were required to be captured and recorded as part of the minutes.

We further report that the systems and processes in the Company are commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Gurugram  
Date: 01<sup>st</sup> May, 2019

**For Preeti Pahwa & Associates**



**Preeti Pahwa**  
Practicing Company Secretary  
Certificate of Practice No. 8263  
Membership No. F-5846