

Directors' Report

Annexure III

Report of the Directors on Corporate Governance for FY23

Company's philosophy on Corporate Governance

Corporate governance provides a comprehensive and interdisciplinary approach to the management, operation, and control of the company. It is the use of best management practices, strict compliance to the letter and spirit of the law and adherence to superior ethical standards. Corporate governance is critical to the survival of the company and is required to establish a corporate culture of transparency, accountability and effective oversight over the business.

A system of effective checks and balances between the key participants, including the board, its committees, the management, auditors, and numerous other stakeholders, is included in your company's corporate governance architecture. Maintaining oversight and integrity in the company's governance and business operations is a priority for the board of directors and management of your business.

Our corporate governance policies are appropriate for the scale of the company and in the best interests of all stakeholders, including our shareholders, workers, customers, and the community. The Company has implemented more effective governance frameworks to guarantee sound decision-making, support senior management succession planning that increases long-term prosperity.

The Board of Directors

The Board of Directors of the Company play an integral part in formulating standards for overall corporate governance along with the framework for internal control and risk management processes while taking into account the scale of operations, risk profile and organizational structure and ensuring strict

observance of statutory and regulatory requirements including market conduct, managing customer grievance and suitability of customer service.

The contribution of the Board is critical for ensuring appropriate guidance with regards to leadership, vision, strategy, policies, monitoring, supervision, accountability to shareholders and other stakeholders, and for achieving greater levels of performance on a sustained basis as well as adherence to the best practices of corporate governance.

We also support the value of a more diverse and inclusive board, which contributes a rich range of perspectives, opinions, and ideas for making decisions and solving problems. Board diversity can pave the way for more inclusive and cooperative corporate governance, enhancing the productivity and performance of the company, have a good effect on a company's culture, and assist in keeping up with a changing consumer base and market.

Composition and Category of the Board of Directors

The composition of the Board of Directors is in conformity with the SEBI (Listing Regulations and Disclosure Requirements) Regulations 2015 ("Listing Regulation") and the Companies Act, 2013 ("Act").

As at March 31, 2023, the Board of Directors comprised of 8 Directors, of whom 4 were Non-Executive Independent Directors (Including the Chairman and 2 Women Directors), 3 were Non-Executive Nominee Directors representing investors and the Managing Director & Chief Executive Officer.

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The details of the Board of Directors are as under:

Name of Director	DIN	Category	No of Equity Shares held	Qualification / Experience	No of Other Directors hips	Membership in Committees*	
						Member	as Chairperson
Mr. Deepak Satwalekar	00009627	Non-Executive Chairman and Independent Director	-	Bachelors in Mechanical Engineering and MBA (over 37 years)	3	2	2
Ms. Geeta Dutta Goel	02277155	Independent Woman Director	-	Bachelors in Commerce and PGDM (over 28 years)	4	1	-
Mr. Anuj Srivastava	09369327	Independent Director	-	Bachelors in Technology and MBA (over 20 years)	1	-	-
Ms. Sucharita Mukherjee	02569078	Independent Woman Director	-	Bachelors in Economics and PGDM (over 22 years)	2	2	2
Mr. Divya Sehgal	01775308	Nominee Director (For True North Fund V LLP)	-	Bachelors in Technology and PGDM (over 27 years)	3	-	-
Mr. Maninder Singh Juneja	02680016	Nominee Director (For True North Fund V LLP)	-	Bachelors in Civil Engineering and PGDM (over 28 years)	4	2	-
Mr. Narendra Ostawal	06530414	Nominee Director (For Orange Clove Investments B.V.)	-	Chartered Accountant and PGDM (over 17 years)	6	-	-
Mr. Manoj Viswanathan	01741612	Managing Director & Chief Executive Officer ("MD & CEO")	803383 (0.91%)	Bachelors in electrical and electronics and PGDM (over 26 years)	-	1	-

*For the purpose of considering the Committee Memberships and Chairpersonship's for a Director, Audit Committee and the Stakeholders' Relationship Committee of Listed Companies including our Company has been considered.

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Other Directorships of Directors in listed entity

Name of Director	Name of the listed Entity	Category of Directorship
Mr. Deepak Satwalekar	1. Asian Paints Limited	Non-Executive - Independent Director, Chairman
	2. Wipro Limited	Non-Executive - Independent Director
Ms. Geeta Dutta Goel	1. Equitas Small Finance Bank Limited	Non-Executive Independent Director
Mr. Anuj Srivastava	-	-
Ms. Sucharita Mukherjee	-	-
Mr. Divya Sehgal	-	-
Mr. Maninder Singh Juneja	-	-
Mr. Narendra Ostawal	1. Computer Age Management Systems Limited	Non - Executive - Nominee Director
	2. Fusion Microfinance Limited	
Mr. Manoj Viswanathan	-	-

None of the Directors held directorship in more than ten public companies and none of the directors served as a director in more than seven listed companies, across the directorships held including that in the Company. Further, neither of the Directors of the Company is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/she is a Director.

The Company has a Non-Executive Independent Director as a Chairman. The role of the Chairman and the MD & CEO are distinct and separate. The MD & CEO

of the Company does not serve as an Independent Director in any listed company or any other company.

None of the directors are inter-se related to each other. The Independent Directors are independent of the management and in the opinion of the Board all the independent directors fulfill the conditions specified in the SEBI Listing Regulations. All the directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations.

Change in Composition of the Board

The change in the composition of Board for FY23 under review is as under:

Sr. No.	Name of the Director	Nature of change	Effective date
1.	Mr. Vishal Vijay Gupta	Retirement by rotation	June 10, 2022

The Company has furnished to National Housing Bank a quarterly statement on change of directors from time to time.

Chart setting out skills/expertise/competence of the Board

The Board comprises qualified members who bring in the required skills, competence and expertise to

enable them to effectively contribute in deliberations at Board and Committee meetings. As required under Schedule V of the Listing Regulations, the below matrix summarizes a mix of skills, expertise and competencies possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

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Parameters	Mr. Deepak Satwalekar	Ms. Geeta Dutta Goel	Mr. Anuj Srivastava	Ms. Sucharita Mukherjee	Mr. Maninder Singh Juneja	Mr. Divya Sehgal	Mr. Narendra Ostawal	Mr. Manoj Viswanathan
Industry Experience	√	√	-	√	√	√	√	√
Financial Expertise	√	√	-	√	√	√	√	√
Consumer Behavior	√	√	√	-	√	√	-	√
Legal and Compliance	-	√	-	-	-	-	-	√
Corporate Governance	√	√	-	√	-	√	√	√
Strategy and Decision Making	√	√	√	√	√	√	√	√
ALM and Risk Management	√	√	-	√	√	√	√	√
Information Technology and Cyber Security	-	-	√	√	√	√	-	√

Responsibilities of the Board

The Board's role, responsibilities, and levels of accountability are all clearly stated. The Board's duties, in addition to its principal responsibility for keeping an eye on company performance, include but are not limited to the following:

- formulation of strategic and business plans;
- reviewing and approving financial plans and budgets;
- monitoring corporate performance against strategic and business plans, including overseeing operations;
- ensuring ethical behavior and compliance of laws and regulations;
- reviewing and approving borrowing limits;
- formulating exposure limits; and
- keeping shareholders informed regarding plans, strategies and performance.

Board Proceedings

The Board and Committee Meetings are planned in advance, and a tentative annual calendar is shared to all Directors to allow them to plan their schedules and encourage active participation in the meetings. When a particular or urgent business necessity arises, the Board must give its consent by approving resolutions that are circulated in line with all applicable legislation. These resolutions are reported and reaffirmed at the following board meeting. The Directors are also given an option to participate in the meetings through video conferencing to encourage effective and active involvement in the Board deliberations.

The Board / Committee meeting notification is sent in a timely manner and in accordance with all applicable legislation. To help the members make thoughtful decisions, all the necessary notes and information are included in the agenda itself.

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The Board meets at regular intervals to discuss and decide on the business policy and strategy and other businesses. During the year under review, 4 meetings of the Board of Directors of the Company were convened and held on May 3, 2022, July 27, 2022, October 19, 2022 and January 24, 2023. All the meetings were held in a manner that not more than 120 days lapsed between two consecutive meetings.

The required quorum was present at all the above meetings.

The attendance of the directors at the above-mentioned board meetings and the Annual General Meeting (AGM) held on June 10, 2022, along with the sitting fees paid to them are listed below:

Name of Director	No. of Board Meetings convened during their tenure	No. of meetings attended	Sitting Fees paid (in ₹)	AGM Y=attended N=not attended
Mr. Deepak Satwalekar	4	3	3,00,000/-	Y
Ms. Geeta Dutta Goel*	4	4	-	Y
Mr. Anuj Srivastava	4	2	2,00,000/-	Y
Ms. Sucharita Mukherjee	4	3	3,00,000/-	Y
Mr. Divya Sehgal	4	3	-	Y
Mr. Maninder Singh Juneja	4	4	-	Y
Mr. Vishal Vijay Gupta	1	1	-	N
Mr. Narendra Ostawal	4	4	-	Y
Mr. Manoj Viswanathan	4	4	-	Y

*Ms. Geeta Dutta Goel vide her letter dated January 17, 2022 had expressed her intention to not draw remuneration in any form for FY23.

Membership of Directors in Board Committees during FY23:

Name of Director	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Risk Management Committee	IT Strategy Committee	Corporate Social Responsibility Committee
Mr. Deepak Satwalekar	-	-	-	-	-	-
Ms. Geeta Dutta Goel	M	C	-	-	-	C
Mr. Anuj Srivastava	-	M	-	-	C	-
Ms. Sucharita Mukherjee	C	-	C	M	-	M
Mr. Divya Sehgal	-	-	-	-	-	-
Mr. Maninder Singh Juneja	M	-	M	C	-	-
Mr. Vishal Vijay Gupta **	-	-	-	-	-	-
Mr. Narendra Ostawal	-	M	-	M	-	-
Mr. Manoj Viswanathan	-	-	M	M	M	M

* C=Chairperson and M=Member

** Mr. Vishal Vijay Gupta ceased to be a Nominee Director with effect from June 10, 2022.

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Board Diversity

To ensure that a fair and transparent process is in place to encourage diversity in thought, knowledge, skills, experience, age, gender, perspective, functional and industry experience, cultural and geographical background, the Board has adopted the "Policy to promote diversity on the Board of Directors" as recommended by the Nomination and Remuneration Committee. We recognize the benefits of having a diverse Board, and see increasing diversity at Board level as an essential element in maintaining a competitive advantage.

The present Board comprises of adequate number of members with diverse backgrounds such as financial services, technology, accounting, cybersecurity and consumer behavior that best serve the governance and business requirements of the Company. The directors are persons of eminence in their respective fields and bring with them plethora of skills and experience that add value to the performance of the Board.

Role of Independent Directors

Independent directors play a crucial part in the board's decision-making process since they approve the Company's overall strategy and monitor management's performance. The independent directors bring with them a wealth of expertise, wisdom, and understanding in the areas of finances, housing, credit & risk, and accounting. This extensive understanding of their area of specialty and boardroom procedures results in a variety of unbiased, experienced, and independent view points. Each independent director has committed and set aside enough time to carry out their responsibilities well.

Declaration of Independence

All the independent directors have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act, as amended, and regulation 16(1)(b) and 25 of the SEBI Listing Regulations. The independent directors have also confirmed compliance with the provisions of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of

independent directors maintained by Indian Institute of Corporate Affairs.

The terms and conditions of appointment of Independent Directors are available at [Terms and Condition for appointment of Independent Director.](#)

Familiarization Programme

Your Company, on an ongoing basis strives to keep the Board, specifically the Independent Directors informed and updated with matters related to the industry and business environment in which we operate, our business model, risk metrics, mitigation and management, ever evolving governing regulations, information technology including cyber security, their roles, rights and responsibilities and any other major developments and updates.

All new Independent Directors are taken through a detailed induction and familiarization programme, that covers the history, background, cultures, values, organizational structures, board procedures and overview of the business operations of the Company. The Company has also provided directors with a reference manual which inter alia covers the roles, functions, powers and duties of the directors, disclosures and declarations to be submitted by directors and various codes and policies of the Company.

The induction and ongoing programmes enable the Independent Directors to take better informed and conscious decisions, in the best interests of the stakeholders of the Company.

The details of familiarization programme imparted to the Independent Directors and the policy of the Company are available on the Company's website at [Policy on Familiarization Program for Independent Director.](#)

Separate Independent Directors Meeting

The Independent Directors convened a separate meeting without the presence of Non-Independent Directors and members of the management to discuss all such issue as they may consider relevant. During the year under review, the meeting of Independent Directors was held on March 15, 2023.

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At the said meeting, the Independent Directors considered the following:

1. Reviewed the performance of Non-Independent Directors and the Board as a whole.
2. Reviewed the performance of Mr. Deepak Satwalekar, Chairman of the Company, taking into account the views of all the Directors who had given their rating in the evaluation process.
3. Assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

The details of the meeting and sitting fees paid is mentioned as below:

Name of Director	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting fees paid (in ₹)
Mr. Deepak Satwalekar	1	1	100%	1,00,000/-
Ms. Geeta Dutta Goel	1	1	100%	-
Mr. Anuj Srivastava	1	-	-	-
Ms. Sucharita Mukherjee	1	1	100%	1,00,000/-

Committees of the Board

To enable better and focused decision making for the Company, the Board Committees are set up under the formal approval of the Board and with clearly defined roles. The Board Committees focus on specific areas and make informed decisions within the framework of delegated authority, as well as make specific recommendations to the Board on matters within their areas or purview. The Committees' decisions and recommendations are presented to the Board for information or approval, as appropriate.

Your Company has six Board level Committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and IT Strategy Committee.

The Board has accepted all the recommendations made by the various Committees. The composition and functioning of these board committees is in compliance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and the Master Directions issued by Reserve Bank of India.

Audit Committee

The Audit Committee has been constituted in terms of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations. The composition of the Committee is in adherence to provisions of the Act, SEBI Listing Regulations and the RBI Master Directions for Housing Finance Companies.

All the Members of the Committee are financially literate and possess strong accounting and financial management expertise. The meetings of Audit Committee are attended by the Nominee Director, MD & CEO, Chief Financial Officer, Statutory Auditors and Internal Auditors as special invitees. The Company Secretary of the Company acts as Secretary to the Committee. The Board of Directors have accepted and implemented the recommendations of the Audit Committee, whenever provided by the Committee.

As on March'23, the Company has a qualified and independent Audit Committee comprising of 3 Non-Executive Directors, 2 of which are Non-Executive Independent Directors. The Chairperson of the Audit Committee is an Independent Director.

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Composition:

The members of the Audit Committee as on March'23 were:

Name of Director	Category	Designation
Ms. Sucharita Mukherjee	Independent Director	Chairperson
Ms. Geeta Dutta Goel	Independent Director	Member
Mr. Maninder Singh Juneja	Nominee Director	Member

Terms of reference:

The terms of reference of the Audit Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the Listing Regulations.

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report.
- Laying down the criteria for granting omnibus approval in accordance with the Company 'policy on related party transaction' and such approval shall be applicable in respect of transactions which are repetitive in nature;
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties provided that the audit committee may take omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Scrutinizing of inter-corporate loans and investments;
- Valuing of undertakings or assets of the Company, wherever it is necessary;
- Evaluating of internal financial controls and risk management systems;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

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15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussing with internal auditors on any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. Reviewing the functioning of the whistle blower mechanism;
21. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act or the Listing Regulations or by any other regulatory authority; and
23. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision i.e., April 1, 2019, and henceforth.

Powers of the Audit Committee:

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Reviewing Powers:

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of the financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
 - (ii) annual statement of funds utilized for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations.

Audit Committee Meetings, Attendance and Quorum:

During the year under review, the Committee met 4 times - May 3, 2022, July 27, 2022, October 19, 2022 and January 24, 2023. The required quorum of 2 Members (with at least 2 Independent Directors) was present at all the meetings. The Company Secretary acted as Secretary to all the Committee meetings. The detailed attendance and sitting fees paid for the said meetings are given below:

Name of Director	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting Fees paid (in ₹)
Ms. Sucharita Mukherjee	4	4	100%	4,00,000/-
Ms. Geeta Dutta Goel	4	4	100%	-
Mr. Maninder Singh Juneja	4	4	100%	-

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Nomination And Remuneration Committee ('NRC'):

The Nomination and Remuneration Committee has been constituted in terms of the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations. The committee is chaired by Non-Executive Independent Director. The

Committee comprises of 3 Directors as its members, all of them being Non-Executive Directors, two of which are Non- Executive Independent Directors. The composition of the Committee is in adherence to the provisions of Act and SEBI Listing Regulations. The Company Secretary acts as Secretary to the Committee.

Composition:

The members of the Nomination and Remuneration Committee as on March'23 were:

Name of Director	Category	Designation
Ms. Geeta Dutta Goel	Independent Director	Chairperson
Mr. Anuj Srivastava	Independent Director	Member
Mr. Narendra Ostawal	Nominee Director	Member

Terms of reference:

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Companies Act and Part D of Schedule II of the Listing Regulations:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors and key managerial personnel;
- Evaluation of balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of description of the roles and capabilities required of an independent director;
- For the purpose of identifying suitable candidates:
 - availing the services of any external agency, if required;
 - considering candidates from a wide range of backgrounds, with due regard to the diversity; and
 - consideration of the time commitment by the candidates.
- Formulating of criteria for evaluation of the performance of the independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Analyzing, monitoring and reviewing various human resource and compensation matters;
- Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;

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13. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
14. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act or the Listing

Regulations, or by any other regulatory authority;

15. Recommend to the board, all remuneration, in whatever form, payable to senior management; and
16. Performing such other functions as may be required for the performance of any of the above duties.

NRC Meetings, Attendance and Quorum:

During the year under review, the Committee met once on May 3, 2022. The required quorum was present at the meeting. The detailed attendance and sitting fees paid for the said meetings are given below:

Name of Director	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting Fees paid (in ₹)
Ms. Geeta Dutta Goel	1	1	100%	-
Mr. Anuj Srivastava	1	1	100%	1,00,000/-
Mr. Narendra Ostawal	1	1	100%	-

Performance Evaluation

In terms of the requirements of the Companies Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and its Committees and Individual Performances of the Directors.

The Nomination and Remuneration Committee, has established a manner for performance evaluation of directors based on parameters such as role and contribution by a director, experience and expertise, ability to constructively challenge the perspective of others, integrity, confidentiality, independence of behaviour and judgement. The Company completed the Board Evaluation during the year, which included the evaluation of the Board as a whole, its committees, and individual performance evaluation of Directors, Independent Directors and Chairperson. The aforementioned manner of performance evaluation is as per the provisions of the Act and SEBI Listing Regulations. The above manner is based on the Guidance Note on Board Evaluation issued by the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 05, 2017.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Board as a whole, the Chairman and the Non-independent Directors was carried out by the Independent Directors at their separate meeting held on March 15, 2023.

The performance evaluation criteria for Independent Directors included the criteria formulated by the NRC that inter alia includes- (i) Qualifications (ii) Experience (iii) Knowledge and Competency (iv) Availability and Attendance (v) Independence in views and Judgement.

The Board expressed its satisfaction on the manner, implementation and compliance of the performance evaluation carried out by the Company.

Nomination and Compensation Policy

The Company had adopted the Nomination and Compensation Policy in accordance with the RBI 'Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs' ("Guidelines") vide notification dated April 29, 2022. This policy, inter alia, provides (a) Set criteria for determination of qualification, positive attributes and independence of a director required for appointment;

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(b) Identification and evaluation criteria for the directors, key managerial personnel and senior management personnel of the Company; and
 (c) Ensure that remuneration to Directors, KMP and SMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The remuneration paid to the Directors and Senior Managerial Personnel is in conformity with the Nomination and Compensation Policy of the Company. The Policy can be accessed at the website of the Company <https://homefirstindia.com/files-/NominationandCompensationPolicy.pdf>

Composition:

The Corporate Social Responsibility Committee was formed in accordance with Section 135 of the Companies Act, 2013. The Chairperson of the Committee is an Independent Director.

The members of the CSR Committee as on March'23 were:

Name of Director	Category	Designation
Ms. Geeta Dutta Goel	Independent Director	Chairperson
Ms. Sucharita Mukherjee	Independent Director	Member
Mr. Manoj Viswanathan	Managing Director & CEO	Member

Terms of reference:

- To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken, as prescribed under applicable law;
- To recommend the amount of expenditure to be incurred on the CSR activities, which is to be at least 2% of the average profit of the Company in the three immediately preceding financial years;
- To monitor the CSR Policy and its implementation by the Company from time to time; and
- To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013 and the rules framed thereunder.

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CSR Meetings, Attendance and Quorum:

During the year under review, the Committee met twice i.e., April 25, 2022 and July 22, 2022. The required quorum was present at the meetings. The details of participation of members and the sitting fees paid is as follows:

Name of Director	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting Fees paid (in ₹)
Ms. Geeta Dutta Goel	2	2	100%	-
Ms. Sucharita Mukherjee	2	1	50%	1,00,000/-
Mr. Manoj Viswanathan	2	2	100%	-

The composition of the CSR Committee, the CSR Policy and projects approved by the Board are available on the website of the Company and can be accessed at [Impact Reporting Section](#).

Stakeholders Relationship Committee ('SRC'):

The Stakeholders Relationship Committee has been constituted to specifically look into the various aspects of interest of shareholders, debenture holders and other security holders, in terms of the provisions of Section 178 of the Act and Regulation 20 read with Part D of the Schedule II of SEBI Listing Regulations. At present the Committee comprises of 3 (three) Directors. Ms. Sucharita Mukherjee is the Chairperson of the Committee. Mr. Shreyans Bachhawat, Company Secretary of the Company also acts as Secretary to the Committee.

Composition:

The members of the Stakeholders Relationship Committee as on March'23 were:

Name of Director	Category	Designation
Ms. Sucharita Mukherjee	Independent Director	Chairperson
Mr. Manoj Viswanathan	Managing Director & CEO	Member
Mr. Maninder Singh Juneja	Nominee Director	Member

Terms of reference:

1. Consider and resolve grievances of security holders (includes shareholders, debenture holders or any other security holder) of the Company, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To approve, register, refuse to register transfer or transmission of shares and other securities;
7. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. Allotment and listing of shares;
9. Approval of transfer or transmission of shares, debentures or any other securities;

Directors' Report

10. To authorize affixation of common seal of the Company;
11. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
12. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
13. To dematerialize or rematerialize the issued shares;
14. Ensure proper and timely attendance and redressal of investor queries and grievances;
15. Carrying out any other functions contained in the Companies Act, 2013, the SEBI Listing Regulations

and/or equity listing agreements (if applicable), as and when amended from time to time; and
To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

SRC Meeting, Attendance and Quorum:

During the year under review, the Committee met twice on April 18, 2022 and October 12, 2022 with all the members in attendance to discuss the various aspects of interests of the stakeholders. The details of participation of members and the sitting fees paid is as follows

Name of Director	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting Fees paid (in ₹)
Ms. Sucharita Mukherjee	2	2	100%	2,00,000/-
Mr. Maninder Singh Juneja	2	2	100%	-
Mr. Manoj Viswanathan	2	2	100%	-

The primary function of the Stakeholders Relationship Committee is to consider and resolve various aspect of interest of the security holders of the Company. The equity shares and debentures issued by the Company

are in dematerialized form. Kfin Technologies Limited has been appointed by the Company as the Registrar and Share Transfer Agent of the Company. The services rendered by the RTA meets the service standards as adopted by the Company.

During the period under review, no complaints were received by the Registrar and Share Transfer Agent:

Sr. No	Nature of Complaint	Complaints received during the year	Complaints not solved to the satisfaction of shareholders	Pending complaints as on March'23
1.	Non-receipt of Annual Report	0	0	0
2.	Non-receipt of Dividend warrant	0	0	0
3.	Non-receipt of securities after transfer	0	0	0
4.	Complaint received through SEBI	0	0	0
	Total	0	0	0

Directors' Report

Risk Management Committee:

The Risk Management Committee has been constituted in accordance with Regulation 21 read with Part D Schedule II of the SEBI Listing Regulations and the Master Direction- NBFC – HFC (Reserve Bank) Directions, 2021.

The Committee's role and responsibility have been defined by the Board of Directors, and it has been delegated the role of monitoring and reviewing the risk management plan, as well as other functions, which specifically includes cyber security.

Composition:

The members of the Risk Management Committee as on March'23 were:

Name of Member	Category	Designation
Mr. Maninder Singh Juneja	Nominee Director	Chairman
Ms. Sucharita Mukherjee	Independent Director	Member
Mr. Narendra Ostawal	Nominee Director	Member
Mr. Manoj Viswanathan	MD & CEO	Member
Ms. Nutan Gaba Patwari	Chief Financial Officer	Member
Mr. Ajay Khetan	Chief Business Officer	Member
Mr. Ashishkumar Darji	Chief Risk Officer	Member

Terms of reference

The terms of reference of the Committee inter-alia includes:

1. To formulate a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken and;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

RMC Meetings, Attendance and Quorum:

During the year under review, the Risk Management Committee met four times – June 27, 2022, September 28, 2022, November 23, 2022 and January 19, 2023. The gap between any meetings did not exceed one hundred and eighty days on a continuous basis. The required quorum was present at all the above meetings. The details of participation of members and the sitting fees paid is as follows:

Directors' Report

Name of Member	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting Fees paid (in ₹)
Mr. Maninder Singh Juneja	4	3	75%	-
Ms. Sucharita Mukherjee	4	4	100%	4,00,000/-
Mr. Narendra Ostawal	4	3	75%	-
Mr. Manoj Viswanathan	4	3	75%	-
Mr. Ajay Khetan	4	4	100%	-
Ms. Nutan Gaba Patwari	4	3	75%	-
Mr. AshishKumar Darji	4	4	100%	-

Information Technology ("IT") Strategy Committee:

The IT Strategy Committee has been constituted in accordance with the Master Direction- Information Technology Framework for the NBFC Sector issued by the Reserve Bank of India dated June 8, 2017. The Committee shall work in partnership with other Board committees and Senior Management to provide inputs to them. It shall also carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.

Composition:

The members of the IT Strategy Committee as on March'23 were:

Name of Member	Category	Designation
Mr. Anuj Srivastava	Independent Director	Chairman
Mr. Manoj Viswanathan	Managing Director & CEO	Member
Ms. Nutan Gaba Patwari	Chief Financial Officer	Member
Mr. Ajay Khetan	Chief Business Officer	Member
Mr. Gaurav Mohta	Chief Marketing Officer	Member
Ms. Vilasini Subramaniam	Head- Strategic Alliance	Member
Mr. Dharmvir Singh*	Chief Technology Officer	Member
Mr. Devendra Mani	Head-Operations	Member

*Consequent upon resignation, Mr. Dharmvir Singh ceased to be a member of the Committee with effect from October 13, 2022.

Terms of reference

The terms of reference of the Committee are as follows:

1. To ensure that management has an effective IT strategic planning process and is aligned with business strategy;
2. To ensure that investments in Information Technology represent a balance of risks and benefits for sustaining organization's growth and within the acceptable budget;
3. To monitor IT resources required to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
4. To oversee implementation of processes and practices and ensuring that maximum value is delivered to business;
5. To approve IT strategy and policy documents;
6. To define and ensure effective implementation of standards of IT Governance, Business Continuity and Data Governance;

Directors' Report

7. To ensure there is appropriate framework of information security risk assessment within the organization;
8. To ensure effective due diligence, oversight and management of outsourcing and accountability for all outsourcing decisions;
9. To ensure that a comprehensive risk assessment of HomeFirst's IT system is carried out on yearly basis;

IT Strategy Meetings, Attendance and Quorum:

During the year under review the committee met 2 times on September 7, 2022 and on March 2, 2023. The meetings were held in a way that not more than six months elapsed between them. The required quorum was present in all the meetings. The details of participation of members and sitting fees paid is as follows:

Name of Member	Number of meetings held during the year and during their tenure	Number of meetings attended	% of total meetings attended	Sitting Fees paid (in ₹)
Mr. Anuj Srivastava	2	2	100 %	2,00,000/-
Mr. Manoj Viswanathan	2	2	100%	-
Ms. Nutan Gaba Patwari	2	1	50 %	-
Mr. Ajay Khetan	2	2	100%	-
Mr. Gaurav Mohta	2	2	100 %	-
Ms. Vilasini Subramaniam	2	1	50%	-
Mr. Devendra Mani	2	2	100%	-
Mr. Dharmvir Singh*	1	1	100%	-

*Mr. Dharmvir Singh ceased to be the member of the Committee with effect from October 13, 2022.

Remuneration of Directors

The remuneration paid to the Directors of the Company is in accordance with the applicable provision of the Companies Act, the SEBI Listing Regulations and in line with the compensation policy of the Company. The details of remuneration of Directors are provided in Form MGT-7 (annual return) which is hosted on the website of the Company and can be accessed at Annual Return in [Form MGT 7 FY 2022-23](#).

a. Pecuniary relationship and/or transactions of the Non-Executive Directors with the listed entity

During the year under review, there were no pecuniary relationships or transactions of the Non-Executive Directors with the Company, apart from remuneration paid by way of commission and sitting fees to the Independent Directors.

The remuneration for non-executive directors consists of sitting fees and commission. The criteria for payment of the annual commission to non-executive directors is based on the performance of the Company as well as that of the individual non-executive director. The commission payable to non-executive directors was recommended by NRC and approved by the Board and is within the overall limits as approved by the shareholders of the Company. However, the Nominee Directors were not paid remuneration in FY23. No shares or convertible instruments are held by the Non-Executive Directors.

Directors' Report

The details of remuneration paid to Non-Executive Directors is as hereunder:

Name of the Director	Fee for attending Board /Committee Meetings (in ₹)	Commission (in ₹)	Other	Total (in ₹)
Independent Directors				
Mr. Deepak Satwalekar	4,00,000/-	24,20,000/-	-	28,20,000/-
Ms. Geeta Dutta Goel *			-	
Mr. Anuj Srivastava	5,00,000/-	12,00,000/-	-	17,00,000/-
Ms. Sucharita Mukherjee	15,00,000/-	13,00,000/-	-	28,00,000/-
Other Non-Executive Directors				
Mr. Maninder Singh Juneja	-	-	-	-
Mr. Divya Sehgal	-	-	-	-
Mr. Narendra Ostawal	-	-	-	-
Total	24,00,000/-	49,20,000/-	-	73,20,000/-

*Ms. Geeta Dutta Goel vide her letter dated January 17, 2022 had expressed her intention to not draw remuneration in any form for FY23.

Remuneration of Managing Director & CEO ('MD & CEO')

The components of the MD & CEO's compensation package include salary, a performance-linked incentive, and other benefits. The Nomination and Remuneration Committee makes the decision, which is

then accepted by the Board and stays within the general parameters set by the shareholders at the annual general meeting. Mr. Viswanathan is not qualified for any severance payments and his notice period is 3 months from the date of resignation.

Details of remuneration paid to Mr. Manoj Viswanathan, MD & CEO, for FY22:

Sr. No.	Particulars of Remuneration	Total Amount (in ₹)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income - tax Act, 1961	118,80,000/-
	(b) Value of perquisites u/s 17(2) Income - tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961	
2.	Stock Option	
3.	Sweat Equity	
4.	Commission	
	- as % of profit	
	- others, specify	
5.	Others, please specify Performance Linked Incentive (for FY22)	80,00,000/-
	Total	198,80,000/-

Directors' Report

b. Criteria for making payments to Non-Executive Directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the independent functioning of the Board. They also oversee the corporate governance framework of the Company. The criteria of making payments to non-executive directors are placed on the Company's website and can be accessed at [Nomination and Compensation Policy](#).

Dividend Distribution Policy

The Company has in place the Dividend Distribution Policy, duly approved by the Board of Directors. The same is available on the website of the Company and can be accessed at [Dividend Distribution Policy](#).

Internal Guidelines on Corporate Governance

Your Company has a duly formulated Internal Guidelines on Corporate Governance in accordance with HFCs – Corporate Governance (NHB) Directions, 2016 and RBI Directions for Housing Finance Company, 2021, which inter-alia, defines the legal, contractual and social responsibilities of the Company towards its various stakeholders and lays down the Corporate Governance practices of the Company. The said policy is available on the website of the Company at [Internal Guidelines on Corporate Governance](#).

Code of Conduct for the Board of Directors and the Senior Management Personnel

Pursuant to Regulation 17(5) of Listing Regulations, the Company has adopted Code of Conduct applicable to the Board of Directors and the Senior Management Personnel ('Code'). The Code provides guidance to the Directors and Senior Management Personnel to conduct their business affairs ethically and in full compliance with applicable laws, rules and regulations. In accordance with Schedule V (D) of the SEBI Listing Regulations. The Company has also received

declaration from MD & CEO confirming that all the Directors and the Senior Management Personnel of the Company have complied to the Code of Conduct for the financial year ended March'23 as attached with this Report. The said code is hosted on the website at [Code of Conduct for Directors and Senior Managerial Personnel](#).

Related Party Transactions Policy

The Company has formulated a policy on materiality of and dealing with Related Party Transactions pursuant to the provisions of the Companies Act and Regulation 23 of the Listing Regulations, which specify the manner of entering into Related Party Transactions. Details of related party transactions entered by the Company in the ordinary course of its business are included in the notes forming part of the financial statements. The Company did not enter into any material related party transaction during the financial year ended March 31, 2023. During the year under review, all RPTs were placed before the Audit Committee for its approval (including omnibus approval), as required under Section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. No materially significant related party transactions were entered into during the FY23 that may have potential conflict with interests of the listed entity at large.

The Policy on Related Party Transactions has been hosted on the website of the Company in accordance with the provisions of the Listing Regulations and the RBI master directions for housing finance companies and can be accessed at the web-link at [Related Party Transaction Policy](#).

Details of establishment of Vigil Mechanism and Whistle Blower Policy

The Vigil Mechanism as envisaged in the Companies Act and the Rules thereunder and the Listing Regulations is implemented through the Whistle Blower Policy. This policy provides for adequate safeguards against victimization of persons who use such mechanism and provides direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Directors' Report

It enables reporting illegal or unethical behaviour, actual or suspected fraud(s) or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity. None of the personnel have been denied access to the Audit Committee.

The policy is placed on the website of the Company and can be accessed at [Vigil Mechanism and Whistle Blower Policy](#).

Code of Conduct for Prohibition of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

In compliance of the SEBI PIT Regulations, as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading in the shares of the Company, which inter alia, prohibits trading in shares of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company and in order to ensure uniform dissemination of unpublished price sensitive information. The Board of Directors had adopted a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which is available on the website of the Company and can be accessed at [Code of practices and procedures of fair disclosure of UPSI](#).

Prevention of Sexual Harassment Policy, and information required to be disclosed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has complied with the formation of the Internal Complaints Committee as prescribed under the Companies Act, 2013.

Pursuant to the said Act, the details of the total reported and closed cases pertaining to incidents under the above framework/ law are as follows:

Number of cases filed during the year: Nil

Number of cases disposed during the year: Nil

Numbers of cases pending as on March 31, 2023: Nil

Penalties

There were no instances of non-compliances, penalty levied or strictures imposed on the Company by the Stock Exchanges, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Directors' Report

Details of Annual General Meetings:

The details of the location and time of the last three Annual General Meetings is given below:

For the financial year	Date & Time	Venue	Details of Special Resolution passed
2021-22	June 10, 2022 at 2:00 PM	Through Video Conferencing ("VC")/ Other Audio-Visual Means	<ul style="list-style-type: none"> Approve the increase in borrowing powers in excess of the Paid-up Share Capital, Free Reserves and Securities Premium of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013. Approve creation of charges on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowings made/to be made under section 180(1)(c) of the Companies Act, 2013.
2020-21	August 5, 2021 at 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means	<ul style="list-style-type: none"> Ratification of the ESOP 2012 Scheme pursuant to SEBI (Share Based Employee Benefit) Regulations 2014. Ratification of the ESOP II Scheme pursuant to SEBI (Share Based Employee Benefit) Regulations 2014. Consideration and approval of Article 18.1 to 18.12 of the Articles of Association of the Company.
2019-20	June 20, 2020 at 11:00 A.M.	511, Acme Plaza, Andheri Kurla Road, Andheri (E), Mumbai 400059	<ul style="list-style-type: none"> To authorize Board for issuance of Non-Convertible Debentures and/or any other hybrid instruments of the Company on private placement basis.

Postal Ballot: No Postal Ballot was conducted during FY23 and no special resolution is proposed to be passed through postal ballot under the provisions of the Act, on or before the ensuing AGM.

Means of Communication:

Your company publishes financial reports on a quarterly basis in accordance with the applicable SEBI Listing regulations, which are duly examined by the Audit Committee prior to submission to the Board and submission to the stock exchanges. Financial Express and Mumbai Lakshdeep are the newspapers wherein company's financial results are published. The managing director, chief financial officer and investor relations officer attend conference calls with investors and analysts on a quarterly basis and interact with them at regular intervals.

The Company's website www.homefirstindia.com, under the section of 'investor relations' contains all important public information including financial

results, various policies framed/approved by the Board, presentations made to the media, analysts and institutional investors, schedule and transcripts of earnings call with investors, official news releases, matters concerning the shareholders and details of the contact persons, etc.

During FY23, the Company sent documents, such as notice of the annual general meeting, audited financial statements, directors' report, auditors' report, etc. in electronic form to the registered email addresses of the members. All financial and other vital official news releases and documents under the SEBI Listing Regulations are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

Directors' Report

General Shareholder Information:

Corporate Information:

Incorporation Date	February 3, 2010
Registered Office Address	511, Acme Plaza, Andheri Kurla Road, Andheri (East), Mumbai 400 059
Corporate Identification Number (CIN)	L65990MH2010PLC240703
Date, time and venue of the Annual General Meeting	Date: June 8, 2023; Time: 11:00 A.M., Indian Standard Time ("IST")
Financial year	April 1, 2022 to March 31, 2023
Dividend Payment Date	Dividend to be paid within 30 days from the date of approval in the Annual General Meeting
Name and Address of Stock Exchange	<p>The equity shares of the Company are listed on National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE).</p> <p>Non-Convertible Debentures (NCDs) issued by the Company are listed on the Wholesale Debt Market (WDM) segment of the BSE.</p> <p>NSE: Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.</p> <p>BSE: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.</p>
Stock Code	NSE: HOMEFIRST BSE: 543259
Payment of Listing Fees	The Company has paid the annual listing fees for the relevant periods to NSE and BSE where its equity shares are listed.
ISIN	INE481N01025
Registrar & Share Transfer Agent	KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium Tower-B Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 Telangana, India, Tel: +91 40 6716 2222
In Case securities are suspended from Trading	Not Applicable

Directors' Report

Share Transfer System	The Company's shares are traded under compulsory dematerialized mode and are freely tradable. The Board of Directors have delegated the power to attend all the formalities relating to transfer of securities to the Registrar and Share Transfer Agent of the Company. An annual certificate of compliance with the share/debt transfer formalities as required under Regulation 40(9) and 61(4) of the SEBI Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges within the prescribed time.
Dematerialization of shares and liquidity	As on March'23, 100 % of the total equity capital was held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The Company's shares are regularly traded on BSE and NSE.
Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on liquidity	Not applicable since the Company has not issued any Global Depository Receipts or American Depository Receipts or Warrants or Convertible bonds.
Plant Locations	Not Applicable
Address for correspondence	<p>KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium Tower-B Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 Telangana, India Email: inward.ris@kfintech.com</p> <p>The Company Secretary & Compliance Officer Home First Finance Company India Limited 511, Acme Plaza, Andheri Kurla Road, Mumbai 400-059. Email- corporate@homefirstindia.com</p>
Commodity price risk or foreign exchange risk and commodity hedging activities	This is not applicable since the Company does not have any derivatives or liabilities denominated in foreign currency.

Directors' Report

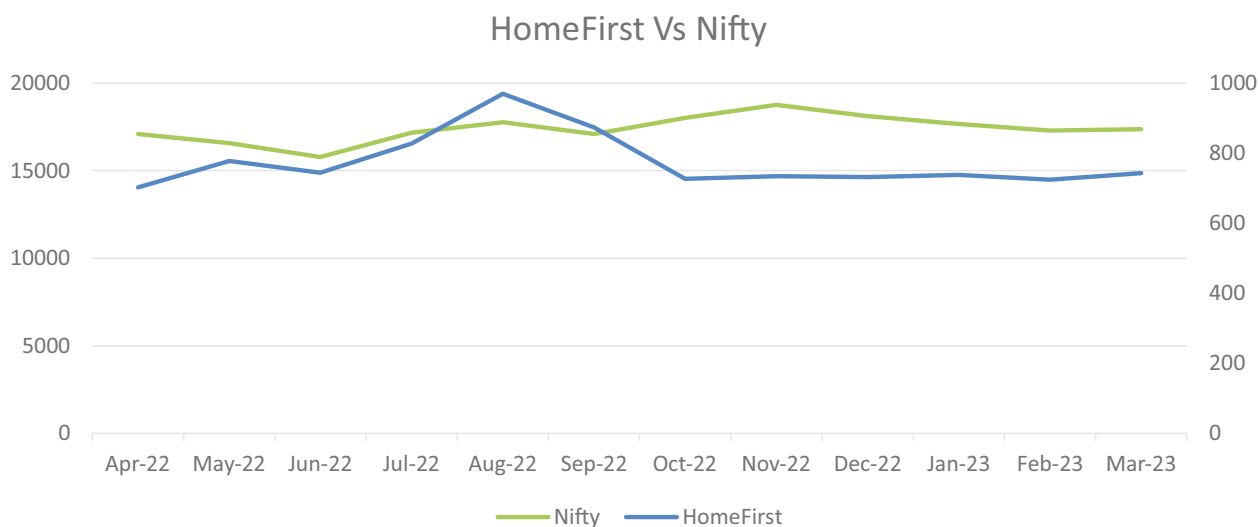
Stock Price Data:

The reported high and low closing prices of equity shares (in ₹) of the Company traded on NSE and BSE during the period under review are set out in the following table:

Month	BSE		NSE	
	High	Low	High	Low
April 2022	838.75	693.15	819.60	690.55
May 2022	834.95	678.00	837.30	677.05
June 2022	804.25	700.00	803.80	702.90
July 2022	858.05	730.05	859.00	726.05
August 2022	1,004.40	790.00	1,004.55	789.90
September 2022	971.80	831.50	972.45	831.00
October 2022	890.05	695.35	894.00	695.15
November 2022	751.40	652.25	751.45	652.00
December 2022	776.15	687.70	776.60	688.05
January 2023	806.40	717.60	808.00	717.95
February 2023	779.20	721.45	780.25	722.25
March 2023	760.00	654.85	760.00	654.60

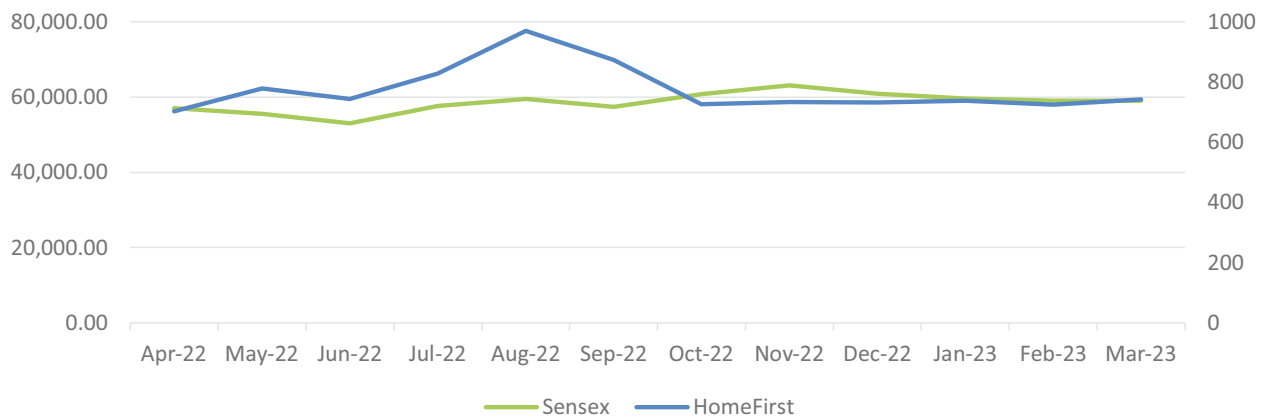
[Source: This information is compiled from the data available on the websites of NSE and BSE]

Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty:



Directors' Report

HomeFirst Vs Sensex



Distribution of Shareholding as on March'23:

Sr. No.	Category (Shares)	No. of Holders	% Holders	No. of Shares	% To Equity
1.	1 - 5000	74366	99.64	6081887	6.91
2.	5001 - 10000	97	0.13	672364	0.76
3.	10001 - 20000	37	0.05	530096	0.60
4.	20001 - 30000	21	0.03	524602	0.60
5.	30001 - 40000	15	0.02	531019	0.60
6.	40001 - 50000	14	0.02	621519	0.71
7.	50001 - 100000	26	0.03	1791087	2.03
8.	100001 and above	61	0.08	77264193	87.78
	TOTAL	74,637	100.00	8,80,16,767	100.00

Shareholding Pattern as on March'23:

Sr. No.	Description	No. of Holders	Total Shares	% Equity
1.	Promoters	1	17705532	20.12
2.	Foreign Promoters	1	11742592	13.34
3.	Mutual Funds	13	5106736	5.80
4.	Alternative Investment Fund	13	1924882	2.19
5.	Qualified Institutional Buyer	5	369645	0.42
6.	Foreign Portfolio – Corp	68	12885082	14.64
7.	Foreign Portfolio – Corp	6	925427	1.05
8.	Directors	1	803383	0.91

Directors' Report

Sr. No.	Description	No. of Holders	Total Shares	% Equity
9.	Key Management Personnel	2	39737	0.05
10.	Employees	71	555428	0.63
11.	Resident Individuals	69525	7430549	8.44
12.	Non-Resident Indian Non Repatriable	589	222243	0.25
13.	Non-Resident Indians	1165	388746	0.44
14.	Foreign Corporate Bodies	1	25191802	28.62
15.	Bodies Corporates	384	2454297	2.79
16.	Resident Individuals	11	9309	0.01
17.	Clearing Members	22	27342	0.03
18.	Trusts	5	3371	0.00
19.	H U F	1848	230664	0.26
	Total	73,731	8,80,16,767	100.00

Credit Ratings:

The Company's financial discipline and prudence is reflected in the strong credit ratings assigned by Credit Rating Agencies as under:

Instrument	Rating Agency	Rating	Outlook	Amount in ₹ Crs
Term Loan	ICRA	AA-	Stable	3,500
	India Ratings	AA-	Stable	2,300
	CARE	AA-	Stable	44.23
Commercial Paper	ICRA	A1+	-	100
	India Ratings	A1+	-	100
Non-Convertible Debentures	ICRA	AA-	Stable	131
	India Ratings	AA-	Stable	400

During the year, considering the steady growth, strong profitability and robust balance sheet, rating agencies upgraded the credit rating of the Company. Both ICRA and CARE upgraded the rating from A+ to AA- (stable) in June 2022.

Directors' Report

Details of utilization of funds raised through preferential allotment or qualified institutional placement

During the year under review, your Company has not raised any funds through preferential allotment or qualified institutional placement as specified in Regulation 32 (7A) of the SEBI Listing Regulations.

Certification from Practicing Company Secretary (PCS)

A certificate issued by Aashish K Bhatt, (ICSI Membership No. ACS 19639), Designated Partner of Bhatt & Associates Company Secretaries LLP, Practicing Company Secretaries, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that none of the Directors on the Board of the Company as on March'23, has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority. The same forms part of this Annual Report as an annexure to the Directors' Report.

Accounting Standards

The Company has followed Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs in the preparation of its financial statements.

Certification on Corporate Governance

As required under the SEBI Listing Regulations, certificate issued by Mr. Aashish K. Bhatt (Membership No. ACS 19639), Designated Partner of Bhatt & Associates Company Secretaries LLP, certifying that the Company has complied with the conditions of Corporate Governance as stipulated by SEBI Listing Regulations. The said certificate forms part of the Annual Report as an Annexure to the Directors Report.

Due dates for transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

In terms of Section 125 of the Act, unclaimed dividends are required to be transferred to the Investors Education and Protection Fund. There was no dividend declared in the last Seven (7) years prior to the year under review and hence, there was no requirement of transferring the same to the Investors Education and Protection Fund.

Directors and Officers (D&O) Liability Insurance

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and Key Managerial Personnel of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

Chief Executive Officer and Chief Financial Officer Certification

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, the MD & CEO and the Chief Financial Officer of the Company have made a certification to the Board of Directors, in the prescribed format for the year under review. The same has been reviewed and taken on record by the Board of Directors.

Details of non-acceptance of any recommendation of any committee of the board which is mandatorily required

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

Directors' Report

Total fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part

The total fees for all services paid by Company, on a consolidated basis, to M/s Deloitte Haskins & Sells (Firm Registration No.: 117365W), Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part, as included in the Financial Statements of the Company for the year ended on March 31, 2023, are as follows:

Particulars	Amount (₹in million)
Fees for audit and related services paid to M/s. Deloitte Haskins & Sells & Affiliates firms and to entities of the network of which the statutory auditor is a part.	4.00
Other fees paid to M/s . Deloitte Haskins & Sells & Affiliates firms and to entities of the network of which the statutory auditor is a part.	1.74
Total	5.74

Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

There are no loans and advances in the nature of loans to firms/companies in which directors are interested.

Compliance with mandatory requirements and adoption of the non-mandatory requirements of Corporate Governance

During the period under review, your Company has complied with all the mandatory requirements of SEBI Listing Regulations. In terms of Corporate Governance, the Company has complied with the applicable requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company has also adopted certain voluntary

compliance requirements as outlined in the Companies Act, 2013, SEBI Listing Regulations, 2015 and other applicable acts, rules, regulations & guidelines. As per the discretionary requirements specified in Schedule II, Part E of the Listing Regulations, the Company has appointed separate persons to the post of Chairperson and Managing Director & Chief Executive Officer and the internal auditor directly reports to the audit committee .

Statutory and Regulatory Compliance

The Company has followed all applicable directions, guidelines and circulars issued by Reserve Bank of India from time to time. The Company also has been following directions / guidelines / circulars issued by Income Tax Act, 1961, Securities and Exchange Board of India and Ministry of Corporate Affairs from time to time, as applicable to the company. There was no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V of SEBI Listing Regulations.

For and on behalf of the Board of Directors

Deepak Satwalekar
 Chairman & Independent Director
 DIN: 00009627

Manoj Viswanathan
 Managing Director & CEO
 DIN: 01741612

Directors' Report



Declaration on Compliance with the Company's Code of Conduct for Board of Directors and Senior Management Personnel

I, Manoj Viswanathan, Managing Director & CEO, hereby confirm and declare that in terms of Regulation 26 (3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board Members and Senior Managerial Personnel of the Company have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel for the FY23.

For and on behalf of the Board of Directors

Manoj Viswanathan
Managing Director & CEO
DIN: 01741612

Date: May 2, 2023
Place: Mumbai