

# 45th



**hudco**

Supporting Sustainable Habitats

# HUDCO Annual Report 2014-15



**45<sup>th</sup>**  
**Annual Report**  
**2014-2015**



**HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**  
**AN ISO 9001:2008 CERTIFIED COMPANY**

**CIN: U74899DL1970GOI005276**

## **VISION**

*“To be among  
the World’s leading knowledge hubs and  
techno-financial organizations for  
clean, green and sustainable  
habitat development.”*

## **MISSION**

*To promote  
sustainable habitat development  
to enhance the quality of life*

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*Consultancy for Thirunallar Temple Town Development Project at Karaikal, Puducherry*

## FINANCIAL AND OPERATIONAL HIGHLIGHTS

### FINANCIAL HIGHLIGHTS

(Rs. in crore)

| PARTICULARS  | 2010-11  | 2011-12  | 2012-13  | 2013-14  | 2014-15  |
|--|----------|----------|----------|----------|----------|
| Gross Income   | 2278.59  | 2778.63  | 2923.24  | 2993.85  | 3427.77  |
| Profit After Tax   | 550.03   | 630.33   | 700.56   | 726.34   | 777.63   |
| Share Holders' fund  | 5520.97  | 5988.89  | 6513.96  | 7123.33  | 7781.17  |
| Share Capital - Equity   | 2001.90  | 2001.90  | 2001.90  | 2001.90  | 2001.90  |
| Reserves & Surplus   | 3519.07  | 3986.99  | 4512.06  | 5121.43  | 5779.27  |
| Borrowings   | 15778.66 | 18822.47 | 18867.43 | 21304.75 | 23467.65 |
| Loan Outstanding   | 21197.83 | 23783.05 | 25936.52 | 29341.82 | 32464.86 |
| Earning per share (Rs.)<br>(Face value of Rs 1000/- per share) | 274.75   | 314.87   | 349.95   | 362.83   | 388.45   |
| Gross Operating Margin   | 990.19   | 1109.28  | 1298.43  | 1243.32  | 1571.17  |
| Sales Turnover/Net Block                                       | 30.50    | 38.36    | 40.34    | 43.25    | 44.81    |
| PAT per Employee (Rs. In Lakh)                                 | 55.50    | 65.05    | 73.90    | 79.29    | 87.18    |

### OPERATIONAL HIGHLIGHTS

| PARTICULARS                          | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 |
|--------------------------------------|---------|---------|---------|---------|---------|
| No. of Schemes Sanctioned            | 134     | 130     | 140     | 134     | 162     |
| Loan Sanctioned (Rs. in crore)       | 19762   | 20511   | 23974   | 17491   | 21096   |
| Amount Released (Rs. in crore)       | 5105    | 6905    | 6079    | 7438    | 8101    |
| <b>Dwelling Units</b>                |         |         |         |         |         |
| - Total                              | 295732  | 422524  | 439286  | 1434102 | 484128  |
| - % of EWS & LIG                     | 93.43   | 96.37   | 96.81   | 98.46   | 82.95   |
| Sanitation Units                     | 0       | 0       | 0       | 0       | 0       |
| No. of Urban Infrastructure Projects | 72      | 61      | 76      | 72      | 121     |
| UI Loan Sanctioned (Rs. in crore)    | 14469   | 14204   | 16337   | 7848    | 13426   |

## BOARD OF DIRECTORS



**Dr. M. Ravi Kanth**  
Chairman & Managing Director



**N L Manjoka**  
Director (Corporate Planning)



**Rakesh Kumar Arora**  
Director (Finance)



**Jhanja Tripathy**  
Govt. Nominee Director and  
JS & FA MoHUPA



**Rajiv Ranjan Mishra**  
Govt. Nominee Director and  
JS (Housing) MoHUPA



*HUDCO Design Award*

*First Prize : A Mridul: Under Category, Green Buildings, Gandhi Teerth, Jalgaon, Maharashtra*

## CHAIRMAN'S SPEECH



## CHAIRMAN'S SPEECH



### **Nurturing Progress, Setting Milestones** **Chairman's Statement at the 45<sup>th</sup> Annual General Meeting (AGM) of HUDCO**

#### **Ladies & Gentlemen,**

It is my privilege to welcome you all to the 45<sup>th</sup> AGM of your Company, and I congratulate all the stakeholders and acknowledge your continuous support for yet another successful year of the Company. It is time to share the highlights of HUDCO's performance during 2014-15, business environment, issues and future outlook for the Company. The Directors' Report, the audited final accounts of the Company for 2014-15, along with the Auditors' Report thereon, have already been provided.

#### **1. Economic Environment & Government Initiatives**

The 'Economic Survey 2014-15' points to the perceptible improvement in some macro-aggregates of the economy in 2013-14 and the GDP growth in 2014-15 has been estimated at 7.30%. Brighter prospects appeared as the economy stood largely relieved of the vulnerabilities, and the inflationary pressures started easing from around third quarter onwards of 2014-15, which prompted the Reserve Bank of India (RBI) to reduce the repo rate in January and March 2015. The Government of India has focused on reviving the urban sector by launching programmes like 'Pradhan Mantri Awas Yojana (PMAY)-Housing for All', Development of '100 Smart Cities', 'Atal Mission for Rejuvenation and Urban Transformation' (AMRUT), 'Swachh Bharat Abhiyan' and 'Digital India' to be used as a catalyst for achieving the new programme objectives. FDI norms were liberalized for the construction sector and RBI allowed banks to issue long-term bonds for financing of infrastructure and affordable housing.

#### **2. Emerging Issues in Housing & Urban Infrastructure**

Urban population in India stands at 377 million in 2011, representing 31.16% of the country's population and is expected to reach almost 600 million by 2030. The widening gap between demand and supply of housing units and affordable housing finance solutions is a major policy concern for India. The urban

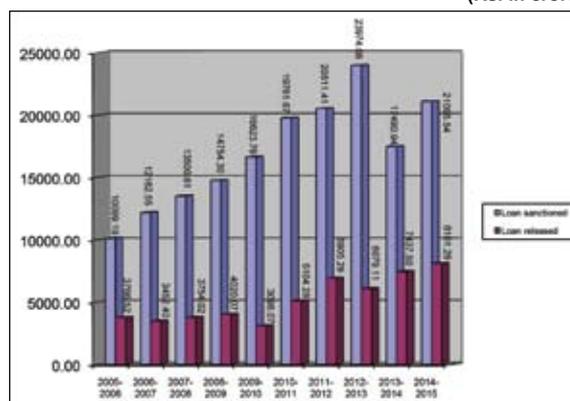
housing shortage was estimated at 18.8 million units of which 95.6% is in the Economically Weaker Section (EWS) / Low Income Group (LIG) segments, requiring huge financial investment.

### 3. Operational & Financial Performance of HUDCO during 2014-15

- a) HUDCO sanctioned a total of 162 schemes (41 housing, 121 infrastructure) for loans of Rs.21096 crore (Rs.7670 crore for housing, Rs.7398 crore for core urban-infrastructure and Rs.6028 crore for non-core infrastructure schemes) as against Rs.17491 crore sanctioned during the previous year, registering a growth of 20.61%.
- b) HUDCO disbursed Rs.7973 crore (Rs.3076 crore for housing, Rs.4897 crore for urban-infrastructure) as against Rs.7438 crore disbursed during the previous year, registering a growth of 7.19%.
- c) The projects sanctioned are for water supply, industrial infrastructure, power, transport, sewerage, drainage, commercial, housing, etc. HUDCO has sanctioned 4.86 lakh housing units, of which 4.73 lakh were for Economically Weaker Section (EWS) and Low Income Group (LIG) category.
- d) Your Company achieved profit before tax, after prior-period adjustment, of Rs.1180.94 crore during 2014-15 as against Rs.1094.35 crore during the previous year and registered a growth of 8%. The net profit showed a growth of 7% and stood at Rs.777.63 crore during the year, as against Rs.726.34 crore in the previous year. As on 31.03.2015, your Company had a net worth of Rs.7781 crore.
- e) Board of Directors of your Company recommended a final dividend of Rs.120.50 crore (inclusive of dividend tax of Rs.20.49 crore) for 2014-15 to the shareholders and it is expected to retain 'Excellent' MoU rating again, from Department of Public Enterprises (DPE), based on the MoU 2014-15 performance parameters.

**Operational Growth of HUDCO**

(Rs. in crore)



### 4. Credit Rating of HUDCO upgraded from AA+ to AAA

HUDCO credit rating has been upgraded from 'AA+' to 'AAA' by India Ratings & Research Private Limited (Fitch group) and Care Ratings & ICRA Limited. Further, India Ratings & Research Private Limited (Fitch group) and M/s Care Ratings have further affirmed 'A1+' rating for HUDCO's short-term instruments. Now, HUDCO has achieved the highest possible rating on standalone basis.

### 5. HUDCO's Role in Jawaharlal Nehru National Urban Renewal Mission (JNNURM) & Rajiv Awas Yojana (RAY)

**JNNURM** has been extended upto March, 2017 for completion of the on-going projects. HUDCO is involved in appraisal and monitoring of BSUP/IHSDP projects under JNNURM, including review of Third Party Inspection & Monitoring Agencies (TPIMA) reports. As on 31<sup>st</sup> March, 2015, HUDCO appraised 1203 BSUP/ IHSDP projects with project cost of Rs.23005.52 crore and central grant of Rs.12899.94 crore for construction/upgradation of 9.35 lakh dwelling units across 849 cities/towns in the country. Also, HUDCO conducted 358 field visits for monitoring of BSUP / IHSDP projects, and analyzed 1755 TPIMA reports.

**RAY** Programme was announced by GOI in June, 2009 and Affordable Housing in Partnership (AHP) and Interest Subsidy for Housing the Urban Poor (ISHUP) were dovetailed with RAY. Cumulatively, up to 31<sup>st</sup> March, 2015, HUDCO appraised 126 projects under RAY with project cost of Rs.4447.33 crore and central assistance of Rs.2301.17 crore for construction/up-gradation of 88,416 dwelling units. Besides, HUDCO appraised 5 AHP projects with project cost of Rs.174.09 crore, covering 3155 dwelling units.

Through appraisal and monitoring of JNNURM / RAY projects, including analysis of TPIMA reports, HUDCO earned a revenue of Rs.6.30 crore during 2014-15.

## **6. New Initiatives**

HUDCO has formulated and launched the following new products:

- (a) Financing Scheme of Senior Citizen Homes
- (b) Mechanism of funding 'Programme loan to the State / ULBs for development of Housing and Urban Infrastructure'.

## **7. Human Settlement Management Institute (HSMI)**

HSMI, the Research & Training Wing of HUDCO intensified its efforts to provide capacity building to the professionals engaged in the housing & urban development, including HUDCO's borrowing agencies, Urban Local Bodies (ULBs) and HUDCO officials. Thirty Three Training programmes, including 13 capacity building programmes for ULBs were conducted and training imparted to 920 professionals with 3251 mandays. Besides, awards were given for 'Best Practices to Improve the Living Environment' in the Habitat Sector. HSMI commissioned a study on 'Green Building Initiatives for Affordable Housing' by TERI University. An International training programme supported by the Ministry of External Affairs on the theme of 'Planning and Management of Urban Services' and a workshop on 'Making Cities Sustainable- City to City Technical Cooperation in Asia & Pacific' under the CITYNET National Chapter, were organized.

## **8. Human Resources Management**

A total 1440 mandays of training was imparted to 473 HUDCO employees, through 57 training programmes, to enhance / upgrade skills of the employees. With a view to further strengthen the social-security net for the employees, both regular and retired, the company enlarged the scope of benefits available under various employee welfare schemes.

## **9. Corporate Social Responsibility (CSR) & Sustainable Development**

The Company has constituted a 'Corporate Social Responsibility' Committee of Board in compliance with the provisions of Section 135 of the Companies Act, 2013 and formulated CSR Policy, indicating the activities to be undertaken by the Company. In 2014-15, CSR assistance of Rs.12.84 crore was sanctioned for 35 proposals and an amount of Rs.11.62 crore has been disbursed. A Report titled 'Provision of Night Shelter and Sanitation facilities for Urban Shelterless Population' was prepared and CSR assistance of Rs. 9.69 crore was sanctioned for construction/ renovation of 26 Night Shelters. For Swachh Bharat, toilet facilities in schools and skill-training programme for Safai Karamcharis (SCs) were accorded priority. For 13 proposals of Night Shelters (4 in Vishakapatnam, 3 in Chennai and One each at Dehradun, Kolkata, Nizamabad, Tirnulveli, Udaipur and Varanasi), more than 51% of the sanctioned CSR assistance has been released to expedite completion.

## **10. Opening of New Office**

With a view to expand its business operations, HUDCO opened a new Regional Office in Vijayawada, in the State of Andhra Pradesh. With this, HUDCO has 21 Regional Offices and 11 Development Offices, spreading across the country and HUDCO has pan India presence.

## 11. Corporate Governance

The Company endeavours to meet the statutory requirements and to institute systems & procedures that are in tune with the global trends of making management completely transparent and institutionally sound. Good Corporate Governance practices and ethical business conduct remain at the core of HUDCO's value system. HUDCO's Corporate Governance, with timely disclosure, transparent accounting policies and positive & proactive Board, go a long way in maximizing the corporate values.

## 12. Awards & Accolades

HUDCO has been awarded India Today's 'PSU Awards 2014' in Mini Ratna Category-1 for Best HR practices. CMD was awarded 'Swachh Bharat Award' and Award for 'Most Enterprising CEO of Housing and Urban Development Sector' by different organisations. The HUDCO Build-Tech 2014 pavilion in India International Trade Fair 2014 has been awarded 'Bronze Medal' by India Trade Promotion Organisation in the category of PSUs, EPCs, Commodity Boards and Banks.

## 13. Future Outlook

Government of India has unveiled several initiatives to revitalise the urban sector like 'Pradhan Mantri Awas Yojana (PMAY) - Housing for All', Development of 100 Smart Cities, 'Atal Mission for Rejuvenation and Urban Transformation (AMRUT)' for 500 cities, etc. All these programmes are likely to catalyse huge investment flow into the urban housing & infrastructure across the country. The outlay for AMRUT estimated at Rs.50,000 crore for five years as a Centrally Sponsored Scheme and 100 Smart Cities Programme at Rs.48000 crore over the same period. With experience & expertise, HUDCO has potential to be part of urban revival programmes of the Government, in terms of lending as well as fee-based income/consultancy.

## 14. Acknowledgements

On behalf of the Board of Directors, I am thankful for the co-operation extended by the Ministry of Housing and Urban Poverty Alleviation, Ministry of Urban Development, Ministry of Rural Development, Ministry of Finance and Ministry of External Affairs, Reserve Bank of India (RBI), National Housing Bank (NHB), Comptroller and Auditor General, Statutory Auditors, Bankers, and other Government Departments. I appreciate the support provided by the International Financial Institutions, such as Kreditanstalt fur Wiederaufbau (KfW), Japan Bank of International Cooperation (JBIC), Asian Development Bank (ADB), USAID, etc.

I acknowledge the support of the State Governments, State Housing Boards, Development Authorities, Urban Local Bodies, etc., for realizing the mandate of the Company. I am thankful to the debenture/ bond holders, depositors and other investors for their patronage to the various instruments issued by HUDCO. I extend my thanks to the valuable clients with whom HUDCO has nurtured close and mutually-beneficial relationships. I would like to conclude by commending the efforts made by the members of HUDCO family, towards achievement of the all-round growth of the Company.

Thank you for your kind support and keen attention.

Place : New Delhi

Date : 19<sup>th</sup> October, 2015

Sd/-

Dr. Medithi Ravi Kanth IAS (r)  
Chairman & Managing Director

## NOTICE

Notice is hereby given that the 45th Annual General Meeting of the Housing and Urban Development Corporation Limited will be held on Monday, the 19th day of October, 2015, at 12.30 p.m. at the Registered Office of the Company at HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi -110003 to transact the following business: -

### Ordinary Business

1. To receive, consider and adopt the Audited financial statement of the Company for the financial year ended 31st March, 2015 and the report(s) of the Board of Directors', Auditors' and comment(s) of the Comptroller & Auditor General of India thereon.
2. To declare dividend on equity shares.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:-

“RESOLVED THAT pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors (based on the recommendations of the Audit Committee), be and is hereby authorised to decide and fix the remuneration payable to the Statutory Auditors for the financial year 2015-16.”

**By Order of the Board of Directors**

Place : New Delhi  
Dated : 9<sup>th</sup> October, 2015

Sd/-  
Harish Sharma  
Company Secretary

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. A copy of the Memorandum and Articles of Association shall be open for inspection at the Registered Office of the Company during the business hours.
3. As per provisions of Section 139(5) of the Companies Act, 2013, the Auditors of the Government Company shall be appointed by the Comptroller & Auditor General of India (C&AG) within a period of 180 days from the commencement of financial year, who shall hold office till the conclusion of Annual General Meeting. Section 142 further provides that the remuneration of the auditors shall be fixed in its general meeting or in such manner as may be determined therein. M/s Dhawan & Co., Chartered Accountants, New Delhi (ICAI Firm Registration No. 002864N), has been re-appointed as Statutory Auditors of the Company, for the financial year 2015-16 by the C&AG as per Section 139(5). The members are requested to authorize the Board of Directors to decide and fix the remuneration of Statutory Auditors for the financial year 2015-16 after their appointment by C&AG.

## DIRECTORS' REPORT



*HUDCO Design Award*

*First Prize : CUBOID Architects: Under Category, Conservation of Heritage, Architectural Heritage of Chettinad, Tamilnadu*

# THE 45<sup>th</sup> DIRECTORS' REPORT

**Dear members,**

Your Directors are pleased to present the forty fifth Annual Report and the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2015.

## 1. FINANCIAL RESULTS

The financial performance of the Company for the year ended 31<sup>st</sup> March, 2015 is summarized below:  
(Rs. in crore)

| Particulars                                      | 2014-15        | 2013-14        |
|--|----------------|----------------|
| <b>Total Revenue</b>                             | <b>3427.77</b> | <b>2993.85</b> |
| <b>Profit before tax</b>                         | <b>1180.94</b> | <b>1094.35</b> |
| Less:  |                |                |
| Current Tax                                      | (391.50)       | (290.00)       |
| Deferred tax                                     | (12.07)        | (78.66)        |
| Prior period tax adjustments                     | 0.26           | 0.65           |
| <b>Profit after tax</b>                          | <b>777.63</b>  | <b>726.34</b>  |
| Add:   |                |                |
| Balance from previous year                       | 68.30          | 67.00          |
| Transferred from CSR Reserve                     | -              | 19.52          |
| Transferred from sustainable development Reserve | -              | 0.77           |
| <b>Total amount available for appropriation</b>  | <b>845.93</b>  | <b>813.63</b>  |
| Less Appropriation:                              |                |                |
| Proposed dividend on equity shares               | 100.01         | 100.01         |
| Tax on dividend                                  | 20.49          | 17.00          |
| Transfer to Special Reserve                      | 310.00         | 250.00         |
| Transfer to Debenture/ Bond Redemption Reserve   | 378.17         | 378.17         |
| General Reserve                                  | 0.26           | 0.15           |
| EPS (Basic/Diluted) (In Rs.)                     | 388.45         | 362.83         |

## 2. OPERATIONAL AND FINANCIAL PERFORMANCE

The financial year 2014-15 has been a very successful year both on operational and financial front despite various challenges faced by your Company during the year under review like economic scenario, fluctuation in foreign currency exchange rates and competitive environment prevailing in the financial sector of the country.

Your Company has achieved the targets fixed as per the tripartite Memorandum of Understanding (MoU) signed with Ministry of Housing & Urban Poverty Alleviation and Department of Public Enterprises, Government of India in terms of operations, finances and other parameters comfortably with the support, guidance and prudent policies adopted by the management.

During the year under review, HUDCO has sanctioned 162 schemes for a loan amount of Rs. 21,096 crore (Rs. 7,670 crore for Housing, Rs. 7,398 crore for Core Urban Infrastructure and Rs. 6,028 crore for non-Core Infrastructure schemes) against which an amount of Rs. 7,973 crore [Rs. 3,076 crore for Housing (Affordable housing including EWS & LIG - Rs. 2,663.64 crore)], Rs. 3,462 crore for Core Urban Infrastructure and Rs. 1,435 crore for non-core infrastructure schemes] was disbursed.



Your Company has achieved a total revenue of Rs. 3,427.77 crore (previous year Rs. 2,993.85 crore) and earned Profit before tax (PBT) and Profit after Tax (PAT) of Rs. 1,180.94 crore and Rs 777.63 crore, as against Rs 1,094.35 crore and Rs. 726.34 crore respectively during the previous year.

No material changes and commitments have occurred after the close of financial year affecting the financial position of the Company till the date of this report.

### **Dividend**

Your Directors have recommended a dividend of Rs. 120.50 crore (previous year Rs. 117.01 crore) for the financial year ended 31<sup>st</sup> March, 2015 (inclusive of dividend tax of Rs. 20.49 crore), which is subject to approval of the members at the ensuing Annual General Meeting.

### **Memorandum of Understanding (MoU)**

HUDCO is expected to be awarded 'Excellent' rating from the Department of Public Enterprises (DPE) for its performance against the assigned MoU targets for the year 2014-15.

The MoU signed for 2015-16 envisages a significant growth in the operations of HUDCO in the housing and urban development sector(s) with a sanction target of Rs.16,900 crore and disbursement target of Rs. 7,774 crore. As per MoU 2015-16, Ministry of Housing & Urban Poverty Alleviation (MoHUPA) would take all possible measures in order to enable HUDCO to function effectively and facilitate attainment of not only the national objectives, but also the realisation of its corporate goals and maintain its operational autonomy.

### **Resource Mobilisation/Borrowings**

During the year under review, HUDCO mobilized funds aggregating to Rs.5,130.73 crore from various sources at a weighted average incremental cost of 8.15% p.a. (i.e. @ 35 bps above 10 year G.Sec as on 31<sup>st</sup> March, 2015 vis-à-vis MoU Excellent category target of 138 bps above 10 year G.Sec).

### **Credit Rating**

HUDCO's surveillance rating for long term instruments have been upgraded from 'AA+' to 'AAA' by M/s India Ratings & Research Private Limited (Fitch group), M/s Care Ratings and ICRA Limited. M/s India Ratings & Research Private Limited (Fitch group) and M/s Care Ratings have further affirmed 'A1+' rating for HUDCO's short term instruments. With this upgrade; HUDCO has been assigned the highest possible rating on standalone basis.

### **Unclaimed Deposits/Bonds**

As mandated under the Housing Finance Companies (NHB) Directions, 2010, it is disclosed that as on 31<sup>st</sup> March, 2015, deposit(s) amounting to Rs. 29,69,56,455/- (inclusive of principal and interest) from 127 depositors' remains unpaid (inclusive of Rs. 1,19,587/- from 3 depositors which has been claimed but remained unpaid).

Further, Bonds/Debenture amounting to Rs. 3,25,55,508/- (inclusive of principal and interest) in respect of 1206 Bonds/Debenture holders remained unpaid as on 31<sup>st</sup> March, 2015 as the same has not been claimed by the investors. Further, there were no bonds which have been claimed but remained unpaid as at the end of the financial year.

As per the procedure, all necessary steps including letters, emails, etc, have been sent to the depositors/ bondholders for repayment of deposits/bonds. The deposits/bonds remained unclaimed for more than seven years have been transferred to the Investors Education and Protection Fund (IEPF), as per the provisions of the Companies Act, 2013.

### **Stressed Assets Management**

Your Company is vigorously following up with the defaulting agencies for recovery of its dues and taking appropriate legal action. Through persistent efforts of the management, percentage reduction

from defaults (reduction in defaults from 31<sup>st</sup> March, 2014) is 32.80%. Further, Gross NPAs as on 31<sup>st</sup> March, 2015 stood at 6.25%. Your Company has also created sufficient additional provision as a matter of abundant caution.

**Cost Reduction Measures**

Efforts to identify the costly loans, which could be foreclosed, continued this year too. With a view to reduce the cost of borrowing(s), outstanding loans amounting to Rs. 397.59 crore were foreclosed or prepayment option was exercised in respect thereto. It is pertinent to mention that no prepayment penalty in respect of loans foreclosed has been paid.

**Risk Management**

For management of the various risks to which HUDCO is exposed viz. credit risk, market risk, interest-rate risk, liquidity risk and operational risk, HUDCO has in place a Risk Management policy and Operating Manual duly approved by the Board. The policy aims at establishing the Company’s risk management strategy in line with the goals of the organisation and the internal and external environment

HUDCO has a prudent and efficient risk management framework. There is a Risk Management Committee (RMC) to review various reports and action taken by Sub-Committees such as Assets & Liabilities Management Committee (ALCO), Credit Risk Management Committee (CRMC) and Operational Risk Management Committee (ORMC). The recommendations of the RMC are submitted to the Board of Directors.

HUDCO has in place an effective Assets & Liabilities Management System. The liquidity risk and interest-rate risk are being monitored with the help of liquidity gap analysis, and interest-rate sensitivity analysis.

HUDCO also has a Currency Risk Management policy to manage risks associated with foreign currency borrowings. The Company has entered into hedging transactions to cover the exchange rate and interest-rate risks. As on 31<sup>st</sup> March, 2015, the total foreign currency liabilities are USD 74.949 million and JPY 3408.086 million. On overall basis, as on 31<sup>st</sup> March, 2015, the currency exchange rate risk is covered to the extent of 73.52%, through hedging instruments.

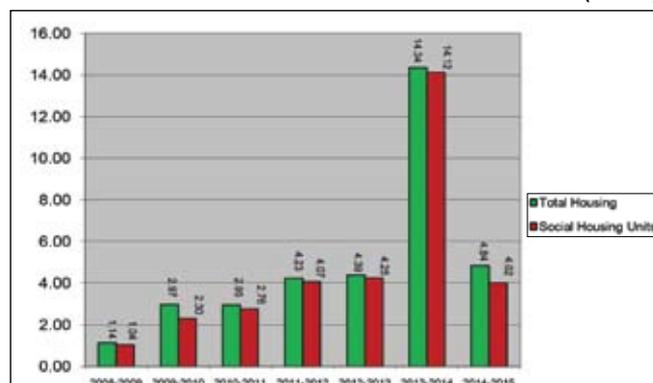
**Housing – a basic need**

Housing forms a basic requirement next only to food and clothing and HUDCO is committed to fulfilling its mandate of supporting the development of housing sector in the country. HUDCO has been striving hard to make ‘Housing for All’ a reality.

For the year 2014-15, against the MoU target of 4.23 lac housing units, HUDCO has sanctioned 4.86 lac housing units, out of which 4.73 lac housing units were sanctioned for affordable housing including Economically Weaker Section (EWS) and Low Income Group(LIG) category, which is in line with HUDCO’s motto of “Profitability with Social Justice”.

**Social Orientation Growth in HUDCO**

(In Lac)



**HUDCO – Strengthening the Backbone of the Economy**

Towards fulfilling its strong commitment to provide and develop adequate and effective infrastructure in the country, HUDCO during the financial year 2014-15, has sanctioned a total of 121 schemes with a financial assistance of Rs. 13,426 crore for various projects covering Water Supply, Sewerage, Drainage, Social Infrastructure, Commercial Infrastructure, Road & Transport and Power Sector. An amount of Rs. 4,897 crore loans was disbursed for urban Infrastructure projects in the country.



*EWS Housing at Panipat in Haryana*

### **Social Infrastructure**

During 2014-15, HUDCO has funded 50 schemes under this category for a total loan assistance of Rs. 212.91 crore to the States/UTs of Jharkhand, Madhya Pradesh, Nagaland, Punjab and Puducherry for construction of school & college buildings, hostels, hospitals, government offices, courts, training Centres, etc.

### **Sewerage and Drainage & Solid Waste Management**

During the year, HUDCO has sanctioned 5 sewerage and 3 drainage schemes for total loan assistance of Rs. 473.32 crore. The approved projects are to be implemented in the UT of Puducherry and in the States of Rajasthan and Maharashtra.

### **Water Supply**

HUDCO, during the year, has extended financial assistance of Rs. 4,919.13 crore to 15 water supply projects in the States of Andhra Pradesh, Telangana, Haryana, Madhya Pradesh, Maharashtra and Union Territory of Puducherry.



*Pump House, RCC OTH & SW Campus, Bhopal*

### **Road and Transport**

HUDCO during the year has sanctioned 27 Road and Transport projects for a total loan assistance of Rs. 3,787 crore in the States/UTs of Goa, Maharashtra, Madhya Pradesh, Nagaland, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Puducherry against which an amount of Rs. 762.13 crore has been disbursed.

### **Power Sector**

During the year under review, 6 projects in the Power Sector with a total loan assistance of Rs. 1,751.72 crore in the States of Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh and Uttarakhand have been sanctioned, against which an amount of Rs. 621.31 crore has been disbursed.

### **HUDCO's Support for Projects in the North Eastern Region**

During the year, HUDCO has sanctioned 9 housing schemes in the North Eastern Region States with a total loan of Rs. 42.20 crore. This would support taking up of 247 housing units in the State of Assam,



*HUDCO Financed BRTS Project at Ahmedabad by Ahmedabad Municipal Corporation*

Mizoram and Nagaland. Besides, HUDCO has also sanctioned 36 infrastructure projects with a total loan assistance of Rs. 45.21 crore in the State of Nagaland. These projects include construction of government institutional buildings, commercial buildings, etc.

### **Building Material Industries**

For promotion of building material industries, HUDCO has extended financial assistance in the form of equity and loan assistance. As on date, HUDCO has extended financial assistance of Rs. 29.48 crore to 30 building material industries.

### **Committee for the Rejuvenation and Strengthening of Building Centres**

With a view to develop and propagate Local Building Materials and appropriate corrective green technologies, HUDCO has taken initiative to set up a Committee under the Chairmanship of renowned architect Shri Kirtee Shah with representation from NGOs, private sector and R & D bodies in addition to HUDCO and BMTPC, with a mandate to suggest a plan of action for the revival of the Building Centres.

### **Opening of New Regional Office**

With a view to expand its business operations, HUDCO has opened its new Regional Office at Vijayawada in the State of Andhra Pradesh. With this, HUDCO has 21 Regional Offices and 11 Development Offices spread all over the country.

## **3. HUDCO NIWAS – INDIVIDUAL HOUSING LOAN SCHEME**

During the year under review, HUDCO extended its retail finance operations in the newly opened Regional Office at Vijayawada. With this, HUDCO Niwas is now operating through its 21 Regional Offices and 11 Development Offices throughout the Country and offers individual Housing Loans for construction/ purchase of a house/flat and for extension or improvement of the existing house/ flat and re-financing of existing housing loans. HUDCO Niwas also offers bulk loan to State Government/ Para Statal of the State Government/profit making PSUs and other Housing Finance Companies. Further, with a view to provide efficient services to the customers with greater satisfaction, HUDCO has developed and implemented an in house “HUDCO online Retail Finance System (HORSYS)”, a software package for online appraisal and accounting, in all its Regional Offices.

During the year, an amount of Rs. 514.02 crore has been sanctioned to 2103 applicants against which, an amount of Rs. 8.76 crore has been disbursed.

#### 4. EMERGING SECTOR, INCLUDING INDUSTRIAL INFRASTRUCTURE

Industrial growth is one of the major constituents of economic growth. Under the Emerging Sector portfolio of HUDCO, financial assistance is being made available to various borrowing agencies for setting up of Industrial Infrastructure Projects, Industrial Estates and Special Economic Zones (SEZs) for Land Acquisition and Land Development, Water Supply, Access/Circulation Roads, Residential Townships, Street Lighting, Jetties, Bus Terminals/Stops and Community Centres, etc.

During the year, HUDCO has funded 11 schemes under this category for a total loan of Rs. 2,254.77 crore, against which an amount of Rs. 393.41 crore has been disbursed.

#### 5. NEW INITIATIVES

##### Innovative Infrastructure Development Mechanisms

During the financial year, in line with the MoU parameters, HUDCO has formulated and launched the following innovative products:

- Financing Scheme of Senior Citizen Homes.
- Programme loan to the State/ULBs for development of Housing and Urban Infrastructure.

#### 6. HUDCO – AN ISO 9001:2008 CERTIFIED COMPANY

HUDCO is an ISO 9001:2008 Certified Company by the 'Indian Register Quality Scheme' (IRQS) on 30<sup>th</sup> September, 2012 for a period of three years.

HUDCO, being a quality conscious financial organization, believes in providing full range of qualitative service(s) ranging from project and retail financing, resource mobilisation, consultancy and joint ventures and training, research and networking in Human Settlement Planning & Management, as certified by IRQS.

IRQS, being the certification agency, conducts 'Surveillance Audit' at regular intervals at various Regional Office(s) and corporate office and recommended for continuation of ISO certification.

#### 7. CONSULTANCY INITIATIVES

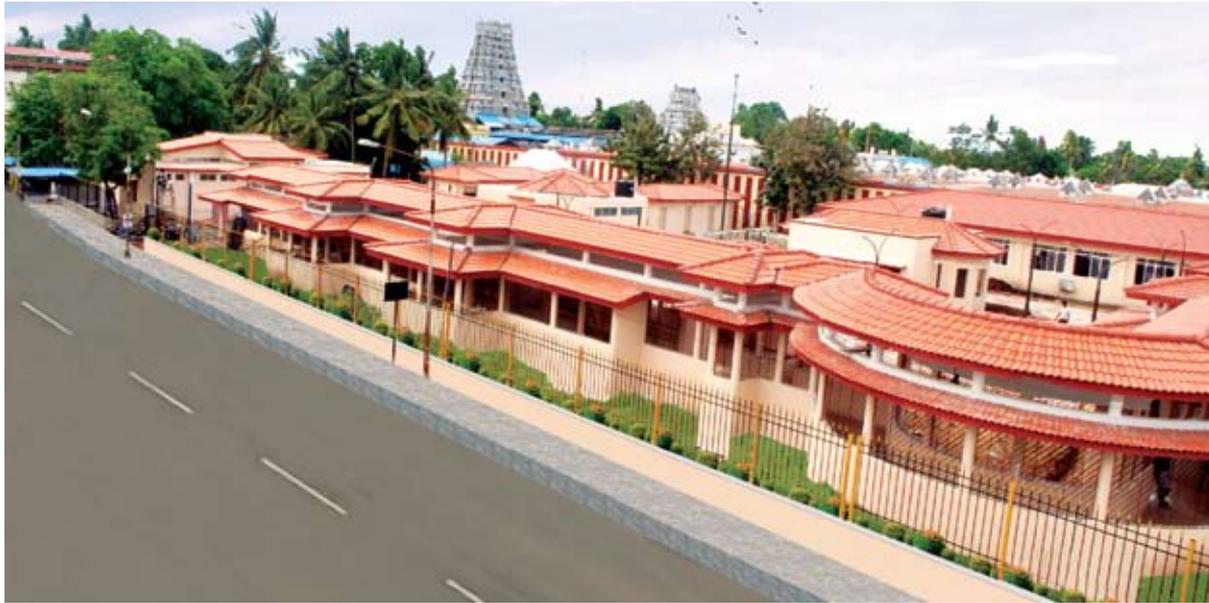
The operations of HUDCO, being a premier techno-financial institution in the Country, is not limited to financing segment only, but extends its wings in field of consultancy also. During the year under review, HUDCO has been involved in showcasing various facets of consultancy services, thereby contributing to the overall image building of HUDCO.

This year, HUDCO has executed a consultancy agreement with the Planning and Development Authority, Manipur and Siliguri Jalpaiguri Development Authority (SJDA) for providing Architectural consultancy services. Activities with regard to Urban & Regional Planning include preparation of development plan of two towns viz. Khargone and Jhabua in the State of Madhya Pradesh. The preparation of Slum Free City Plan of Action for four towns viz. Chas, Ranchi, Jamshedpur and Dhanbad in the State of Jharkhand have also been entrusted to HUDCO.

Keeping in view the quality deliverables in terms of Comprehensive Architectural Services for Office Building for Archaeological Survey of India (ASI), our client ASI has expressed its willingness to award the work of Interiors of the office building also to HUDCO. An agreement with regard to the same is likely to be executed shortly.

#### 8. HUDCO DESIGN AWARDS

In keeping with the tradition of improving the habitat conditions, especially of the urban poor, 'HUDCO Design Awards 2014' was organised and it received an overwhelming response from urban professionals across the country. A Jury comprising of eminent persons from the field of Architecture Planning and Engineering evaluated the entries and chose 14 winners in five categories. The winners of 'HUDCO Design Awards 2014' were felicitated on HUDCO Annual Day. A publication titled "HUDCO Design



*Queue Complex, Thirunallar Temple Town Development Project at Karaikal, Puducherry*

Awards 2014” was also brought out for dissemination of information on the innovative and creative work done in the urban development sector.

HUDCO sponsors ‘HUDCO NASA Design Trophy’ each year to encourage and appreciate young architecture students. The theme for the year 2013-14 was ‘Reaching the Unreached: Design Solutions for Group Housing’. Numerous colleges participated and the winners were selected by jury. HUDCO brought out a publication titled “HUDCO NASA Design Trophy 2013-14’ compiling the winning design concepts which was released on World Habitat Day this year (2014-15).

## **9. HUDCO BUILD-TECH 2014**

HUDCO organized HUDCO Buildtech 2014 – an exposition on cost effective and environmentally-friendly building materials and technologies as a part of India International Trade Fair held from 14<sup>th</sup> to 27<sup>th</sup> November, 2014 at Pragati Maidan, New Delhi. A large scale display was put up for visitors in around 1300 Sqm. area, showcasing various HUDCO activities and areas of operation.

The HUDCO Buildtech 2014 Pavilion has been awarded ‘Bronze Medal’ for excellence in display in the category – PSUs, EPCs, Commodity Boards and Banks. Dr. M Ravi Kanth, Chairman & Managing Director, received the Bronze Medal from Minister of State (I/C) for Culture & Tourism and Minister of State for Civil Aviation, Dr. Mahesh Sharma, for HUDCO Build-Tech 2014 Pavilion at IITF, New Delhi on 27<sup>th</sup> November, 2014.

## **10. JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION (JNNURM) AND RAJIV AWAS YOJANA (RAY)**

The JNNURM programme was launched by the Government of India on 3<sup>rd</sup> December, 2005 for provision of basic services to the urban poor. The programme has two components – Basic Services to the Urban Poor (BSUP) and Integrated Housing and Slum Development Project (IHSDP). The duration of the Mission was initially upto 2011-12 and later extended upto 31<sup>st</sup> March, 2017 for completion of ongoing projects.

HUDCO was involved in appraisal and monitoring of BSUP / IHSDP projects including review of Third Party Inspection & Monitoring Agencies (TPIMA) Reports. As on 31<sup>st</sup> March, 2015, HUDCO has appraised 1203 BSUP / IHSDP projects with project cost of Rs. 23,005.52 crore and Central assistance of Rs. 12,899.94 crore for the construction/upgradation of 9.35 lac dwelling units across 849 cities / towns in the country. HUDCO has also conducted 358 field visits and analysed 1755 TPIMA Reports.

RAY Programme was announced by the Government of India in June, 2009 for creating 'Slum Free India'. To encourage private sector participation, Affordable Housing in Partnership (AHP) and Interest Subsidy for Housing the Urban Poor (ISHUP) were dovetailed with RAY. Later, ISHUP has been re-named as Rajiv Rinn Yojana (RRY).

HUDCO was involved in appraisal of projects. So far, 126 RAY projects have been appraised with project cost of Rs. 4,447.33 crore and Central assistance of Rs. 2,301.17 crore for the construction/upgradation of 88416 dwelling units. In addition, 5 AHP projects with project cost of Rs. 174.09 crore and Central assistance of Rs. 18.71 crore covering 3155 dwelling units have been appraised by HUDCO.

For the year 2014-2015, against the MoU target of Rs. 5.25 crore towards overall fee-based income, HUDCO has raised Rs. 6.30 crore (including service tax) as consultancy fee towards appraisal and monitoring of JNNURM and RAY Projects.

## 11. HUMAN RESOURCES

During the year under review, HUDCO continued to maintain cordial and harmonious relations at all levels. With a view to further strengthen social security among the employees both regular and retired; your management has enlarged the scope of benefits available under various Employees' Welfare Schemes.

With a view to enhance/upgrade the skills of the employees in the competitive business environment, 473 employees were imparted training in different spheres through 57 different training programmes, out of which 7 were International Training Programmes.

### Human Settlement Management Institute (HSMI)

HSMI is functioning as the Research & Training Wing of HUDCO and its activities are supported by a core group of qualified and experienced professionals from various disciplines. HSMI has continued its efforts to provide capacity building to the professionals engaged in the Housing and Urban Development Sector including HUDCO's Borrowing Agencies, Local Bodies and HUDCO's own functionaries.

During the year 2014-15, 33 training programmes, including 13 Capacity Building Programmes for Urban Local Bodies (ULBs) and 8 other activities were conducted by HSMI and imparted training to 3337 professionals, 18 institutions of repute were facilitated as HUDCO Chair Programme Centres, 31 collaborative research projects from 24 institutions of repute sanctioned during the financial years 2012-13 to 2014-15 including 1 research project sanctioned in financial year 2014-15 were undertaken and 9 Best Practices in the Habitat Sector were awarded. The total R&D expenditure incurred in financial year 2014-15 amounts to Rs. 235.53 lac. HSMI also organized 17 In-house programmes for HUDCO officers in the discipline of Law, Finance and Projects, achieving 1250 man-days during the year. HSMI also organized one International Training Programme supported by Ministry of External Affairs on the theme of 'Planning and Management of Urban Services' from 19<sup>th</sup> January to 27<sup>th</sup> February, 2015. Further, a workshop on 'Making Cities Sustainable-City to City Technical Cooperation in Asia & Pacific' was organised on 5<sup>th</sup> June 2014 under CITYNET National Chapter India.

As part of R&D activities, HSMI sponsored a study on "Green Building Initiatives for Affordable Housing" to TERI University. As part of CSR activities, HSMI also prepared a CSR Report on "Provision of Night Shelter & Sanitation to Urban Shelterless Population" which also includes the mode of implementation of activities.

HSMI is one of the identified Nodal Resource Centres on behalf of the Ministry of Housing and Urban Poverty Alleviation for undertaking training and documentation activities in support of implementing Action Plan Programmes of the Ministry. The activities are supported through funds earmarked for IEC (Information, Education & Communication) component of the programme, which include National Urban Livelihood Mission and Rajiv Awas Yojana.



*CMD with the participants of International Training Programme which is organised by HUDCO, HSMI and sponsored by Ministry of External Affairs, Government of India.*

## **12. OFFICIAL LANGUAGE**

In compliance with the Government of India Policy on Official Language, HUDCO organised various activities for promotion and implementation of use of Hindi as official language in all its offices, which are summarized below:

- a) 'Raj Bhasha Month' was celebrated in September 2014 and during this period; for various competitions and programmes were organized in Corporate Office as well as in the Regional Offices.
- b) Official Language Department of our Ministry inspected our Lucknow and Patna Regional Office(s) and appreciated the progress regarding official language implementation.
- c) Officials from Corporate Office, Official Language Department visited Regional Offices at Ahmedabad, Chandigarh, Bhopal, Lucknow, Mumbai and Dehradun organized workshops / competitions for promotion of Hindi.

Our Corporate Office was awarded Raj Bhasha Shield second prize for the excellent efforts towards progressive use of Hindi by NARAKAS (Town Official Language Committee, Delhi). Likewise our Bengaluru, Bhopal, Guwahati and Lucknow Regional Offices were also awarded appreciation award(s) for progressive use of Hindi by concerned NARAKAS Samittees.

## **13. RIGHT TO INFORMATION ACT**

In order to promote transparency and accountability, HUDCO has implemented the provisions of Right to Information Act, 2005 (RTI) and all the information sought under the RTI Act during the financial year 2014-15 have been duly provided to the applicants in a time bound manner.

## **14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as required under the DPE Guidelines is annexed herewith as Annexure -1 forming part of this report.

## 15. CORPORATE GOVERNANCE

HUDCO is fully committed and believes in promoting and establishing a fair, transparent and ethical system of Corporate Governance in all its operation(s) with special emphasis on financial prudence, accountability and enhancing customer's satisfaction by safeguarding stakeholder's interest & maximizing their wealth. The report on Corporate Governance as stipulated under the DPE's Guidelines is annexed herewith as Annexure 2 forming part of this report.

## 16. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Companies Act, 2013, your Director(s) declare that:

- i. In preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a 'going concern' basis;
- v. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 17. DIRECTORS

The following changes have taken place in the composition of the Board of Directors of your Company from the date of signing of last Directors' Report for the financial year 2014-15 till the date of this Report.

| Name                     | Appointment/Cessation | Date       |
|--------------------------|-----------------------|------------|
| Shri KBS Sidhu           | Cessation             | 15.12.2014 |
| Dr. Sameer Sharma        | Appointment           | 15.12.2014 |
| Prof. Dinesh Mehta       | Cessation             | 15.01.2015 |
| Shri Virender Ganda      | Cessation             | 08.02.2015 |
| Shri Sanjeev Kumar       | Appointment           | 17.02.2015 |
| Dr. Sameer Sharma        | Cessation             | 17.02.2015 |
| Shri Rajiv Ranjan Mishra | Appointment           | 10.03.2015 |
| Shri Sanjeev Kumar       | Cessation             | 10.03.2015 |
| Shri Anil Kumar Kaushik  | Cessation             | 30.09.2015 |
| Shri Rakesh Kumar Arora  | Appointment           | 01.10.2015 |
| Prof. Sukhadeo Thorat    | Cessation             | 09.10.2015 |

Your Board placed on record its appreciation for the valuable contribution made by the outgoing director(s) namely Shri KBS Sidhu, Prof. Dinesh Mehta, Shri Virender Ganda, Dr. Sameer Sharma, Shri Sanjeev Kumar, Shri Anil Kumar Kaushik and Prof. Sukhadeo Thorat during their tenure of

directorship with the Company. Further, your Board extended a warm welcome to Shri Rajiv Ranjan Mishra and Shri Rakesh Kumar Arora for being part of HUDCO Board.

The Company has received declaration from all the Independent Director(s) of the Company confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013.

## 18. KEY MANAGERIAL PERSONNEL

In compliance of the provisions of Section 203 of the Companies Act, 2013, the following were Key Managerial Personnel (KMP) during the year under review:

| Name                     | KMP Designation                  |
|--------------------------|----------------------------------|
| Dr. M Ravi Kanth         | Chairman & Managing Director/CEO |
| Shri Anil Kumar Kaushik* | Director Finance/ CFO            |
| Shri Harish Sharma       | Company Secretary                |

\* Shri Anil Kumar Kaushik ceased to be Director Finance/ CFO with effect from 30<sup>th</sup> September, 2015 and Shri Rakesh Kumar Arora, has been appointed as Director Finance in his place with effect from 1<sup>st</sup> October, 2015.

There was no change in KMP appointed during the year.

The Government of India, Ministry of Corporate Affairs, vide notification dated 5<sup>th</sup> June, 2015 has exempted Managing Director or Chief Executive Officer or Manager and in their absence, a whole-time director of the Government Company from application of provisions of Section 203 of the Companies Act, 2013.

## 19. AUDITOR'S AND AUDITOR'S REPORT

M/s Dhawan & Co., Chartered Accountants, the Statutory Auditor's, had conducted the statutory audit of your Company for the financial year 2014-15. The Independent Auditor's Report of Statutory Auditor's for the financial year 2014-15 alongwith management reply to the observations of Statutory Auditor's is annexed herewith.

Further, comments of the Comptroller & Auditor General of India(C&AG) under section 143 of the Companies Act, 2013 on the financial statements of the company for the year ended 31<sup>st</sup> March, 2015 are yet to be received and the same alongwith management reply thereon, if any, shall be circulated as addendum to the Directors' Report.

## 20. SECRETARIAL AUDITOR'S AND THEIR REPORT

The Board of Directors has appointed M/s Suman Kumar & Associates, Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit for the financial year 2014-15 as required under Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2015 is annexed herewith forming part of the Directors' Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks. Further, comments of the Board of Directors on the Secretarial Auditors' Report, wherever required, are annexed herewith forming part of the Directors' Report.

## 21. DISCLOSURES

### Corporate Social Responsibility Committee

Your Company has constituted 'Corporate Social Responsibility Committee' of the Board in compliance with the provisions of Section 135 of the Companies Act, 2013. As on 31<sup>st</sup> March, 2015, CSR Committee of the Board comprises of Dr. M. Ravi Kanth as its Chairman, Prof. Sukhadeo Thorat and Smt. Jhanja Tripathy as other members of the Committee.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating therein the activities to be undertaken by the Company, which has been duly approved by the Board and put on the Company's website www.hudco.org.

During the year, against CSR budget of Rs. 20.64 crore, 35 proposals with CSR assistance of Rs. 12.84 crore have been sanctioned. Further, an amount of Rs. 11.62 crore has been disbursed during the year (Rs. 3.23 crore against the 35 proposals sanctioned during the year and balance of Rs. 8.39 crore against the proposal of the preceding financial years).

During the year, HUDCO has prepared a report on provision of Night Shelters and Sanitation facilities to urban shelterless population through Human Settlement & Management Institute (HSMI). Further, HUDCO has sanctioned 26 night shelter proposals with CSR assistance of Rs. 9.69 crore in addition to other projects like toilet facilities in schools and skill training programme for Safai Karmacharis and other projects at various locations, the detail of the proposals sanctioned and amount disbursed against the proposals is given in the annexed Annual Report on CSR activities.

Further, during the year, in respect of 13 proposals of Night Shelters (4 Nos. at Vishakhapatnam, 3 Nos. at Chennai and One each at Dehradun, Kolkata, Nizamabad, Tirnueveli, Udaipur and Varanasi) more than 51% of the sanctioned CSR assistance has been released in line with MoU target and these are at different stages of physical progress.

The Annual Report on CSR activities are annexed herewith forming part of the Directors Report.

### Audit Committee

Your Company has an Audit Committee in compliance with the provision(s) of Section 177 of the Companies Act, 2013 and the guidelines issued by Department of Public Enterprises (DPE) applicable to Central Public Sector Enterprises.

The details with respect to the Audit Committee as required to be given under the Companies Act, 2013 and DPE guidelines is given in the 'Corporate Governance Report'.

### Vigilance

The Corporate Vigilance Department (CVD) continued to strive for improving the system and procedure(s) in the working of the Company, in line with CVC directions issued from time to time. Several steps were initiated as part of preventive vigilance by putting in place the modes of creating general awareness amongst all officials, particularly towards vigilance-related issues, with special emphasis on implementation of e-governance by the concerned wing(s) of the Company and Regional Offices. The official website of HUDCO as well as intranet service(s) have been extensively structured towards increased access of relevant information to its internal and external stake holders with a view to ensure greater level of transparency and increased level of e-governance in the organization.

During the year, under the able guidance and leadership of Shri PRK Naidu, IPS, Chief Vigilance Officer (CVO) HUDCO, routine inspections of 10 Regional Offices as well as



*Vigilance Awareness Week*

specific inspections of 2 Regional Offices were conducted. During these inspections, the officials were apprised about preventive aspects of vigilance apart from random check of the activities of respective Regional Offices.

During the year under review, Vigilance Wing of your Company organized 'Vigilance Awareness Week' from 27<sup>th</sup> October to 1<sup>st</sup> November 2014 at the Head Office as well as at all the Regional Office(s) with focus on "Combating Corruption – Technology as an enabler".

### **Meetings of the Board**

During the year under review, 13 meeting(s) of the Board of Directors were held, the detail of which are given under the chapter 'Report on Corporate Governance' of this report.

### **Particulars of Loans, Investments, Guarantee and Securities**

The provisions of Section 186 regarding particulars of loans made, guarantee given or securities provided are not applicable to your Company, being a Housing Finance Company. Further, particulars of investment(s) made by the Company are provided in the financial statements.

### **Extract of Annual Return**

Extract of Annual Return of the Company is annexed herewith forming part of this Report.

### **Energy Conservation, Technology Absorption and Foreign Exchange Earning & Outgo**

#### **Conservation of Energy**

HUDCO, being a Public Financial Institution, does not have any manufacturing facility; hence, disclosure with respect to Conservation of Energy is not applicable. However, your Company has taken a lot of initiative both at Head Office and its Regional Office(s) towards energy conservation like, use of natural lights in place of artificial lights, use of energy efficient equipment's/ lights etc by replacing the old equipment(s).

#### **Technological Absorption**

As already explained, HUDCO being a Public Financial Institution having no manufacturing unit/facility, hence, not absorbed any technology indigenous/ imported.

#### **Foreign Exchange Earnings and Outgo**

During the year, inflow on account of foreign exchange transaction was amounted to Rs. 1.40 crore (previous year Rs. 1.73 crore) while outgo was amounted to Rs 5.93 crore (previous year Rs. 7.11 crore).

#### **Particulars of employees**

There was no employee employed during the financial year 2014-15, who was in receipt of remuneration in excess of limit prescribed under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) 2014.

## **22. GENERAL**

1. The Government of India, Ministry of Corporate Affairs, vide notification dated 5<sup>th</sup> June, 2015 has exempted Government Companies from the application of Section 178(3) of the Companies Act, 2013, hence, Company's policy on directors appointment and remuneration, etc., has not been given.
2. The Company has not entered into any contract with related parties referred to in Section 188(1) of the Companies Act, 2013.

3. There is no change in the nature of business of the Company during the year.
4. No Company has become/ ceased to be Subsidiaries, joint ventures or associate of HUDCO during the year under review. The Company has only one reportable segment as per AS-17.
5. No significant and material orders were passed by the regulators or courts or tribunals, which impacts the going concern status and Company's operations in future.
6. The Company has in place adequate internal financial controls with reference to the Financial Statements.
7. Directors on the Board of HUDCO are appointed by the President of India through the Administrative Ministry i.e. Ministry of Housing and Urban Poverty Alleviation, Government of India and their performance get evaluated as per the extant rules.

### 23. APPRECIATION AND GRATITUDE

Your Directors would like to acknowledge with gratitude their sincere appreciation for the valuable assistance and cooperation received from various bodies of the Government of India, including the Ministries of Housing and Urban Poverty Alleviation, Urban Development, Rural Development, National Housing Bank (NHB), Bankers, Financial Institutions, Credit Rating agencies, Comptroller and Auditor General, Statutory Auditors', and various other stakeholders, including Bond/Fixed Deposit holders, for their unstinted support and confidence reposed in HUDCO.

Your Directors also wish to place on record their deep sense of appreciation for the efforts and hard work put in by all the employees of the Company, and their continued contribution towards its growth and progress.

**for and on behalf of the Board of Directors**

Place : New Delhi  
Date : 9<sup>th</sup> October, 2015

Sd/-  
**Dr. M. Ravi Kanth**  
Chairman & Managing Director  
(DIN:01612905)



*B.Ed College, Mokokochung, Nagaland & Directorate of Higher Education, Govt of Nagaland*

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Central Statistics Office (CSO) had revised its base year for calculating GDP to 2011-12 and has also revised methodology for estimating National Income. The economic scenario presented by the new series with 2011-12 as base year reveals that there was perceptible improvement in some of the macro-aggregates of the economy in 2013-14, which got strengthened in 2014-15. As per new estimates, Indian economy registered GDP growth rates of 5.1% and 6.9% in 2012-13 and 2013-14 respectively while, the 2014-15 GDP growth is expected to be around 7.4%. The revised data point to the fact that the revival of growth had started in 2013-14 and attained further vigour in 2014-15.

Brighter prospects owe mainly to the fact that the economy stands largely relieved of the vulnerabilities associated with an economic slowdown, persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and fluctuating value of the rupee in 2011-12 and 2012-13. The inflationary pressures started easing from around third quarter onwards of 2014-15 which prompted Reserve Bank of India to cut the policy rate in January, 2015 after a long pause. The deflation process was set in motion by fall in food prices and international commodity prices, especially the crude oil prices. Accordingly, RBI reduced the policy Repo rate twice between January and March, 2015 by reducing it 0.25% each time down to 7.5%. As a result the interest rates started softening thereafter.

Real estate and ownership of dwelling constitute 7.8% of India's GDP in 2013-14. Both domestic and global slowdown affected this sector with growth decelerating from 7.6% in 2012-13 to 6% in 2013-14. House prices have increased over the years in many cities and towns as per the National Housing Bank's RESIDEX index of residential prices in India. In 2014, out of 26 cities, 17 cities witnessed increase in prices over 2013 with the maximum increase observed in Chennai at 17%, followed by Ahmadabad at 15%; while 7 cities registered decline in prices with the maximum fall witnessed in Meerut at 16% followed by Chandigarh at 8%.

On the policy front, the slew of initiatives taken by the Government of India during 2014-15 has focused on reviving the urban sector by launching policy initiatives like 'Housing for All by 2022', development of



*HUDCO Financed Greenfield for Petrochemical Complex Project at Sez Dahej By ONGC Petro Additions Ltd.*

'100 Smart Cities' and 'Swachh Bharat Abhiyan'. The Government has also liberalized the FDI norms for construction sector by reducing the minimum built-up area requirement for FDI in construction projects from 50,000 sqm. to 20,000 sqm. and minimum capital requirement from \$10 million to \$5 million respectively. RBI has allowed banks to issue long term bonds for financing of infrastructure and affordable housing. All these policy pronouncements would revitalise the urban sector and would catalyse flow of investments.

## 2. STRENGTHS AND WEAKNESSES

HUDCO is a leading techno-financial institution with strong corporate image in housing and urban development sectors. Its outreach is quite vast spread over 21 Regional Offices and 11 Development Offices all over India. Market coverage is wide both on the demand side as it covers all the income groups (economically weaker sections, low-income, middle-income and high-income groups) as well as on the supply side through its long-standing association with State Governments, State level agencies like Development Authorities, Housing Boards, Urban Local Bodies, Utilities, etc. HUDCO's vast and rich experience in project appraisal of housing and urban infrastructure projects is commendable.

HUDCO is a financially sound and consistently profit-earning Company. HUDCO is professionally enriched as its employees are from diverse background ranging from Finance, Law, Projects, Engineering, Architecture, HR, IT, Economics and Sociology with expertise in areas related to Housing, Urban Infrastructure, Master Plan and City Development Plans. HUDCO implements/monitors Action Plan Schemes of Government of India and it provides capacity-building support to the housing and urban development sectors through its training initiatives.

Some of the weaknesses that the Company faces are: Social mandate to lend to EWS/LIG at lower rates of interest is a systemic constraint, a mismatch between assets and liabilities because of long gestation period of projects (short-term borrowing but long-term lending); constraints on getting state government guarantees/budgetary support owing to poor financial status of state governments, its main borrowers in the urban space are the urban local bodies whose financial health is weak; aging human resource as the average age of employees is about 48 years; no young blood has been infused into the Company as there has not been any fresh recruitment for the last 15 years. However, the process of fresh recruitment is underway.

## 3. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The widening gap between demand and supply of housing units and affordable housing finance is a major cause of concern for India. At present urban housing shortage is about 18.8 million units of which 95.6 percent is in economically weaker sections (EWS)/low income group (LIG) segments and requires huge financial investment to overcome. According to government estimates, the total urban housing shortage is likely to go up to 30 million houses by 2022, if not addressed properly. Total investment estimated to fund this shortage would be to the tune of Rs. 22.5 lac crore at an average cost of Rs. 7.5 lac per unit. On infrastructure front it is estimated that the country would need to spend over US\$1 trillion in infrastructure development during the 12<sup>th</sup> Five-Year Plan (2012-17) in order to realize India's growth potential. According to the High Powered Expert Committee (HPEC), fund requirement for the urban infrastructure for the period 2012-31 is Rs. 39.2 million crore at 2009-10 prices.

Government of India has set the path for reshaping and reforming the urban sector by announcing programmes like 'Housing for All' by 2022, development of '100 Smart Cities', Heritage City Development & Augmentation Yojana (HRIDAY), Atal Mission for Rejuvenation and Urban Transformation of 500 cities (AMRUT) etc. In light of these, there is a substantial opportunity for HUDCO's contribution and business generation. The Government has recently declared to allocate Rs. 98,000 crore in five years on two projects - Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and '100 Smart Cities'. Also, the Government has approved extension for completion of 3.6 lac houses upto March 2017, sanctioned till March, 2012 under JNNURM, from earlier extension granted till March, 2015. This gives scope to HUDCO for funding the viability gap component of the projects. Further, the Real Estate Regulation & Development Bill, which has been approved by the Cabinet, will set in place a new regulatory mechanism for development of the real estate sector and subsequent financing by HUDCO.

HUDCO is one of the few players in the market lending for core-city-level infrastructure and also building the capacities of the service providers i.e. the urban local bodies and parastatal agencies. The large gap between demand and supply in housing and urban infrastructure sectors provides a huge scope for HUDCO's lending operations, there are around 8000 Urban Local Bodies (ULBs) in the country and HUDCO has to tap as many as possible because it is one of the few institutions which has the appetite to lend to urban local bodies by virtue of its experience over the years. In 2014-15, HUDCO has assisted more than 100 ULBs, exceeding its internal target.

Millennium Development Goals (MDGs) set to be achieved by 2015 has not been achieved fully by all the countries and hence they will be transformed to Sustainable Development Goals (SDGs) to be achieved by 2030. India is going to announce its SDGs soon and achievement of these goals would translate to projects which would open up huge opportunities for HUDCO in the form of consultancy services, design and development services, appraisal and financing of the projects.

HUDCO's operational performance in 2014-15 was quite impressive in terms of sanctions and disbursements. This was achieved through cautious lending, careful appraisal, prudent resource mobilization, etc. The Company strengthened its ties with the traditional borrowers and closed the year with a satisfactory performance especially against its MoU targets. Other challenges that HUDCO faces in conducting its business are: competition from Banks and Financial Institutions – HDFC, PNBHFL, LICHL; fierce competition for HUDCO's traditional niche market from banks like financing Police Housing. Compared to banks, HUDCO has very little flexibility in restructuring of loans. NHB, HUDCO's regulator has become its competitor because it has access to low cost funds of RBI on account of budgetary provisions and hence is able to lend at lower interest rates. Poor health of borrowers especially Urban Local Bodies (ULBs), reaching exposure limit in case of some borrowing states, limited access to cheaper funds, etc, are also constraints that hinder further growth of HUDCO.

#### **4. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company operates only in one segment and has no other reportable segment as per Accounting Standards issued by the ICAI. Further, product wise performance, during the year under review has been explained under the head 'Operational And Financial Performance' of the Directors' Report.

#### **5. FUTURE OUTLOOK**

During the year 2014-15, Indian Economy has shown positive symptoms of recovery from the recessionary phase prevailed during the last year. For the year 2014-15, GDP is estimated at 7.3% as compared to 6.9% in the previous year. Further, current account deficit is estimated at around 1.3% of the GDP and fiscal deficit at 4% of the GDP, making India as one of the fastest growing economies in the world.

The Government of India has taken lot of initiatives in the housing sector with a mission of achieving 'Housing for All' by the year 2022 and set a target of constructing 4 crore housing units in Rural Area(s) and 2 crore in Urban area(s) in the Country.

Ministry of Housing and Urban Poverty Alleviation, Government of India in its study has estimated shortage of 18.78 million housing units during the 12<sup>th</sup> five year plan period, out of which more than 95% of the housing units are estimated to be in the Economically Weaker Section (EWS) and Low Income Group (LIG) segment. Further, with rapid increase in the urban population, the demand of housing units would also increase substantially besides development of other social infrastructures facilities like road & transport, power, water, sewerage and drainage etc.

With a view to accelerate economic and industrial development in the Country, Government has launched its mission to develop 100 cities as "Smart Cities" and accelerated building of industrial corridors in the country.

Keeping in view the Government policies for the overall development of the economy both on housing and infrastructure front, there will be substantial investment both from Government and private sector and HUDCO being an integral part of the Ministry of Housing and Urban Poverty Alleviation would be

at advantageous edge to get substantial projects both for financial assistance and project consultancy to fulfill the commitment of the Government as well as its own mandate.

## **6. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

Internal Control System entails the overall control environment established by the management of an organization for effective and efficient monitoring and control of its operations at all levels to ensure adherence to the management policies, safeguarding of assets of the enterprise and proper accounting and recording of the business transactions.

HUDCO has well laid down internal control system with adequate checks and balances in various operational areas. It is regulated and controlled by Master Circulars, Operational Circulars, Guidelines, Checklists and Manuals etc. which ensures proper functioning of the internal control system. Day to day affairs in the organization is being managed through well-defined delegation of authority and responsibility at different levels. The norms for concurrence of the proposals are prescribed for technical, legal and financial areas and their adherence is ensured during processing of proposals. The financial transactions of HUDCO are recorded in the customized software package with inbuilt control mechanism. During the course of Internal Audit their efficiency is evaluated. The internal control system is adequate and commensurate with the size of the company and nature of its business. Being a continuous process, the various checks and internal control are constantly reviewed; updated and necessary steps are taken to strengthen the same keeping in view the latest developments on the economic scenario and experience learnt during the courses of Operations and Internal Audit.

## **7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The above has been fully explained in the Directors Report under the head 'operational and financial performance'

## **8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

With a view to enhance/ upgrade the knowledge and skills of employees, capability development programmes were undertaken in various strategic, functional and behavioural areas. During the year, 358 employees were imparted training in India & Abroad.

As on 31<sup>st</sup> March, 2015, the manpower strength of the Company stood at 892 comprising of 665 executives and 227 non-executives, out of which, there were 165 SCs, 56 STs, 78 OBCs, 17 Physically Handicapped and 14 Ex-servicemen employees. Further, strength of women employees was 256 constituting 27.95% of the total strength which includes 50 employees in SC/ST category. HUDCO continues to follow the Government policies on reservation for SC/ST/OBCs etc.

Further, HUDCO has a 'Whistle Blower Policy' to encourage honest and upright persons to assist the organisation in bringing full transparency and checking malpractices in its operations.

## **9. ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION**

The detail(s) about environmental protection and conservation, technological conservation, renewable energy developments, foreign exchange conservation is given in the Directors Report.

## **10. CORPORATE SOCIAL RESPONSIBILITY**

The position with respect to Corporate Responsibility Statement has already been explained in the Directors' Report under the heading 'Corporate Social Responsibility'.

## 11. CAUTIONARY STATEMENT

All the Statements in the Management Discussion and Analysis Report with regard to projections, estimates and expectations are forward looking statement, based on certain future assumptions and expectations, which could be different from the actuals envisaged. The Company assumes no responsibility in any way to modify or revise such statements based on subsequent events or developments.

for and on behalf of the Board of Directors

Place : New Delhi  
Date : 9<sup>th</sup> October, 2015

Sd/-  
**Dr. M. Ravi Kanth**  
Chairman & Managing Director  
(DIN:01612905)



Road Project by Rajasthan State Road Development & Construction Corporation Limited

# CORPORATE GOVERNANCE REPORT

(In accordance with DPE guidelines)

## 1. Corporate Governance Philosophy

HUDCO, a Mini Ratna, wholly owned Government Company under the Ministry of Housing & Urban Poverty Alleviation, (MoHUPA), Government of India, is fully committed and believes in promoting and establishing a fair, transparent and ethical system of Corporate Governance in all its operation(s) with special emphasis on financial prudence, accountability and enhancing customers' satisfaction by safeguarding stakeholders' interest & maximizing their wealth.

Though, equity shares of HUDCO are not listed, being a wholly owned Government Company, yet it is following the guidelines on Corporate Governance in its true spirit issued by the Department of Public Enterprises (DPE), Government of India.

The compliance by the Company with DPE's Guidelines on Corporate Governance and the disclosure requirements under the Companies Act, 2013 are given below.

## 2. Board of Directors

HUDCO is a Government Company within the meaning of section 2(45) of the Companies Act, 2013 as 100% of its paid up equity share capital is held by Government of India. The power to appoint/nominate Directors on the Board of HUDCO vests with the President of India as provided in Articles of Association of the Company.

### 2.1 Composition of Board

As on 31<sup>st</sup> March, 2015, the Board of HUDCO comprises of a Chairman & Managing Director, two functional director(s), two Government nominee director(s) and one Independent director, the composition of which was as under:

| Sl. No.   | Name   | Position                         | Qualification   |
|---|--|----------------------------------|---|
| <b>Whole Time Directors (Executive Directors)</b>             |  |                                  |   |
| 1   | Dr. M Ravi Kanth<br>(DIN : 01612905)         | Chairman & Managing Director     | MA(Economics),<br>Ph.D. (Agri-Exports),<br>LL.B and MBA (Finance)   |
| 2   | Shri Nand Lal Manjoka<br>(DIN : 06560566)    | Director<br>(Corporate Planning) | AMIE (Civil Eng.),<br>MBA (Int. Business),<br>Executive Master in<br>International Business.  |
| 3   | Shri Anil Kumar Kaushik<br>(DIN : 06600755)  | Director (Finance)               | M.Com, L.L.B., ACMA, ACS  |
| <b>Government Nominee Directors (Non-Executive Directors)</b> |  |                                  |   |
| 4   | Smt. Jhanja Tripathy<br>(DIN : 06859312)     | Director                         | Masters in Psychology, PGD<br>in Industrial Relations &<br>Personnel Management   |
| 5   | Shri Rajiv Ranjan Mishra (DIN :<br>06480792) | Director                         | B. Tech (Mechanical),<br>Certificate(s) in Advanced<br>Studies in Public<br>Administration, Public<br>Budgeting and Project<br>Management |

| Sl. No.   | Name                                      | Position | Qualification   |
|---|---|----------|---|
| <b>Independent Directors ( Non-Executive Directors)</b> |   |          |   |
| 6   | Prof. Sukhadeo Thorat<br>(DIN : 06414412) | Director | MA (Eco.), M.Phil./ Ph.D. (Eco.), Diploma in Economic Planning & Honorary D.Litt. |

The Company is short of 4/2 Independent Director(s) as per DPE guidelines and Companies Act, 2013 respectively, for which the matter has been taken up with the Administrative Ministry i.e. Ministry of Housing & Urban Poverty Alleviation, Government of India, being the appointing authority and the same is under process.

No Director is related to any other directors in any manner

### Change in the Board of Directors

From the date of signing of last Directors' Report for the financial year 2014-15 till the date of this Report, following changes have taken place in the composition of the Board of Directors.

### Appointments

Dr. Sameer Sharma, Shri Sanjeev Kumar and Shri Rajiv Ranjan Mishra were appointed as Government nominee director(s) w.e.f. 15<sup>th</sup> December, 2014, 17<sup>th</sup> February, 2015 and 10<sup>th</sup> March, 2015 respectively.

### Cessation

Shri KBS Sidhu, Dr. Sameer Sharma and Shri Sanjeev Kumar, Government Nominee Director(s) ceased to be Director(s) w.e.f. 15<sup>th</sup> December, 2014, 17<sup>th</sup> February, 2015 and 10<sup>th</sup> March, 2015 respectively. Further, Prof. Dinesh B Mehta and Shri Virender Ganda, Independent Director(s) ceased to be director(s) w.e.f. 15<sup>th</sup> January, 2015 and 8<sup>th</sup> February, 2015 respectively on completion of their term of appointment.

The brief of new appointees on the Board is as under:

| Sl. No.   | Name   | Position                         | Qualification   |
|---|--|----------------------------------|---|
| <b>Government Nominee Directors (Non-Executive Directors)</b> |  |                                  |   |
| 1.  | Dr. Sameer Sharma<br>(15.12.2014 to 17.2.2015) | Director<br>(Government Nominee) | Post- Graduation in Chemistry, Urban & Community Planning, and Ph.D. (USA) in Globalization and Urban Develop.        |
| 2.  | Shri Sanjeev Kumar (17.2.2015 to 10.3.2015)    | Director<br>(Government Nominee) | BE (Hons) - Electronic Commn, M Tech – Commn. Engg., and MBA in Financial Mgmt.                                       |
| 3.  | Shri Rajiv Ranjan Mishra (from 10.3.2015)      | Director<br>(Government Nominee) | B. Tech (Mechanical), Certificate(s) in Advanced Studies in Public Administration, Public Budgeting, and Project Mgmt |

### Shri Rajiv Ranjan Mishra (DIN: 06480792)

Shri Rajiv Ranjan Mishra, Joint Secretary (Housing), Ministry of Housing & Urban Poverty Alleviation (MoHUPA), Government of India, is a 1987 batch IAS officer of Andhra Pradesh Cadre, has been appointed as Government Nominee Director on the Board of HUDCO on 10<sup>th</sup> March, 2015.

Shri Mishra holds a bachelor degree in Mechanical Engineering and Certificate(s) in Advanced Studies in Public Administration, Public Budgeting and Project Management. He held important positions both at Centre and State Government such as Principal Secretary, Infrastructure & Investment Department, Joint Secretary and Ex-officio Mission Director of National Mission for Clean Ganga (NGMC).

As per his disclosure of interest, he hold directorship in Hindustan Prefab Limited besides Housing and Urban Development Corporation Limited.

#### **Dr. Sameer Sharma (DIN: 02749958)**

Dr. Sameer Sharma, the then Joint Secretary (Housing), Ministry of Housing & Urban Poverty Alleviation (MoHUPA), is a 1985 batch IAS officer of Andhra Pradesh Cadre was associated as Government Nominee Director with HUDCO from 15<sup>th</sup> December, 2014 to 17<sup>th</sup> February, 2015.

Dr. Sharma holds a Post-Graduation degree in Chemistry, Master of Community Planning, and Doctorate in Globalization and Urban Development. He held important positions both at Centre and State Government level. Prior to his appointment as Joint Secretary (Housing), he was Managing Director, India Tourism Development Corporation, under the Ministry of Tourism, Government of India.

#### **Shri Sanjeev Kumar (DIN: 01866640)**

Shri Sanjeev Kumar, the then Joint Secretary (Housing), Ministry of Housing & Urban Poverty Alleviation (MoHUPA), is a 1993 batch IAS officer of Maharashtra Cadre was associated as Government Nominee Director with HUDCO from 17<sup>th</sup> February, 2015 to 10<sup>th</sup> March, 2015.

He holds a BE (Hons) in Electronics Communication, M-Tech in Communication Engineering and MBA in Financial & Project Management. He held important positions both at Centre and State Government level.

## **2.2 Detail of the Board Meeting(s)**

During the year 2014-15, the Board of Directors met for 13 times as per detail given below:

| Sl. No. | Date of Meeting(s) | Place     | Board Strength | No. of Director(s) Present |
|---------|--------------------|-----------|----------------|----------------------------|
| 1.      | 30.04.2014         | New Delhi | 8              | 6                          |
| 2.      | 18.06.2014         | New Delhi | 8              | 6                          |
| 3.      | 30.07.2014         | New Delhi | 8              | 7                          |
| 4.      | 28.08.2014         | New Delhi | 8              | 6                          |
| 5.      | 25.09.2014         | New Delhi | 8              | 4                          |
| 6.      | 11.11.2014         | New Delhi | 8              | 6                          |
| 7.      | 01.12.2014         | New Delhi | 8              | 3                          |
| 8.      | 22.12.2014         | New Delhi | 8              | 6                          |
| 9.      | 18.02.2015         | New Delhi | 6              | 6                          |
| 10.     | 26.02.2015         | New Delhi | 6              | 4                          |
| 11.     | 17.03.2015         | New Delhi | 6              | 5                          |
| 12.     | 23.03.2015         | New Delhi | 6              | 5                          |
| 13.     | 26.03.2015         | New Delhi | 6              | 3                          |

### 2.3 Attendance Record and Directorship/ Committee Position held during the financial year 2014-15

| Sl. No. | Name of the Director(s)                          | No. of Board Meeting(s)             |          | Last AGM Attended (A.G.M. held on 25.9.2014) | Number of directorship/ committee membership/ chairmanship held as on 31.03.2015 |                      |
|---------|--|-------------------------------------|----------|--|--|----------------------|
|         |  | Held during their tenure in 2014-15 | Attended |  | Directorship   | Committee Membership |
| 1.      | Dr. M. Ravi Kanth (from 11.04.2014)              | 13                                  | 13       | Yes  | 3  | 0                    |
| 2.      | Shri N.L. Manjoka                                | 13                                  | 12       | Yes*   | 1  | 1                    |
| 3.      | Shri Anil Kumar Kaushik                          | 13                                  | 13       | Yes  | 1  | 1                    |
| 4.      | Smt. Jhanja Tripathy (from 3.5.2014)             | 12                                  | 9        | No.  | 6  | 6                    |
| 5.      | Shri Rajiv Ranjan Mishra (from 10.3.2015)        | 3                                   | 2        | No   | 2  | 2                    |
| 6.      | Prof. Sukhadeo Thorat                            | 13                                  | 5        | Yes**  | 1  | 1                    |
| 7.      | Shri V.P. Baligar (upto 10.4.2014)               | 0                                   | 0        | No   | -  | -                    |
| 8.      | Shri Naresh Salecha (upto 3.5.2014)              | 1                                   | 0        | No   | -  | -                    |
| 9.      | Shri K.B.S. Sidhu (upto 15.12.2014)              | 7                                   | 4        | No   | -  | -                    |
| 10.     | Prof. Dinesh Mehta (upto 15.1.2015)              | 8                                   | 5        | No   | -  | -                    |
| 11.     | Shri Virender Ganda (upto 8.2.2015)              | 8                                   | 2        | No   | -  | -                    |
| 12.     | Dr. Sameer Sharma (from 15.12.2014 to 17.2.2015) | 1                                   | 1        | No   | -  | -                    |
| 13.     | Shri Sanjeev Kumar (from 17.2.2015 to 10.3.2015) | 2                                   | 1        | No   | -  | -                    |

\* Also attended as representative of the 'Stakeholders Relationship Committee'.

\*\* Also attended as representative of the 'Audit Committee'.

- None of the Directors on the Board of HUDCO was a member of more than 10 Committee(s), and Chairman of more than 5 Committee(s), across all the Companies (Public Limited) in which, he/she is a Director.
- For computation of limit of chairmanship/membership of the Committee(s), Chairmanship/ membership of the Audit Committee and Stakeholders' Grievance Committee alone shall be considered as per DPE Guidelines.

## 2.4 Declaration of the Code of Conduct

The Board of Directors of your Company has laid down HUDCO's Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company as per the DPE guidelines and the same has been placed on the website. All the Board Members and Senior Management Personnel have affirmed compliance with the Code.

### Declaration

It is hereby declared that the Company has obtained from the Board and Senior Management Personnel of the Company, affirmation that they have complied with the HUDCO's Code of Conduct and Ethics.

**For and on behalf of the Board of Directors**

Sd/-  
**Dr. M. Ravi Kanth**  
 Chairman & Managing Director

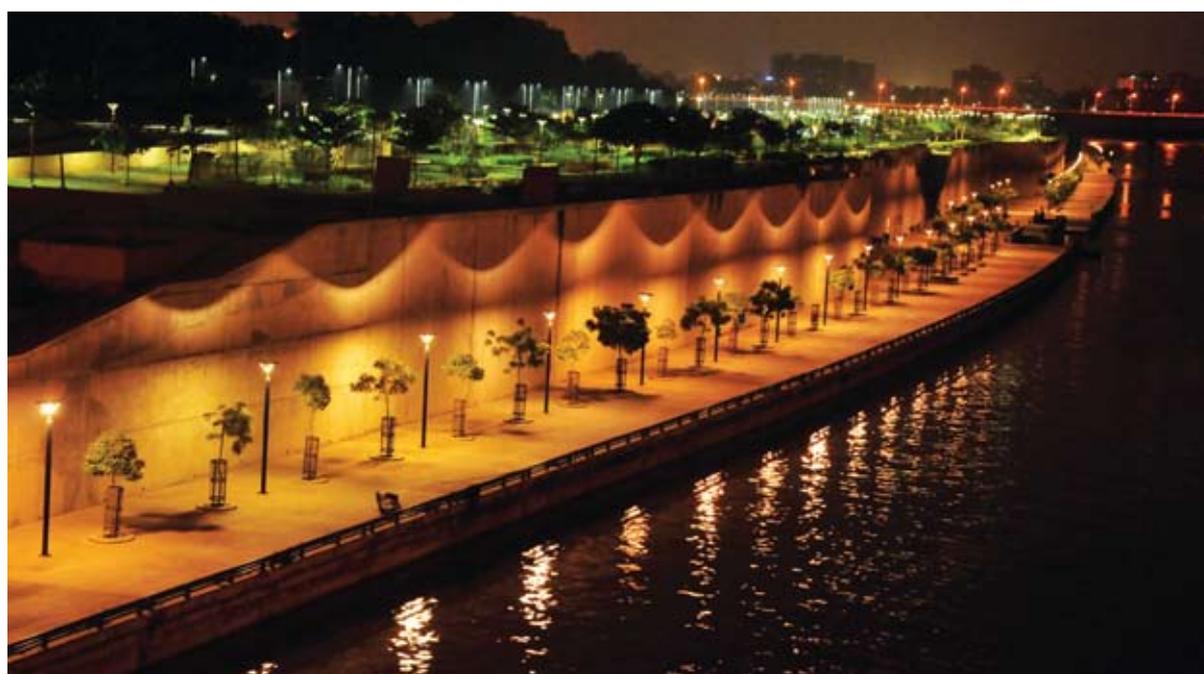
## 3. Audit Committee

### 3.1 Composition of the Audit Committee

As on 31<sup>st</sup> March, 2015, the Audit Committee comprised of the following members:

| Sl. No. | Name                     | Position | Status of Member   |
|---------|--------------------------|----------|--|
| 1.      | Prof. Sukhadeo Thorat    | Chairman | Independent Director   |
| 2.      | Smt. Jhanja Tripathy     | Member   | Government Nominee Joint Secretary & Financial Advisor, MoHUPA |
| 3.      | Shri Rajiv Ranjan Mishra | Member   | Government Nominee, Joint Secretary (Housing), MoHUPA          |

Director (Finance), Executive Director – Internal Audit/ Finance & other senior functionaries and Statutory Auditors are generally invited to attend the Audit Committee meeting(s) without conferring any right to vote.



HUDCO Financed Sabarmati River Front Development Project at Ahmedabad (Night View)

The composition of the Committee is not in line with the Companies Act, 2013 and DPE guidelines, since the Company does not have requisite number of Independent Director(s).

As on 31<sup>st</sup> March, 2015, Company has only one Independent Director, namely, Prof. Sukhadeo Thorat, who is heading the Committee and the other two members are Government nominee directors, being non-functional, non-executive directors. As per Articles of Association of the Company, the power to appoint/ nominate directors on the Board of HUDCO vests with the President of India and this power is exercised by President of India through the Administrative Ministry concerned. The Company has already taken up the matter with its administrative ministry i.e. Ministry of Housing & Urban Poverty Alleviation, Government of India, and the same is under process.

### Secretary to the Audit Committee

|                          |                   |
|--------------------------|-------------------|
| Shri Harish Kumar Sharma | Company Secretary |
|--------------------------|-------------------|

### 3.2 Terms of reference of the Audit Committee

The terms of reference of Audit Committee are to comply with the provisions of the Companies Act and the guidelines as contained under Corporate Governance Guidelines for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises relating to Audit Committee. The meetings of the Audit Committee are regularly held to review various issues/tasks as per terms of reference of the Committee.

The Company Secretary acts as the Secretary to the Audit Committee. Director (Finance), Executive Director – Internal Audit/ Finance & other senior functionaries and Statutory Auditors are generally invited for the meeting(s) of the Audit Committee as per requirement. The recommendations of the Audit Committee were considered/accepted and implemented by the Board.

### 3.3 Audit Committee Meetings and Attendance

During the year 2014-15, seven meeting(s) of the Audit Committee were held as per following details:

#### Detail of the meetings

| Sl. No. | Date of Meeting(s) | Place     | Total Strength | No. of Member(s) Present |
|---------|--------------------|-----------|----------------|--------------------------|
| 1.      | 30.04.2014         | New Delhi | 5              | 3                        |
| 2.      | 17.05.2014         | New Delhi | 4              | 2                        |
| 3.      | 26.05.2014         | New Delhi | 4              | 2                        |
| 4.      | 04.07.2014         | New Delhi | 4              | 3                        |
| 5.      | 30.07.2014         | New Delhi | 4              | 2                        |
| 6.      | 11.11.2014         | New Delhi | 4              | 3                        |
| 7.      | 03.02.2015         | New Delhi | 3              | 2                        |

#### Attendance of members at the meetings

| Sl. No. | Name of Member                        | No. of Audit Committee Meeting(s)   |          |
|---------|---------------------------------------|-------------------------------------|----------|
|         |                                       | held during their tenure in 2014-15 | attended |
| 1.      | Shri Virender Ganda (upto 08.02.2015) | 7                                   | 7        |
| 2.      | Prof. Dinesh Mehta (upto 15.01.2015)  | 6                                   | 3        |

|    |  |   |   |
|----|--|---|---|
| 3. | Shri Naresh Salecha (upto 03.05.2014)              | 1 | 0 |
| 4. | Shri K.B.S Sidhu (upto 30.04.2014)                 | 1 | 1 |
| 5. | Prof. Sukhadeo Thorat                              | 7 | 4 |
| 6. | Smt. Jhanja Tripathy (from 03.05.2014)             | 6 | 2 |
| 7. | Shri Sanjeev Kumar (from 17.02.2015 to 10.03.2015) | 0 | 0 |
| 8. | Shri Rajiv Ranjan Mishra (from 17.03.2015)         | 0 | 0 |

Shri Anil Kumar Kaushik, Director (Finance) attended the Audit Committee meeting(s) as a special invitee.

#### 4. Remuneration Committee

As on 31<sup>st</sup> March, 2015, constitution of the Remuneration Committee constituted as per DPE guidelines comprised of the following members:

| Sl. No. | Name                     | Position | Status of Member  |
|---------|--------------------------|----------|---|
| 1.      | Prof. Sukhadeo Thorat    | Chairman | Independent Director  |
| 2.      | Smt. Jhanja Tripathy     | Member   | Government Nominee<br>Joint Secretary & Financial Advisor, MoHUPA |
| 3.      | Shri Rajiv Ranjan Mishra | Member   | Government Nominee,<br>Joint Secretary (Housing), MoHUPA          |

The scope, powers and terms of reference of the Remuneration Committee are as per directives issued by the DPE to decide the annual bonus/variable pay pool and policy for its distribution across the executives and non-unionised supervisors within the prescribed limits. The terms and conditions of appointment and remuneration payable to its functional directors including Chairman & Managing Director are approved by the President of India through the Administrative Ministry i.e. 'Ministry of Housing and Urban Poverty Alleviation'.

#### Detail of the meetings

| Sl. No. | Date of Meeting(s) | Place     | Total strength | No. of Member(s) present |
|---------|--------------------|-----------|----------------|--------------------------|
| 1.      | 10.10.2014         | New Delhi | 3              | 3                        |
| 2.      | 03.02.2015         | New Delhi | 3              | 2                        |

#### Attendance of members at the meetings

| Sl. No. | Name of Member                           | No. of Meeting(s)                   |          |
|---------|--|-------------------------------------|----------|
|         |  | held during their tenure in 2014-15 | attended |
| 1.      | Prof. Sukhadeo Thorat* (from 16.01.2015) | 1                                   | 1        |
| 2.      | Shri Virender Ganda (Upto 08.02.2015)    | 2                                   | 2        |
| 3.      | Smt Jhanja Tripathy (from 28.08.2014)    | 2                                   | 1        |
| 4.      | Prof. Dinesh Mehta (Upto 15.01.2015)     | 1                                   | 1        |
| 5.      | Shri Naresh Salecha (Upto 03.05.2014)    | 0                                   | 0        |

|    |  |   |   |
|----|--|---|---|
| 6. | Shri Sanjeev Kumar (from 18.02.2015 to 10.03.2015) | 0 | 0 |
| 7. | Shri Rajiv Ranjan Mishra (from 17.03.2015)         | 0 | 0 |

\* Prof. Sukhadeo Thorat was nominated as Chairperson of the Committee with effect from 18<sup>th</sup> February, 2015 in place of Shri Virender Ganda, who remained Chairperson up to 8<sup>th</sup> February, 2015.

Further, the company has Nomination & Remuneration Committee of the Board in place in compliance of the provision(s) of Section 178 of the Companies Act, 2013 consisting of Prof. Sukhadeo Thorat, Independent Director as Chairman, Smt Jhanja Tripathy and Shri Rajiv Ranjan Mishra, Government nominee director(s) as member(s) of the Committee. No meeting of the Committee was held during the year 2014-15.

**4.1** Independent Directors (Non-Executives) are paid sitting fees for attending each meeting Board/ Audit Committee and other Committee of Directors.

#### **4.2 Details of Remuneration of Whole Time Directors/ Key Managerial Personnel**

Details of the remuneration paid to the Whole Time Director(s)/ Key Managerial Personnel during the year 2014-15 are given below:

| Sl. No. | Name of Director   | Salary/ Allowances | Benefits* | Performance Linked Incentives | Gross Amount   |
|---------|--|--------------------|-----------|-------------------------------|----------------|
| 1.      | Dr. M Ravi Kanth* Chairman & Managing Director/ KMP      | 1982946            | 1107177   | 0                             | <b>3090123</b> |
| 2.      | Shri N L Manjoka Director (Corporate Planning)           | 2156866            | 1675825   | 1199888                       | <b>5032579</b> |
| 3.      | Shri A K Kaushik Director (Finance) and KMP              | 2167173            | 1915257   | 1119750                       | <b>5202180</b> |
| 4.      | Shri Harish Kumar Sharma, Company Secretary and KMP      | 1122165            | 226241    | 85898                         | <b>1434304</b> |
| 5.      | Shri V. P. Baligar**<br>Ex. Chairman & Managing Director | 101776             | 122800    | 0                             | <b>224576</b>  |

\* For the period from: 11<sup>th</sup> April, 2014 to 31<sup>st</sup> March, 2015

\*\* Upto 10<sup>th</sup> April, 2014

• Benefits include medical reimbursement, leave encashment, perquisites, lease rent, EPF etc.

#### **4.3 Details of Remuneration paid to Independent Directors and Government Nominee Director(s)**

Independent Directors (Non-Executive Directors) are paid sitting fee at the rate of Rs. 10,000/- for each meeting of the Board and Rs. 8000/- for each meeting of the Committee(s) attended by them.

Details of sitting fee paid to Independent Directors during the year 2014-15 are as given below:

| Sl. No. | Name of the Independent Director | Sitting Fee         |                         | Total (Rs.)   |
|---------|----------------------------------|---------------------|-------------------------|---------------|
|         |                                  | Board Meeting (Rs.) | Committee Meeting (Rs.) |               |
| 1.      | Prof. Dinesh Mehta               | 50000               | 112000                  | <b>162000</b> |
| 2.      | Shri Virender Ganda              | 20000               | 80000                   | <b>100000</b> |
| 3.      | Prof. Sukhadeo Thorat            | 50000               | 72000                   | <b>122000</b> |

Government Nominee Directors (Non-Executive) are not paid to any remuneration or sitting fee by the Company.

## 5. Stakeholders Relationship Committee

HUDCO has constituted 'Stakeholders Relationship Committee' of the Board in compliance of the provision(s) of Section 178 of the Companies Act, 2013 consisting of Smt Jhanja Tripathy, Government nominee director as Chairperson and Shri N L Manjoka and Shri Anil Kumar Kaushik, Functional Director(s) as member(s) of the Committee to consider and resolve the grievances of stakeholders of the Company. During the year, three meeting of the Committee were held on 1<sup>st</sup> October, 2014, 22<sup>nd</sup> December, 2014 and 18<sup>th</sup> February, 2015.

## 6. Details of General Meeting(s):

### 6.1 Date, location and time of AGM held during the last three years

| Financial Year | Location                     | Date       | Time       | Special Resolution |
|----------------|------------------------------|------------|------------|--------------------|
| 2013-2014      | Registered Office, New Delhi | 25.09.2014 | 12.30 p.m. | 1                  |
| 2012-2013      | Registered Office, New Delhi | 28.06.2013 | 12.30 p.m. | -                  |
| 2011-2012      | Registered Office, New Delhi | 09.07.2012 | 12.00 p.m. | -                  |

### 6.2 Extra-ordinary General Meeting.

During the year, one Extra-ordinary General Meeting of the shareholders was held on 5<sup>th</sup> September, 2014 for seeking approval of the shareholders by way of special resolution under the provisions of Section 180(1)(a) &(c) of the Companies Act, 2013.

### 6.3 Resolution through Postal Ballot

No resolution has been passed through Postal Ballot during the financial year 2014 -15.

## 7. Disclosures

- a) There were no material transactions with related parties that may have potential conflict with the interest of the Company at large. The details of Related Party transactions have been appropriately disclosed in Note No.23 relating to Personnel Expenses, Note No.24 relating to Administrative and Other Expenses and Note No.26 relating to Notes forming part of the Accounts.
- b) All compliances as prescribed under the DPE guidelines on Corporate Governance applicable to HUDCO have been complied with except condition no. 3.1.4 regarding the number of Independent Directors.  
  
The Company as on 31<sup>st</sup> March, 2015 is short of 4/2 Independent Directors as per DPE guidelines/ Companies Act, 2013 respectively and the matter has already been taken up with the Ministry and the same is under process. (Committee(s) of Director(s) as required under DPE and Companies Act, 2013 has been constituted from the available Directors).
- c) The Company is complying with National Housing Bank's credit concentration norms in respect of loans to private sector agencies. However, in case of loans to State Governments/ State Governments agencies, the said norms have been relaxed to HUDCO by NHB vide letter no. NHB/ND/HFC/DRS/3792/2011 dated April 5<sup>th</sup>, 2011 and NHB (ND)/DRS/SUP/ 6682/ 2014 dated 16<sup>th</sup> May, 2014; the same is complied with except investment in equity shares of HFC i.e. Indbank Housing Limited which is more than 15% of equity capital of the investee company as prescribed limit, which was invested around twenty years back.
- d) Like other PSUs, HUDCO is having a Whistle Blower Policy to encourage honest and upright persons to assist the organization in bringing full transparency and checking malpractices in its operations.
- e) No presidential directive has been issued by the Central Government during the year ended 31<sup>st</sup> March, 2015 and also during the last three years.

- f) During the year, an amount of Rs. 3.23 crore has been incurred towards CSR activities as required under the Companies Act, 2013, which was not for the business purposes.
- g) No expenditure of personal nature has been incurred on behalf of Board of Directors and top management.
- h) During the year, personnel & administrative expenses constituting 8.84% (Previous Year 8.10%) of total expenditure and 11.24% (Previous Year 8.94%) of financial expense(s) have been incurred. The increase in expenditure is mainly due to increase in the staff cost on account of provisioning towards pension fund and increase in the actuarial provisioning as per AS- 15.
- i) The Company's Board comprises of mix of executive/non-executive Director(s) with wide range of skills, experience and expertise in different fields. Further, they are nominated for various programmes of the professional interest of HUDCO from time to time as per their convenience and consent.
- j) The Audit Report for the year 2014-15 has been reviewed by the Audit Committee as well as by the Board. The observations pointed out by the Auditors' are self-explanatory and the same have been replied by way of notes to accounts and by way of addendum annexed with the Directors' Report.
- k) CEO and CFO Certificate as required under the DPE guidelines is annexed as Annexure- CG-1 to this report.

## **8. Means of Communications**

- a) Half yearly (unaudited) financial results reviewed by Statutory Auditors are recommended/ approved within 45 days from close of half year by the Audit Committee/Board respectively. Thereafter, the same are submitted to the stock exchange(s) and published in the leading national newspapers and are also displayed on Company's website.
- b) Annual Audited Results of the Company as recommended by the Audit Committee and approved by the Board of Directors are submitted to the Stock Exchanges and published in the newspapers and also put on Company's Website.
- c) Quarterly unaudited financial results though not mandatory as per listing agreement, yet the same are placed before the Audit Committee and the Board for their recommendation/approval as a step towards good corporate governance.

|   |   |   |
|---|---|---|
| Annual/half yearly/Quarterly results - normally published in newspapers                                     | : | Normally advertised in Economic Times, Nav Bharat Times, Financial Express, Jansatta, Business Line and Mint. |
| Website where annual/half yearly/ quarterly results are displayed   | : | www.hudco.org   |
| Whether it also displays official news releases and presentations made to institutional investors/ analysts | : | Yes   |

## **9. General Shareholder Information**

### **9.1 45<sup>th</sup> Annual General Meeting**

|               |   |  |
|---------------|---|--|
| Date and Time | : | 19 <sup>th</sup> October, 2015 at 12:30 p.m.   |
| Venue         | : | <b>Registered Office:</b><br>HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi-110003. |

## 9.2 Calendar for the financial year 2015-16 (Tentative)

|   |   |   |
|---|---|---|
| Accounting Period   | : | 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016                 |
| Unaudited financial results (half yearly)                 | : | Within 45 days from close of half year.                                     |
| Unaudited financial results (quarterly)                   | : | Within 45 days from close of relevant quarter.                              |
| Audited financial results for the last half year/ quarter | : | Within 60 days from close of last half year/ quarter of the financial year. |
| Annual General Meeting (for next year)                    | : | September, 2016   |

## 9.3 Dividend Payment Date

The Board of Directors has recommended a dividend of Rs. 120.50 crore (inclusive of dividend tax of Rs. 20.49 crore) for the financial year ended 31<sup>st</sup> March, 2015 for approval of the shareholders and on approval, the same shall be paid within statutory time period.

## 9.4 Listing of Securities on Stock Exchanges

The entire equity share of the company is held by Government of India, hence the same is not listed on the Stock Exchanges. However, the bonds issued by the Company are listed at the following stock exchanges as on 31<sup>st</sup> March, 2015:

1. National Stock Exchange of India Ltd. (NSE)
2. Bombay Stock Exchange (BSE)

This is to confirm that listing fees for these Stock exchanges have been paid regularly.

## 9.5 Dematerialization

The different bonds series of the Company have been admitted as an eligible security for trading in dematerialization form by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL).

## 9.6 Registrars and Transfer Agents

1. **Alankit Assignment Limited Alankit House,** 2. **Karvy Computer Share Pvt. Ltd.**  
2E/21, Jhandewalan Extension,  
New Delhi-110055  
Phone : 011-42541234/23541234  
Fax : 011-23552001  
Email : info@alankit.com  
Karvy Selenium, Tower B,  
Plot No. 31-32, Gachibowli,  
Financial District, Nanokramguda,  
Hyderabad – 500032  
Phone : 040-67161500  
Email : einward.ris@karvy.com
3. **Beetal Financial & Computer Services (P) Ltd.**  
Beetal House, 3<sup>rd</sup> floor, 99, Madangir, Behind  
Local Shopping Centre,  
New Delhi-110062  
Phone : 011- 29961281-83  
Fax : 011- 29961284  
Email : beetalrta@gmail.com

## 9.7 Debenture Trustees

1. **PNB Investment Services Ltd.**  
10 Rakeshdeep Building,  
Yusuf Sarai Commercial Complex, Gulmohar  
Enclave, New Delhi – 110049.  
Ph. 011- 41032929  
Fax : 011 – 41035057  
Email : coo@pnbisl.com
2. **SBICAP Trustee Company Ltd.**  
Apeejay House, 6<sup>th</sup> Floor, 3, Dinshaw Wachha  
Road, Church Gate,  
Mumbai – 400020.  
Ph.: 022-430 25555  
Fax : 022-430 25500  
Email: corporate@sbicaptrustee.com

3. **IDBI Trusteeship Services Ltd.**  
Asian Building, Ground Floor,  
17, R Kamani Marg,  
Ballard Estate, Mumbai-400001.  
Ph. 022-40807000,  
Fax : 022-66311776  
Email : itsl@idbitrustee.com
4. **Axis Trustee Services Ltd.,**  
2<sup>nd</sup> Floor, Axis House,  
C-2, Wadia International Centre,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg, Worli,  
Mumbai-400025.  
Ph. :022 – 24252525/43252525  
Email:debenturetrustee@axistrustee.com
5. **IL and FS Trust Company Ltd.**  
IL & FS Financial Centre, Plot C-22.  
G Block, Bandra Kurla Complex, Bandra East,  
Mumbai – 400051  
Ph. : 022-26593560  
Fax : 022-26533149  
Email: itcl@iflfsindia.com; itcldata@gmail.com

### 9.8 Shareholding Pattern

| Category           | As on 31.3.2013 |             | As on 31.3.2014 |             | As on 31.3.2015 |             |
|--------------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|
|                    | No. of Shares   | % of Shares | No. of Shares   | % of Shares | No. of Shares   | % of Shares |
| President of India | 2,00,18,993     | 99.999965   | 2,00,18,993     | 99.999965   | 2,00,18,993     | 99.999965   |
| Others*            | 7               | 0.000035    | 7               | 0.000035    | 7               | 0.000035    |
| Total              | 2,00,19,000     | 100.000000  | 2,00,19,000     | 100.000000  | 2,00,19,000     | 100.000000  |

\* Nominee(s) from the Ministry on behalf of the President of India.  
Face value per equity share is Rs. 1000/- only.

### 9.9 Address for Communication

The Company Secretary  
Housing and Urban Development Corporation Limited  
HUDCO, HUDCO Bhawan, Core – 7A,  
India Habitat Centre,  
Lodhi Road, New Delhi – 110003.

|                |   |                       |
|----------------|---|-----------------------|
| CIN            | : | U74899DL1970GOI005276 |
| Telephone Nos. | : | 011-24648420/24649610 |
| Fax No.        | : | 011-24625301/24615534 |
| E-mail id      | : | cswhudco@hudco.org    |

### 9.10 Web site

Shareholders related information like Annual Report/Quarterly/Half yearly financial results etc. are available on the website of the Company at [www.hudco.org](http://www.hudco.org)

### 9.11 Auditors' Certificate on Corporate Governance

As required under the DPE guidelines on Corporate Governance, the certificate from the Auditors' pertaining to the Compliance of conditions of Corporate Governance is annexed as Annexure CG-2 with this report.

## Annexure CG-1

**Chief Executive Officer (CEO) and Chief Finance Officer (CFO), certification on the financial statements for the year ended 31<sup>st</sup> March 2015, as required under the Guidelines on Corporate Governance issued by the Department of Public Enterprises.**

**The Board of Directors  
Housing and Urban Development Corporation Ltd.**

We hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2015 and to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
  - i) Significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Housing and Urban Development Corporation Limited**

Sd/-  
**Anil Kumar Kaushik**  
Director (Finance)/CFO  
DIN:06600755

Sd/-  
**Dr. M Ravi Kanth**  
Chairman & Managing Director/CEO  
DIN:01612905

**Annexure CG-2**

**Auditor's certificate regarding compliance with the conditions of Corporate Governance under clause 8.2 of the DPE Guidelines**

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**To the members of  
Housing and Urban Development Corporation Limited**

We have examined the Compliance of conditions of Corporate Governance by the **Housing and Urban Development Corporation Limited** for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 8.2 of the DPE Guidelines.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned clause of the DPE Guidelines, subject to the following:

1. The condition of not less than the fifty percent of Board members being non-executive and independent is not complied with. Matter has already been taken up with the Ministry of Housing & Urban Poverty Alleviation, for filling up the vacancies of independent Directors'.
2. The Company is complying with Housing Finance Companies' (NHB) Directions 2010 including Credit Concentration Norms in respect of loans to Private Sector Agencies. However, in case of loans to State Governments/Government agencies, the said norms have been relaxed to HUDCO by NHB vide letter no. NHB/ND/HFC/DRS/ 3792/2011 dated 5<sup>th</sup> April, 2011 and NHB (ND)/DRS/SUP/ 6682/ 2014 dated 16<sup>th</sup> May, 2014, the same is complied with except investment in equity share of HFC i.e. Indbank Housing Limited which is more than 15% of equity capital of the investee company as prescribed limit, which was invested around twenty years back".
3. The observations/qualifications on the audited financial statements of the company as at 31<sup>st</sup> March, 2015 are as detailed in the Independent Auditor's Report of even date.

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

**For M/s Dhawan & Co. Chartered Accountants**  
(Registration No.002864N)

Sd/-

**Sunil Gogia**

(Partner)

Membership No.073740

Place : New Delhi

Date : 28<sup>th</sup> September, 2015

## Addendum - I

### Annexure to the Directors' Report

Management Reply on the observations made by Statutory Auditor's on the Corporate Governance report for the financial year ended 31<sup>st</sup> March, 2015.

| Sl. No. | Auditors' observation(s)  | Management Reply   |
|---------|---|--|
| 1.      | The condition of not less than the fifty percent of Board members being non-executive and independent is not complied with. Matter has already been taken up with the Ministry of Housing & Urban Poverty Alleviation, for filling up the vacancies of independent Directors'.  | The power to appoint the Directors on the Board of HUDCO vests with the President of India, which is exercised through Administrative Ministry.<br><br>Matter has already been taken up with the Ministry of Housing & urban Poverty Alleviation, being the Administrative Ministry, for filling up the vacancies of Independent Directors, which is still pending with the Ministry.  |
| 2.      | The Company is complying with Housing Finance Companies' (NHB) Directions 2010 including Credit Concentration Norms in respect of loans to Private Sector Agencies. However, in case of loans to State Governments/Government agencies, the said norms have been relaxed to HUDCO by NHB vide letter no. NHB/ND/HFC/DRS/ 3792/2011 dated 5 <sup>th</sup> April, 2011 and NHB (ND)/DRS/SUP/ 6682/ 2014 dated 16 <sup>th</sup> May, 2014, the same is complied with except investment in equity share of HFC i.e. Indbank Housing Limited which is more than 15% of equity capital of the investee company as prescribed limit, which was invested around twenty years back". | HUDCO had invested Rs. 2.5 crore in Ind Bank Housing Limited (IBHL) being 25% of the Equity Capital of IBHL, in the year 1991 much before the prudential norms of NHB for equity investment by an HFC in another HFC were notified. However, the proposal of merger of Ind Bank Housing Limited into 'Indian Bank' has already been approved by our Board in its 534 <sup>th</sup> meeting held on 25 <sup>th</sup> September, 2014 vide item no. 534.32, which has also been conveyed to the Ind Bank Housing Limited. In this regard, further necessary action on the above is to be taken by IBHL and Indian Bank. Post IBHL's merger into Indian Bank, the aforesaid qualification will no more be applicable. |
| 3.      | The observations/qualifications on the audited financial statements of the company as at 31 <sup>st</sup> March, 2015 are as detailed in the Independent Auditor's Report of even date.   | The replies of the qualification of Statutory Auditor's as given in their report have been indicated in Addendum-II to the Directors' Report.  |

for and on behalf of the Board of Directors

Sd/-

**Dr. M. Ravi Kanth**

Chairman & Managing Director

(DIN:01612905)

Place : New Delhi

Date : 16<sup>th</sup> October, 2015

Annexure 3

**Annual Report on Corporate Social Responsibility (CSR)  
for the financial year 2014-15**

[Pursuant to Section 135 of the Companies Act, 2013 read with  
Rule 8 (1) the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

The main objective of the HUDCO 'CSR Policy' shall be to operate in economically, socially and environmentally sustainable manner in consultation with its stake holders so as to ensure upliftment of the marginalised and under-privileged sections of the society to promote inclusive socio-economic growth, empowerment of communities, capacity building, environment protection, promotion of green & energy efficient technologies, development of backward regions by specially focusing on the projects relating to habitat sector & benefit of the poor. In line with this objective, HUDCO CSR Policy's Thrust Areas are to extend support/taking up Projects related to Provision of basic amenities viz. sanitation through provision of toilets/community/pay & Use toilets etc., provision of drinking water and Night Shelter for shelterless etc., slum redevelopment including environmental improvement, Setting up homes and hostels for women and orphans, setting up old age homes, training/capacity building programmes of skill and livelihood development, for Promoting education, including special education to differently abled, proposals of Sustainability, the preservation and restoration of heritage sites/buildings of historical importance for enhancement of culture and Rural development projects, etc.

In line with these thrust areas, during the year 2014-15, HUDCO has extended support for the projects of Night Shelters for shelterless in urban areas in various states/cities, Sanitation projects and skill training, etc. In addition to this, disbursement of CSR assistance was also extended for the proposals sanctioned in the earlier years in line with the guidelines issued by Deptt. of Public Enterprises for CPSEs on CSR & Sustainability for their implementation.

The CSR Policy and other information on CSR is available on HUDCO Website at: [http://www.hudco.org//Site/FormTemplate/frmTemp1PLargeTC1C\\_P.aspx?MnId=281&Parent ID= 342](http://www.hudco.org//Site/FormTemplate/frmTemp1PLargeTC1C_P.aspx?MnId=281&Parent ID= 342)

**2. The Composition of the CSR Committee:**

As on 31<sup>st</sup> March, 2015, the Composition of the CSR Committee was as under:

- |       |  |            |
|-------|--|------------|
| (i)   | Dr. M. Ravi Kanth, CMD, HUDCO                | - Chairman |
| (ii)  | Prof. Sukhadeo Thorat, Independent Director  | - Member   |
| (iii) | Smt. Jhanja Tripathy, Govt. Director, MoHUPA | - Member   |

**3. Average Net Profit of the Company for last three financial years:**

The Average Net Profit (calculated as per the provisions of the Companies Act, 2013) of the Company for last three financial years is Rs. 1032.01 crore.

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) is Rs. 20.64 crore.

## 5. Details of CSR spent during the financial year

(a) Total amount to be spent for : Rs. 20.64 crore  
the financial year

(b) Amount unspent, if any; : During the year an amount of Rs 12.84 crore has been committed against which an amount of Rs. 3.23 crore has been disbursed to the implementing agencies and the balance amount shall be disbursed based on physical/ financial progress and an amount of Rs. 17.41 crore is yet to be disbursed. Further, an amount of Rs. 8.39 crore has been also disbursed for the proposals sanctioned in the earlier years. In line with the provisions in the Guidelines on CSR and Sustainability for CPSEs issued by Deptt. of Public Enterprises, the unspent amount has been carried forward.

(c) Manner in which the amount spent during the financial year is detailed below:

(Rs. In lac)

| Sl. No. | CSR Project/ Activity identified | Sector in which the project is covered  | Projects or programs (1) Local Area or other (2) Specify the State and District where projects of programs was taken | Amount outlay (Budget) Projects or programs wise | Amount spent on the proposals or programs sub heads (1) Direct expenditure on projects or programs (2) Over heads | Cumulative expenditure up to the reporting period | Amount spent Direct or through Implementing agency |
|---------|----------------------------------|---|--|--|---|---|--|
| 1.      | Construction of Night Shelters   | Measures for reducing the inequality faced by socially and economically backward Groups | Bathinda/ Punjab   | 138.83   | Yet to be disbursed   | Not applicable                                    | Indian Red Cross Society, Bathinda/ M. C Bathinda. |
|         |                                  |   | Chennai/ Tamil Nadu (3 Nos)  | 116.65   | 69.99   | 69.99   | Chennai Corporation                                |
|         |                                  |   | Tirunelveli/ Tamil Nadu  | 33.23  | 19.92   | 19.92   | Tirunelveli Corporation                            |
|         |                                  |   | Dehradun/ Uttarakhand  | 36.46  | 20.11   | 20.11   | Nagar Nigam Dehradun                               |
|         |                                  |   | Greater Visakhapatnam/ Andhra Pradesh (4 Nos )   | 95.80  | 64.08   | 64.08   | Greater Visakhapatnam Municipal Corporation        |
|         |                                  |   | Nizamabad/ Telangana   | 32.38  | 19.42   | 19.42   | Nizamabad Municipal Corporation                    |
|         |                                  |   | Kota / Rajasthan   | 33.71  | Yet to be disbursed   | Not applicable                                    | Municipal Corporation Kota                         |
|         |                                  |   | Udaipur/ Rajasthan   | 52.40  | 31.44   | 31.44   | Nagar Nigam Udaipur                                |
|         |                                  |   | Kolkata, West Bengal   | 31.10  | 18.66   | 18.66   | Kolkata Municipal Corporation                      |
|         |                                  |   | Varanasi/ Uttar Pradesh  | 27.22  | 15.00   | 15.00   | State Urban Development Agency                     |

|    |   |  |                              |        |                        |                   |   |
|----|---|--|------------------------------|--------|------------------------|-------------------|---|
|    |   |  | Faridabad/<br>Haryana        | 59.28  | 14.82                  | 14.82             | Faridabad<br>Municipal<br>Corporation<br>(MCF)  |
|    |   |  | Delhi/Delhi<br>(9 Nos.)      | 253.08 | Yet to be<br>disbursed | Not<br>applicable | Hindustan<br>Prefab Ltd.<br>(HPL)   |
|    |   |  | Kannur/ Kerala               | 58.50  | 14.62                  | 14.62             | Kannur<br>Municipality  |
| 2. | Capacity<br>Building<br>Programme for<br>Night Shelter<br>Operating<br>Agencies   | Measures<br>for reducing<br>the inequality<br>faced by<br>socially and<br>economically<br>backward<br>Groups | Kolkata/ West<br>Bengal      | 3.10   | 2.03                   | 2.03              | HUDCO's<br>training Institute<br>"Human<br>Settlement &<br>Management<br>Institute (HSMI)                           |
|    |   |  | Hyderabad/<br>Andhra Pradesh | 3.10   | 2.31                   | 2.31              |   |
| 3. | Construction of<br>11 toilet blocks<br>in 11 primary<br>schools of<br>Rajkot  | Sanitation   | Rajkot/ Gujarat              | 71.38  | 17.85                  | 17.85             | Municipal<br>Corporation<br>Rajkot  |
| 4. | Construction of<br>Transit Hostel<br>for Women<br>near 5 No. Bus<br>Stop at Bhopal  | Setting up<br>Hostels for<br>women   | Bhopal/ Madhya<br>Pradesh    | 45.00  | Yet to be<br>disbursed | Not<br>applicable | Municipal<br>Corporation<br>Bhopal  |
| 5. | Reconstruction<br>/ renovation of<br>shelter facilities<br>for old/widow<br>women at<br>Raas Bihari<br>Sadan,<br>Vrindavan,<br>Mathura<br>- CSR<br>assistance for<br>the structural<br>audit of the<br>building | Setting up<br>Old Age<br>Homes   | Mathura/ Uttar<br>Pradesh    | 8.50   | Yet to be<br>disbursed | Not<br>applicable | National<br>Commission for<br>Women (NCW)<br>and National<br>Building<br>Construction<br>Corporation Ltd.<br>(NBCC) |
| 6. | Construction of<br>additional class<br>rooms at HAP,<br>Madhuban,<br>Karnal,<br>Haryana   | Promoting<br>Education   | Karnal /<br>Haryana          | 23.07  | Yet to be<br>disbursed | Not<br>applicable | Haryana<br>Police Housing<br>Corporation  |
| 7. | Developing<br>and<br>Strengthening<br>Infrastructural<br>facilities in the<br>campus of Dr.<br>Shakuntala<br>Misra<br>Rehabilitation<br>University<br>Lucknow   | Promoting<br>Education<br>to differently<br>abled persons  | Lucknow/ Uttar<br>Pradesh    | 59.58  | Yet to be<br>disbursed | Not<br>applicable | Dr. Shakuntala<br>Misra<br>Rehabilitation<br>University   |

|    |   |                            |   |                |                     |                |   |
|----|---|----------------------------|---|----------------|---------------------|----------------|---|
| 8. | Construction of 22 no. of houses and 1 community hall at Dharmshala, Distt. Kangra (HP) | Rural Development Projects | Kangra/ Himachal Pradesh  | 50.00          | Yet to be disbursed | Not applicable | District Rural Development Agency (DRDA), Kangra                      |
| 9. | Skill Development Training Programmes for the Safai Karmacharis & their dependents      | Vocational Skills          | Tirupati, East Godavari, West Godavari & Vijayawada/ Andhra Pradesh | 51.40          | 12.85               | 12.85          | National Safai Karmacharis Finance & Development Corporation (NSKFDC) |
|    | <b>Grand Total</b>  |                            |   | <b>1283.77</b> | <b>323.10</b>       | <b>323.10</b>  |   |

Note: HUDCO being a financial institution having no specific geographical area and as such, CSR activities are spread across all over the country.

**6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

During the year an amount of Rs. 12.84 crore has been allocated for implementation of socially beneficial proposals such as construction of Night Shelters, Toilets in schools and Employment Oriented Skill Training Programmes all over the country on the recommendations of the CSR Committee of Board and an amount of Rs. 11.62 crore has been released to various implementing agencies for implementation of the proposals including the proposals sanctioned in the earlier years, out of which Rs. 3.23 crore was released for the proposals sanctioned during the current year and the balance amount of Rs. 8.39 crore has been released for the proposals sanctioned in the earlier years.

The entire amount could not be utilised due to the reasons that in many proposals, concerned agencies could not achieve required physical/ financial progress and submit the utilisation certificate for the CSR assistance released due to delay in obtaining required approvals, finalization of tenders etc. resulting in delay in implementation of the proposals and consequent release of subsequent instalments of the CSR assistance and in some proposals, where CSR assistance is sanctioned, documentation could not be completed by the concerned agencies in time and in view of this 1<sup>st</sup> installment of sanctioned CSR assistance couldn't be released. Further, in line with the guidelines issued by Department of Public Enterprises (DPE) on CSR & Sustainability, the unspent amount has been carried forward for taking up the activities for which the amount was allotted.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

HUDCO CSR activities are carried out in accordance with the objective/thrust areas identified in the CSR Policy approved by the Board of Directors of Company on the recommendation of the CSR Committee of Board. In line with the approved CSR Policy the proposals are monitored by the concerned Regional Offices of HUDCO for ensuring the utilisation of CSR assistance released and the status is reported to the CSR Committee of Board periodically.

Sd/-  
**Dr. M Ravi Kanth**  
 Chairman, CSR Committee and  
 Chairman & Managing Director DIN:01612905

Sd/-  
**Prof. Sukhadeo Thorat**  
 Independent Director and  
 Member CSR Committee  
 DIN:06414412

**Annexure- 4**
**Form No. MGT 9**
**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March, 2015**

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

|      |   |   |  |
|------|---|---|--|
| i)   | <b>CIN</b>  | U74899DL1970GOI005276   |  |
| ii)  | <b>Registration Date</b>  | 25 <sup>th</sup> April, 1970  |  |
| iii) | <b>Name of the Company</b>  | Housing and Urban Development Corporation Limited   |  |
| iv)  | <b>Category/Sub-category of the Company</b>   | Company limited by shares/Union Government Company  |  |
| v)   | <b>Address of the Registered office &amp; contact details</b>                             | HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi – 110003. Phone : 011-24627113-15 Fax : 011-24625308 Website : www.hudco.org  |  |
| vi)  | <b>Whether listed Company</b>   | Only bonds are listed. Equity shares are not listed.  |  |
| vii) | <b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any,</b> |   |  |
|      | 1.  | Alankit Assignment Limited<br>Alankit House, 2E/21,<br>Jhandewalan Extension,<br>New Delhi-110055<br>Phone : 011-42541234/23541234<br>Fax : 011-23552001<br>Email : info@alankit.com  | 2. Karvy Computer Share Pvt. Ltd.<br>Karvy Selenium, Tower B,<br>Plot No. 31-32, Gachibowli,<br>Financial District, Nanokramguda,<br>Hyderabad – 500032<br>Phone : 040-67161500<br>Email : einward.ris@karvy.com |
|      | 3.  | Beetal Financial & Computer Services (p) Ltd.<br>Beetal House, 3 <sup>rd</sup> floor, 99, Madangir,<br>Behind Local Shopping Centre,<br>New Delhi – 110062<br>Phone : 011- 29961281–83<br>Fax : 011 – 29961284<br>Email : beetalrta@gmail.com |  |

**II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

To provide long term finance for construction of houses for residential purposes or finances or undertake housing and urban Infrastructure development programmes in the country.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

The Company has no holding, subsidiary Companies; however, it has four joint venture companies, which covers under the definition of Associate as per Section 2(6) of the Companies Act, 2013.

| Sr. No | Name and Address of the Company           | CIN/GLN               | % of shares held |
|--------|---|-----------------------|------------------|
| 1.     | Shristi Urban Infrastructure Dev. Ltd.    | U45203DL2005PLC137777 | 40%              |
| 2.     | Pragati Social Infrastructure & Dev. Ltd. | U45203WB2005PLC102656 | 26%              |
| 3.     | MCM Infrastructure Pvt. Ltd.              | U74899DL2005PTC143136 | 26%              |
| 4.     | Signa Infrastructure India Ltd.           | U45209TN2006PLC060804 | 26%              |

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total equity):

|      |  |  |
|------|--|--|
| i)   | Category-wise Share Holding:   | 100 % equity shares held by Government of India.   |
| ii)  | Shareholding of Promoters  | 100%   |
| iii) | Change in Promoter's Shareholding  | No Change  |
| iv)  | Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): | 100 % equity shares held by Government of India  |
| v)   | Shareholding of Directors and Key Managerial Personnel:  | One share each are held by two Government nominee director(s) as representative of President of India. |

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

|  | Secured Loans excluding deposits | Unsecured Loans      | Deposits           | Total Indebtedness  |
|--|----------------------------------|----------------------|--------------------|---------------------|
| Indebtedness at the beginning of the fin. year   |                                  |                      |                    |                     |
| i) Principal Amount                              | 140098647000                     | 51110478409          | 12145969623        | 203355095032        |
| ii) Interest due but not paid                    | 0                                | 0                    | 0                  | 0                   |
| iii) Interest accrued but not due                | 1992466344                       | 2097470287           | 1880620338         | 5970556969          |
| <b>Total (i+ii+iii)</b>                          | <b>142091113344</b>              | <b>53207948696</b>   | <b>14026589961</b> | <b>209325652001</b> |
| Change in Indebtedness during the financial year |                                  |                      |                    |                     |
| * Addition                                       | 17021330604                      | 200000000            | 6971883979         | 24193214583         |
| * Reduction                                      | 3653598000                       | 12721799822          | 5051159682         | 21426557504         |
| <b>Net Change</b>                                | <b>13367732604</b>               | <b>(12521799822)</b> | <b>1920724297</b>  | <b>2766657079</b>   |
| Indebtedness at the end of the financial year    |                                  |                      |                    |                     |
| i) Principal Amount                              | 153392549000                     | 38803173535          | 14241747716        | 206437470251        |
| ii) Interest due but not paid                    | 0                                | 0                    | 0                  | 0                   |
| iii) Interest accrued but not due                | 2066229734                       | 1882884965           | 1705566542         | 5654681241          |
| <b>Total (i+ii+iii)</b>                          | <b>155458778734</b>              | <b>40686058500</b>   | <b>15947314258</b> | <b>212092151492</b> |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONAL

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

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/KMP  |                   |                   |                   | Total Amount |
|---------|---|---|-------------------|-------------------|-------------------|--------------|
|         |   | Shri V.P. Baligar (upto 10-04-2014)   | Dr. M. Ravi Kanth | Shri N.L. Manjoka | Shri A.K. Kaushik |              |
| 1       | Gross salary  |   |                   |                   |                   |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 101776  | 2605813           | 4441017           | 3918315           | 11066921     |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | NIL   | 288930            | 53872             | 45791             | 388593       |
|         | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -   | -                 | -                 | -                 | -            |
| 2       | Stock Option  | 0   | 0                 | 0                 | 0                 | 0            |
| 3       | Sweat Equity  | 0   | 0                 | 0                 | 0                 | 0            |
| 4       | Commission - as % of profit - others, specify                                       | 0   | 0                 | 0                 | 0                 | 0            |
| 5       | Others, please specify  |   |                   |                   |                   |              |
|         | Total (A)   | 101776  | 2894743           | 4494889           | 3964106           | 11455514     |
|         | Ceiling as per the Act  | Provisions of Section 197 as to ceiling on managerial remuneration not applicable to the Company. |                   |                   |                   |              |

### B. Remuneration to other Directors

| Sl. No. | Particulars of Remuneration                      | Name of Directors                      |                                       |                 | Total amount (In Rs.) |
|---------|--|--|---------------------------------------|-----------------|-----------------------|
|         |  | Prof. Dinesh B Mehta (upto 15-01-2015) | Shri Virender Ganda (upto 08-02-2015) | Prof. S. Thorat |                       |
| 1.      | Fee for attending Board and Committee meeting(s) | 162000                                 | 100000                                | 122000          | 384000                |
|         | Commission                                       | 0                                      | 0                                     | 0               | 0                     |
|         | Others, please specify                           | 0                                      | 0                                     | 0               | 0                     |
|         | <b>Total (1)</b>                                 | <b>162000</b>                          | <b>100000</b>                         | <b>122000</b>   | <b>384000</b>         |
| 2.      | Other Non-Executive Directors*                   |  |                                       |                 |                       |
|         | Fee for attending Board and Committee meeting(s) | 0                                      | 0                                     | 0               | 0                     |
|         | Commission                                       | 0                                      | 0                                     | 0               | 0                     |
|         | Others, please specify                           | 0                                      | 0                                     | 0               | 0                     |
|         | <b>Total (2)</b>                                 | <b>0</b>                               | <b>0</b>                              | <b>0</b>        | <b>0</b>              |
|         | <b>Total (B)=(1+2)</b>                           | <b>162000</b>                          | <b>100000</b>                         | <b>122000</b>   | <b>384000</b>         |
|         | <b>Total Managerial Remuneration**</b>           |  |                                       |                 | <b>0</b>              |
|         | <b>Overall Ceiling as per the Act</b>            |  |                                       |                 |                       |

\* Total remuneration to Managing Director, Whole time directors and other directors (being total of A and B above)

\*\* Other Non-Executive Directors i.e. Government Nominee Directors are not paid any remuneration by way of sitting fee or otherwise during the year under review.

**C. Remuneration to Key Managerial Personal other than Managing Director/ Whole time Directors/ Managers**

| Sl. No. | Particulars of Remuneration   | Name of Directors |                |   | Total amount (In Rs.) |
|---------|---|-------------------|----------------|---|-----------------------|
|         |   | CEO               | CFO            | Company Secretary<br>Shri Harish Sharma |                       |
| 1.      | Gross salary  | Not applicable    | Not applicable |   |                       |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                   |                | 1284544                                 | 1284544               |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                   |                | 151056                                  | 151056                |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                   |                | -                                       | -                     |
| 2.      | Stock Option  |                   |                | 0                                       | 0                     |
| 3.      | Sweat Equity  | 0                 | 0              |   |                       |
| 4.      | Commission<br>- as % of profit<br>- others, specify                                 | 0                 | 0              |   |                       |
| 5.      | Others, please specify  |                   |                |   |                       |
|         | Total   |                   |                | 1435600                                 | 1435600               |

Note: Particulars about remuneration of Dr M Ravi Kanth, Chairman & Managing Director, being CEO and Shri AK Kaushik, Director (Finance) being CFO are given under the point VI (A) Remuneration to Managing Director, Whole time Directors and/ or Manager.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE**

| Type                                | Section of the Companies Act | Brief description | Details of penalty/ punishment/ compounding fees imposed | Authority {RD/NCLT/ Court} | Appeal made, if any {give details} |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                            |                                    |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                            |                                    |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                            |                                    |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                        | NIL                                |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                        | NIL                                |

for and on behalf of the Board of Directors

Sd/-  
**Dr. M. Ravi Kanth**  
 Chairman & Managing Director  
 (DIN:01612905)

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT  
for the financial year ended 31<sup>st</sup> March, 2015**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014.]

**The Board of Directors**

**Housing and Urban Development Corporation Ltd.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Housing and Urban Development Corporation Limited - CIN: U74899DL1970GOI005276** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, complied with statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not applicable to the company during the audit period**);
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (**Not applicable to the company during the audit period**);
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the company during the audit period**);
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the company during the audit period**);



- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the company during the audit period)**; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the company during the audit period)**;
- vi. The Other Laws applicable specifically to the Company are:
- (i) National Housing Bank Act, 1987 and rules/directions/guidelines issued thereunder.
2. I have also examined compliance with the applicable clauses of the following:
- (j) Listing Agreement for Debt Securities entered into by the company with Stock Exchanges.
  - (ii) The Secretarial Standards issued by the Institute of Company Secretaries of India are not applicable for the financial year 2014-15.
3. During the period under review the company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above, subject to the following observation:
- The requirement of Independent Directors, as on 31<sup>st</sup> March, 2015 as laid down in Section 149(4) of the Companies Act, 2013 and DPE Guidelines has not been met. Accordingly the Audit Committee and Nomination & Remuneration Committee do not have the requisite number of Independent Director as prescribed under the Act and Rules made thereunder and the DPE Guidelines.*
4. I further report that:
- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive, Woman Director, except Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
5. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. I further report that during the audit period:
- (a) The Company has raised funds for amount of Rs. 615.36 crore through Public Deposit Scheme during the financial year; and
  - (b) The Company has redeemed Non-Convertible Debenture of Rs. 215.25 crore

For **Suman Kumar & Associates**

Company Secretaries

Sd/-

**(CS Suman Kumar)**

**Prop.**

FCS: 6127; CP: 6564

Place : New Delhi  
Date : 28<sup>th</sup> September, 2015

**Annexure- 5 continues**

**Management reply on the observations made by Secretarial Auditors' on the Secretarial audit report for the financial year ended 31<sup>st</sup> March, 2015.**

| <b>Sl. No.</b> | <b>Auditors' observation(s)</b>   | <b>Management Reply</b>   |
|----------------|---|---|
| 1.             | The requirement of Independent Directors, as on 31 <sup>st</sup> March, 2015 as laid down in Section 149(4) of the Companies Act, 2013 and DPE Guidelines has not been met. Accordingly the Audit Committee and Nomination & Remuneration Committee do not have the requisite number of Independent Director(s) as prescribed under the Act and Rules made thereunder and the DPE Guidelines. | <p>The power to appoint the Directors on the Board of HUDCO vests with the President of India, which is exercised through Administrative Ministry.</p> <p>Matter has already been taken up with the Ministry of Housing &amp; urban Poverty Alleviation, for filling up the vacancies of Independent Directors, which is still pending with the Ministry.</p> |

**for and on behalf of the Board of Directors**

Place: New Delhi  
Date: 9<sup>th</sup> October, 2015

Sd/-  
**Dr. M. Ravi Kanth**  
Chairman & Managing Director  
(DIN:01612905)

## INDEPENDENT AUDITOR'S REPORT



*HUDCO Design Award*

*First Prize : Deependra Prasad Architects & Planners, New Delhi : Under Category, Green Buildings, Indira Paryavaran Bhawan, New Delhi*

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**HOUSING and URBAN DEVELOPMENT CORPORATION LIMITED**

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Housing and Urban Development Corporation Limited** (the "Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2015, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our **qualified** audit opinion.

### Basis for Qualified Opinion

- i) The company has made an adjustment by way of book entry and has adjusted an amount of Rs. 146.98 crore, receivable from 3 borrowers on account of interest due upto a specific period and have shown the same as release on account of interest during construction period (IDCP). These accounts, as on the date of book adjustment, were non-performing accounts (NPA) as per the guidelines issued by National Housing Bank (NHB). The same is in contravention of the guidelines and prudential norms in respect of income recognition, issued by the NHB and the Accounting Standard (AS) – 9 on “Income Recognition” specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014. Such adjustment has resulted in overstatement of profit by Rs. 287.15 crore, overstatement of loans & advances by Rs. 146.98 crore and understatement of provision for non-performing assets by Rs. 140.17 crore. [Refer point no. 4 of Note no. 26].
- ii) During the year, the company has created an additional provision of Rs. 170 crore for non-performing assets, beyond the NHB norms. As a result, the ad-hoc provision for the non-performing assets stood at Rs. 390 crore as at 31<sup>st</sup> March 2015 as against Rs. 220 crore as at 31<sup>st</sup> March 2014. Consequently, the profit for the year is understated by Rs. 170 crore. [Refer point no. 3(b) of Note no. 26].
- iii) Furthermore, as a result of above qualification Nos. i) and ii) as reported above, there are impact on various heads in the financial statements, the aggregate impact of all the above being as under:

| S. No. | Particulars  | Increase<br>(Rs. in Crore) | Decrease<br>(Rs. in Crore) |
|--------|--|----------------------------|----------------------------|
| 1      | Interest Income  |                            | 146.98                     |
| 2      | Provision on loans [P & L item]                                    | 140.17                     |                            |
| 3      | Loans & advances   |                            | 287.15                     |
| 4      | Additional Provision on loans [Non-Performing Assets]- P & L item] |                            | 170.00                     |
| 5      | Provision on loans[Note No. 14 & 18 - Balance Sheet item]          |                            | 170.00                     |
| 6      | Profit Before Tax  |                            | 117.15                     |

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the ‘Basis for Qualified Opinion’ paragraph, the financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the **state of affairs** of the company as at 31<sup>st</sup> March 2015;
- (b) in the case of the statement of profit & loss, of the **profit** for the year ended on that date;
- (c) in the case of cash flow statement, of the **cash flow** for the year ended on that date.

### Emphasis of Matters

We draw attention to the following points:

- i) Sanctioning and disbursement of a fresh loan to U.P. Rural Housing Board (UPRHB), an existing non-performing account; approval of one time settlement in the existing account of UPRHB; transfer of part amount receivable to Government of Uttarakhand consequent to bifurcation of States pending documentation/agreements; and consequent adjustments in these accounts. [Refer point 5 of Note no. 26].

- ii) Some of the balances of loan accounts are subject to confirmation/reconciliation. [Refer Point 3(a) of Note 26].
- iii) In respect of disputes relating to Andrews Ganj Project undertaken by the company on behalf of the Ministry of Urban Development, the ministry has intimated the company that it cannot pass on the financial liability to the Government Account on account of various disputes. The company, on its part, has refused to accept any liability on account of disputes. [Refer Point 2(b) of Note 26].

Further, as indicated in Point 2(b) of Note no. 26, the company, as per the board resolution passed in the year 2009, has charged interest amounting to Rs. 22.98 crore [Rs.22.53 crore for the previous year ending 31<sup>st</sup> March, 2014] for the year ended 31<sup>st</sup> March, 2015. The same has been shown under the head "Other Income – interest on construction project". The balance outstanding as at the end of the year is Rs. 295.61 crore (debit) in "HUDCO AGP Account". The same has been informed to the concerned ministry but specific confirmation from the ministry is awaited.

Our opinion is not qualified in respect of above matters.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure - '1', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of sub section (5) of section 143 of the Companies Act, 2013, we give in the Annexure - '2', a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - c) The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
  - d) *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) The matters described in the basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the company.
  - f) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015, and taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
  - g) The qualification relating to the maintenance of accounts and other matters connected there with are as stated in the Basis for Qualified Opinion paragraph above.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer point no. 1 of Note no. 26 on Contingent Liabilities to the financial statements.
- ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company *except a sum of Rs.0.26 crore, remaining unclaimed on account of interest on bonds/deposits over 7 years.* [Refer point No. 16 (b) of Notes No. 26].

#### NHB DIRECTIVES

4. The company is complying with National Housing Bank's credit concentration norms in respect of loans to private sector agencies. However, in case of loans to State Governments / State Governments agencies, the said norms have been relaxed to HUDCO by NHB vide letter no. NHB/ND/HFC/DRS/3792/2011 dated April 5<sup>th</sup> 2011; *the same is complied with except in case of the investment in equity share of HFC i.e. Indbank Housing Limited where more than 15% of the equity capital of the investee company as prescribed limit, which was invested in the financial year 1990-91. [Refer Point no. 12(iii) of Note no. 26].*

**For Dhawan & Co.  
Chartered Accountants  
Firm Regn. No. 002864N**

**Sd/-  
Sunil Gogia  
(Partner)**

**Place : New Delhi  
Date : 28<sup>th</sup> September, 2015**

**Membership No. 073740**



*Participants of International Training Programme of HUDCO, HSML on a visit to the Parliament House*

## ANNEXURE TO THE AUDITOR'S REPORT

**Annexure - '1'** referred to in our Independent Auditor's Report to the members of the **Housing and Urban Development Corporation Limited**, on the financial statements for the year ended 31<sup>st</sup> March, 2015, we report that:

- i)
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As per information and explanations given to us, all the fixed assets have been physically verified by the company during the year. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the company has not disposed off a substantial part of its fixed assets during the year.
- ii) The nature of business of the company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order, are not applicable to the company.
- iii)
  - (a) According to the information and explanation given to us, the company has granted a loan to its directors (year ended balance Rs. 0.08 crore) (maximum balance outstanding during the year Rs. 0.14 crore) covered in the register required to be maintained under section 189 of the Companies Act, 2013 ('the Act').
  - (b) The receipt of principal amount and interest are regular.
  - (c) There are no overdue amounts of more than Rs. one lakh in respect of loan granted.
- iv) In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and nature of its business with regard to purchase of fixed assets and income from services. *In our opinion, monitoring mechanism in regional offices regarding loan schedule implementation, site inspection, reviewing of financial / technical appraisal of the schemes; and non-receipt of utilization certificates in respect of various grants and subsidies need to be further strengthened.* The company's operations, however, do not involve purchase of inventory and sale of goods.
- v) The company has accepted deposits from the public. In our opinion and according to the information and explanations given to us, the company, during the year, has complied with the directives issued by the National Housing Bank under the Housing Finance Companies (NHB) Directions, 2010 with regard to deposits accepted from the public and the rules framed thereunder; and the provisions of Section 73 to 76 and other relevant provisions of the Companies Act, 2013, and the rules framed there under.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, in respect of the business of the company.
- vii)
  - (a) According to the information and explanations given to us and according to the records produced before us for verification, the company is generally regular in depositing with appropriate authorities, the undisputed statutory dues including provident fund, income tax, wealth tax, service tax and any other material statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax and any other material statutory dues were in arrears as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of income tax, wealth tax and Service Tax which have not been deposited on account of any dispute except the following:

| Name of the statute  | Nature of Dues                  | Financial Year to which the matter pertains   | Forum where Matter is Pending               | Amount (Rs. in Crores) |
|----------------------|---------------------------------|---|---|------------------------|
| Income Tax Act, 1961 | Income Tax, Interest & Penalty  | 1996-1997,<br>1997-1998,<br>1999-2000,<br>2000-2001,<br>2001-2002,<br>2003-2004<br>2004-2005,<br>2005-2006,<br>2007-2008,<br>2008-2009,               | Dy Commissioner of Income Tax, CIT(A), ITAT | 124.50                 |
| Finance Act, 1994    | Service Tax, Interest & Penalty | 2004-2005,<br>2005-2006,<br>2006-2007,<br>2007-2008,<br>2008-2009,<br>2009-2010,<br>2010-2011,<br>2011-2012,<br>2012-2013,<br>2013-2014,<br>2014-2015 | Commissioner of Service Tax                 | 4.33                   |

- d) According to the information and explanations given to us, the amount which was required to be transferred to investor education and protection fund in accordance with sub section (2) of section 125 of the Companies Act, 2013 *except a sum of Rs. 0.26 crore, which has not been deposited on account of unclaimed interest on bonds and deposits remaining unpaid for seven years from their date of payment.*
- viii) The company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the financial year covered by our audit, and in the immediately preceding financial year.
- ix) On the basis of audit procedures adopted by us and based on the records of the company examined by us, the company has not defaulted in repayment of dues to any financial institution or bank or bondholders.
- x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi) According to the information and explanations given to us, the company has applied the term loans for the purpose for which they were obtained.
- xii) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year, although there had been three instances of loans becoming doubtful of recovery consequent upon fraudulent misrepresentation by borrowers amounting to Rs. 57.42 crore. The legal proceedings are under progress. However, the amounts are not material in the context of the size of the company and the nature of its business and which have been provided for to the extent of Rs. 23.03 crore.

**For Dhawan & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 002864N**

**Sd/-**  
**Sunil Gogia**  
**(Partner)**

Place : New Delhi  
Date : 28<sup>th</sup> September, 2015

Membership No. 073740

Annexure - '2' referred to in our Independent Auditor's Report to the members of the **Housing & Urban Development Corporation Limited**, on the financial statements for the year ended 31<sup>st</sup> March, 2015.

**Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Housing And Urban Development Corporation Ltd. for the year 2014-15 issued by the Comptroller & Auditor General of India under section 143(5) of the Companies Act, 2013.**

| Sl. No. | Observations   | Reply   |
|---------|--|---|
| 1.      | If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment purpose. | <p>HUDCO has received a letter dated 11 August, 2015 from the Ministry of Housing &amp; Urban Poverty Alleviation (MoHUPA) addressed to the Department of Disinvestment (DoD), Ministry of Finance, Govt. of India, regarding MoHUPA's in-principle approval for listing of HUDCO on the Stock Exchange.</p> <p>However, as informed by the company, necessary action with regard to valuation of Assets (including Committed &amp; General Reserve), as required, will be initiated as per directions of the MoHUPA/DoD.</p> |
| 2.      | Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reason there for and the amount involved.  | During the year 2014-15, company has waived off/written off interest i.e. (simple interest, compound interest penal interest including loss of rebate) on account of default resolution. The total amount waived stood at Rs. 95.91 Crores.   |
| 3.      | Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.  | <p>The nature of business of the company does not require it to have any inventory. Therefore, the clause with respect to inventories lying with third parties is not applicable.</p> <p>Further, during the year, company has not received assets as gifts from Govt. or other authorities.</p>  |
| 4.      | A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.  | <p>Age-wise details of pending litigation and arbitration cases are annexed as per annexure "A".</p> <p>Further, as examined by us, HUDCO Law wing doesn't have effective monitoring mechanism for the expenditure on legal cases and records kept at regional offices.</p>   |

For Dhawan & Co.  
Chartered Accountants  
(Firm Registration No. 002864N)

Sd/-  
**Sunil Gogia**  
Partner  
(Membership No. 073740)

Place : New Delhi  
Dated : 28<sup>th</sup> September, 2015

**Annexure-A**  
(Refer point No. 4 of Annexure "2")

**Age wise Details of Pending Legal/Arbitration case as on 31<sup>st</sup> March, 2015**

**Cases filed by HUDCO against others**

| Sr. No.                             | Age wise analysis | No. of cases | Reasons of pendency                      | Amount where ascertainable (Rs. In Lakhs) |
|-------------------------------------|-------------------|--------------|--|---|
| <b>Court cases</b>                  |                   |              |  |   |
| 1                                   | Prior to 2010     | 954          | Cases at different stages of proceedings | 76,732.20*                                |
| 2                                   | 2010-2015         | 364          | Cases at different stages of proceedings | 98,024.31*                                |
|                                     |                   | <b>1318</b>  |  | <b>174,756.51</b>                         |
| <b>Taxation Litigation cases</b>    |                   |              |  |   |
| 1                                   | Prior to 2010     | 9            | Cases at different stages of proceedings | 10,920.98                                 |
| 2                                   | 2010-2015         | 24           | Cases at different stages of proceedings | 33898.09                                  |
|                                     |                   | <b>33</b>    |  | <b>44,819.07</b>                          |
| <b>Service Tax Litigation cases</b> |                   |              |  |   |
| 1                                   | 2010-2015         | 14           | Cases at different stages of proceedings | 697.20                                    |
|                                     |                   | <b>14</b>    |  | <b>697.20</b>                             |
| <b>Total</b>                        |                   | <b>1365</b>  |  | <b>220,272.78</b>                         |

**Cases filed by other against HUDCO**

| Sr. No.            | Age wise analysis | No. of cases | Reasons of pendency | Amount where ascertainable (Rs. In Lakhs) |
|--------------------|-------------------|--------------|---------------------|---|
| <b>Court cases</b> |                   |              |                     |   |
| 1                  | Prior to 2010     | 9            | Trial is going on   | 609.53                                    |
| 2                  | 2010-2015         | 23           | Trial is going on   | 5975.77                                   |
| <b>Total</b>       |                   | <b>32</b>    |                     | <b>6585.30</b>                            |

For Dhawan & Co.  
Chartered Accountants  
(Firm Registration No. 002864N)

Sd/-  
Sunil Gogia  
Partner  
(Membership No. 073740)

Place : New Delhi  
Dated : 28<sup>th</sup> September, 2015

## ADDENDUM-II

### Annexure to the Directors' Report

### Comments of the Board of Directors on Statutory Auditors' Report and Annexure to the Auditors' Report

#### A. Auditors' Report

| Point No.  | Management Reply   |
|--|--|
| <b>Basis for Qualified Opinion</b>                       |  |
| i)   | Interest during Construction Period (IDCP) is financed as a part of the project cost as stated in the loan agreement and within the approved project cost. As per HUDCO's policy/ guidelines, in case the borrower agrees, HUDCO releases the IDCP due amount and pay to self so that the payment in Loan Accounts is appropriately accounted for. This facility is available to all the borrowers. However, in defaulting cases (normally consortium cases) IDCP is funded/ adjusted with the approval of the Board. Adjustment of IDCP is generally done with the consent of the borrower. As a normal process, compliance of pre disbursement conditions are ensured which in case of consortium and defaulting agency is a time consuming process. In the process, sometimes the agency comes under NPA. The adjustment of IDCP is done with the specific approval of Board duly informing the status of the agency. The above Position has also been explained in the Point No. 4 of Note 26. |
| ii)  | The Company is creating additional provision on loans as per the approved accounting policy duly recommended and approved by Audit Committee & Board {Point No. 4(b)}. The additional provision is considered prudent keeping in view the unforeseen events and happenings such as change in policy of Government & procedural delays in repayment from Government agencies etc. Position has also been explained in the Point No. 3(b) of Note 26.  |
| iii)   | The company is having additional adhoc provision to the extent of Rs. 390 crore as on 31.03.2015 including Rs.170 crores created during the year 2014-15 to set off the increase in the provisioning requirement as per approved accounting policy {refer pt. no. 4(b) of Note 1}. Hence, there is no impact of the qualification of Auditors on Profit before Tax.  |
| <b>Emphasis of Matters</b>                               |  |
| i)   | Position has been explained in the Point No. 5 of Note 26.   |
| ii)  | This being a continuous process, noted for suitable further action. Position has been explained in the Point 3(a) of Note 26.  |
| iii)   | The Andrews Ganj Project has been undertaken by the company on behalf of the Ministry of Urban Development. The position has also been disclosed in Point 2 of Note 26.  |
| <b>Report on Other Legal and Regulatory Requirements</b> |  |
| Point No. 1,2, 3 (a) to (g) and (h - i & ii)             | Statement of fact, so no comments required.  |
| Point No. 3 (h - iii)                                    | Position has been explained in the Point No. 16 (b) of Note 26.  |
| <b>NHB Directives</b>                                    |  |
| Point No. 4  | Position has been explained in the Point No. 12 of Note 26.  |

**B. Annexure to the Auditors' Report****i) Annexure 1**

| Point No.   | Management Reply   |
|---|--|
| Point No.(i),<br>(ii), (iii), (v), (vi),<br>(vii – a & b) (viii),<br>(ix), (x),(xi) | No comments required.  |
| Point No. (iv)  | This being a continuous process, noted for suitable further action.  |
| Point No.<br>(vii – c)  | The matter has been taken up with appropriate authority for decision / rectification / deletion / adjustment of demand raised by them.   |
| Point No.<br>(vii – d)  | Position has been explained in the Point No. 16 (b) of Note 26.  |
| Point No. (xii)   | Considering the size of the Company and the nature of its business no material fraud on or by the Company was noticed or reported during the year. Although there have been three instances of loans becoming doubtful of recovery consequent upon fraudulent misrepresentation by borrowers amounting to Rs. 57.42 Crores. The legal proceedings in the cases are under progress. Further, the company has created provision to the extent of Rs. 23.03 Crores in respect of aforesaid cases. |

**ii) Annexure 2**

| Point No.          | Management Reply  |
|--------------------|---|
| Point No. 1, 2 & 3 | No comments required.   |
| Point No. 4        | Statement of fact, so no comments required.<br><br>There exist duly approved guidelines for engagement of advocate, settlement of fees, monitoring and review thereof. Proper record regarding expenses of legal cases is also maintained at Regional Offices and all these expenses are booked in respective account of the scheme and are recoverable from borrowers.<br><br>As such the present system of incurring and monitoring of legal expenses is exhaustive and working satisfactorily. |

For and on behalf of the Board of Directors

Place : New Delhi  
Dated : 16<sup>th</sup> October, 2015

Sd/-  
(Dr. M. Ravi Kanth)  
Chairman and Managing Director

## COMMENTS OF THE C&AG

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of Housing and Urban Development Corporation Limited for the year ended 31<sup>st</sup> March, 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28<sup>th</sup> September, 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Housing and Urban Development Corporation Limited for the year ended 31<sup>st</sup> March, 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

#### Independent Auditor's Report

- 1) The Statutory Auditor in para (i) of Basis for Qualified Opinion has qualified that:

“The company has made an adjustment by way of book entry and has adjusted an amount of ₹ 146.98 crore, receivable from 3 borrowers on account of interest due upto a specific period and have shown the same as release on account of interest during construction period (IDCP). These accounts, as on the date of book adjustment, were non-performing accounts (NPA) as per the Guidelines issued by National Housing Bank (NHB). The same is in contravention of the Guidelines and prudential norms in respect of income recognition, issued by the NHB and the Accounting Standard (AS) - 9 on “Income Recognition” specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014. Such adjustment has resulted in overstatement of profit by ₹ 287.15 crore, overstatement of loans and advances by ₹ 146.98 crore and understatement of provision for non-performing assets by ₹ 140.17 crore.”

As per NHB Norms ‘Income including interest/discount or any other charges on NPA shall be recognised only when it is actually realised. Any such income recognised before the asset became non-performing and remaining unrealised shall be reversed.’ However, while working out the financial impact of ₹ 287.15 crore, the amount remaining unrealised in the previous year has not been considered. Further, Interest accrued but not due should have not been treated as Loan part as same was shown as Other Current Assets by the Company.

These errors have affected the financial impact worked out in the above qualification. The correct impact of the qualification should be overstatement of profit by ₹ 313.62 crore, loans & advances by ₹ 142.35 crore, & Other Current Assets by ₹ 29.64 crore and understatement of provision for non-performing assets by ₹ 141.63 crore.

- 2) The Statutory Auditor in para (ii) of Basis for Qualified Opinion has qualified that:

“During the year, the company has created an additional provision of ₹ 170 crore for non-performing assets, beyond the NHB norms. As a result, the ad-hoc provision for the non-

performing assets stood at ₹ 390 crore as at 31<sup>st</sup> March 2015 as against ₹ 220 crore as at 31<sup>st</sup> March 2014. Consequently, the profit for the year is understated by ₹ 170 crore.”

This qualification is deficient as it is a mere repetition of Point 25 of Explanatory Notes (Note 26) given in the Financial Statements for the year 2014-15 without recording the substantive reasons for this qualification in contradiction to the requirement of Standard on Auditing 705. Moreover, the additional provision was made by the company in accordance to their Accounting policy adopted in 2014-15 which was duly agreed to by the Statutory Auditor.

For and on behalf of the  
Comptroller & Auditor General of India

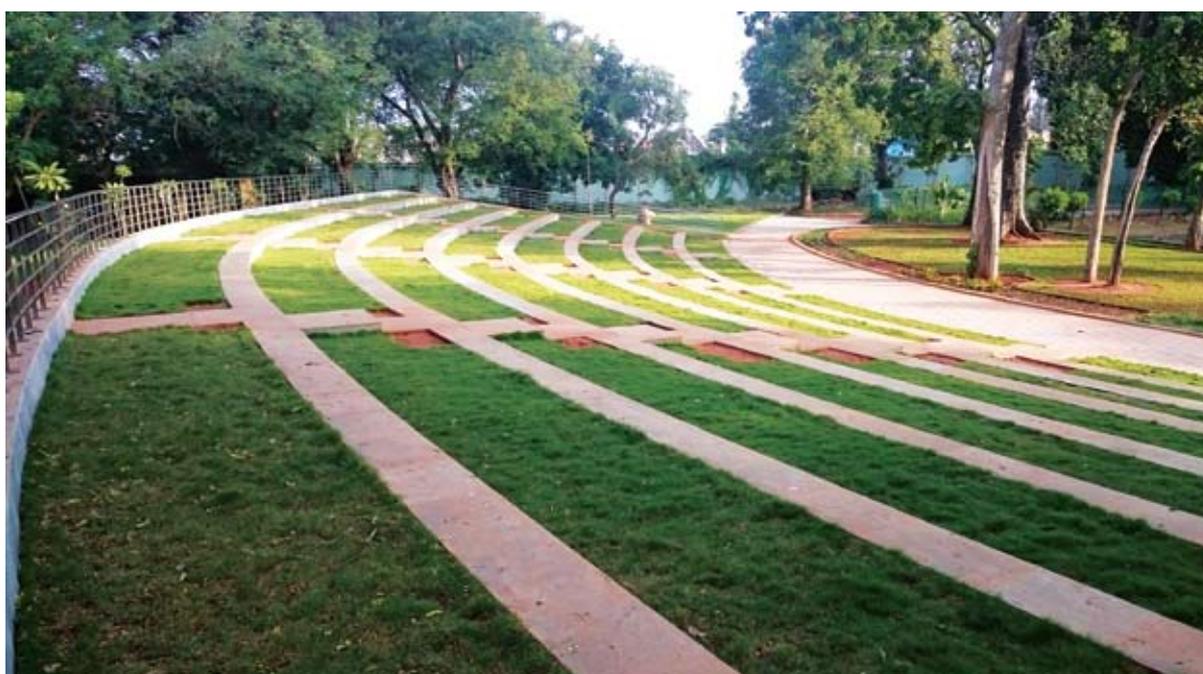
Sd/-

(Tanuja S. Mittal)

Principal Director of Commercial Audit &  
Ex-officio Member, Audit Board - III, New Delhi

Place : New Delhi

Date : 15<sup>th</sup> October 2015



*Consultancy for Beautification and Renovation of Amphitheater at Botanical Garden, Puducherry*

## ADDENDUM-III

### Annexure to the Directors' Report

#### Comments of the Board of Directors on Report of the C & AG under section 143 (6) (b) on Independent Auditor's Report

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| Point No. | Management Reply   |
|-----------|--|
| 1)        | This has already been clarified in Management Reply to the Statutory Auditor's Report. |
| 2)        | No further comments.   |

For and on behalf of the Board of Directors

Place : New Delhi  
Dated : 16<sup>th</sup> October, 2015

**Sd/-**  
**(Dr. M. Ravi Kanth)**  
Chairman & Managing Director

## FINANCIAL STATEMENT



*HUDCO Design Award  
Commendation Prize : Ravi Kumar & Associates : Under Category, Landscape Planning and Design, Moksha Griha Crematorium,  
Coimbatore, Tamilnadu*

## ANNUAL ACCOUNT

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

(₹ in crore)

| S. No.    | PARTICULARS   | NOTE No. | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-----------|---|----------|---------------------------------------|---------------------------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITIES</b>   |          |                                       |                                       |
| (1)       | <b>Share Holders' Funds</b>   |          |                                       |                                       |
|           | (a) Share Capital   | 2        | 2,001.90                              | 2,001.90                              |
|           | (b) Reserves and Surplus  | 3        | 5,779.27                              | 5,121.43                              |
|           | <b>Sub-Total (1)</b>  |          | <b>7,781.17</b>                       | <b>7,123.33</b>                       |
| (2)       | <b>Non-current Liabilities</b>  |          |                                       |                                       |
|           | (a) Long-term Borrowings  | 4        | 18,315.14                             | 18,868.21                             |
|           | (b) Deferred Tax Liabilities (Net)  | 5        | 506.89                                | 495.05                                |
|           | (c) Other Long-term Liabilities   | 6        | 73.11                                 | 112.59                                |
|           | (d) Long-term Provisions  | 7        | 258.92                                | 227.68                                |
|           | <b>Sub-Total (2)</b>  |          | <b>19,154.06</b>                      | <b>19,703.53</b>                      |
| (3)       | <b>Current Liabilities</b>  |          |                                       |                                       |
|           | (a) Short-term Borrowings   | 8        | -                                     | 20.00                                 |
|           | (b) Trade Payable   | 9        | 9.34                                  | 13.76                                 |
|           | (c) Other Current Liabilities   | 10       | 5,977.26                              | 3,176.48                              |
|           | (d) Short-term Provisions   | 11       | 191.54                                | 176.43                                |
|           | <b>Sub-Total (3)</b>  |          | <b>6,178.14</b>                       | <b>3,386.67</b>                       |
|           | <b>Total (1+2+3)</b>  |          | <b>33,113.37</b>                      | <b>30,213.53</b>                      |
| <b>II</b> | <b>ASSETS</b>   |          |                                       |                                       |
| (1)       | <b>Non-current Assets</b>   |          |                                       |                                       |
|           | (a) Fixed Assets  | 12       |                                       |                                       |
|           | (i) Tangible Assets   |          | 74.62                                 | 68.05                                 |
|           | (ii) Intangible Assets  |          | 0.07                                  | 0.05                                  |
|           | (iii) Capital work-in-progress  |          | 24.94                                 | 26.68                                 |
|           |   |          | 99.63                                 | 94.78                                 |
|           | (b) Non-current Investments   | 13       | 355.68                                | 753.88                                |
|           | (c) Long-term Loans and Advances  | 14       | 27,173.93                             | 24,033.96                             |
|           | <b>Sub-Total (1)</b>  |          | <b>27,629.24</b>                      | <b>24,882.62</b>                      |
| (2)       | <b>Current Assets</b>   |          |                                       |                                       |
|           | (a) Current Investments   | 15       | 400.00                                | -                                     |
|           | (b) Trade Receivable  | 16       | 10.05                                 | 10.07                                 |
|           | (c) Cash and Bank Balances  | 17       | 284.92                                | 271.89                                |
|           | (d) Short Term Loan & Advances  | 18       | 3,869.15                              | 4,178.62                              |
|           | (e) Other Current Assets  | 19       | 920.01                                | 870.33                                |
|           | <b>Sub-Total (2)</b>  |          | <b>5,484.13</b>                       | <b>5,330.91</b>                       |
|           | <b>Total (1+2)</b>  |          | <b>33,113.37</b>                      | <b>30,213.53</b>                      |
|           | <b>Significant Accounting Policies</b>  | 1        |                                       |                                       |
|           | <b>Explanatory Notes</b>  | 26       |                                       |                                       |
|           | Note: The Notes referred to above form an integral part of the Financial Statements |          |                                       |                                       |

For and on behalf of the Board

Sd/-  
Harish Kumar Sharma  
Company Secretary

Sd/-  
Anil Kumar Kaushik  
Director Finance  
DIN 06600755

Sd/-  
Dr. M Ravi Kanth  
Chairman & Managing Director  
DIN 01612905

As per our separate report of even date attached

For Dhawan & Co.  
Chartered Accountants  
(Firm Registration No. 002864 N)

Sd/-  
Sunil Gogia  
Partner  
(Membership No. 073740)

Place : New Delhi  
Dated : 28<sup>th</sup> September, 2015

## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in crore)

| S. No. | PARTICULARS   | NOTE No. | Year Ended 31 <sup>st</sup> March, 2015 | Year Ended 31 <sup>st</sup> March, 2014 |
|--------|---|----------|---|---|
| I      | <b>Income</b>   |          |   |   |
| (1)    | Revenue from Operations   | 20       | 3,346.55                                | 2,945.03                                |
| (2)    | Other Income  | 21       | 81.22                                   | 48.82                                   |
|        | <b>Total Revenue I (1+2)</b>  |          | <b>3,427.77</b>                         | <b>2,993.85</b>                         |
| II     | <b>Expenses</b>   |          |   |   |
| (1)    | Finance Cost  | 22       | 1,775.38                                | 1,701.71                                |
| (2)    | Employee Benefits Expense   | 23       | 161.37                                  | 104.84                                  |
| (3)    | Depreciation and Amortisation   |          | 5.28                                    | 4.32                                    |
| (4)    | Other Expenses  | 24       | 38.19                                   | 47.32                                   |
| (5)    | Corporate Social Responsibilities   |          | 3.23                                    | 10.51                                   |
| (6)    | Provision on Loans  |          | 101.28                                  | 167.85                                  |
| (7)    | Provision on Debtors/recoverables, other loans and advances   |          | 2.52                                    | 1.33                                    |
| (8)    | Additional Provision on Loans   |          | 170.00                                  | (160.00)                                |
|        | <b>Total Expenses II (1+2+3+4+5+6+7+8)</b>  |          | <b>2,257.25</b>                         | <b>1,877.88</b>                         |
| III    | <b>Profit before exceptional, extraordinary Items and tax III (I-II)</b>                                  |          | <b>1,170.52</b>                         | <b>1,115.97</b>                         |
| IV     | Exceptional Items   |          | -                                       | -                                       |
| V      | <b>Profit before extraordinary Items and tax V (III-IV)</b>   |          | <b>1,170.52</b>                         | <b>1,115.97</b>                         |
| VI     | Extraordinary Items   |          | -                                       | -                                       |
| VII    | Prior period adjustments {Income(+)/ Expenditure(-)}  | 25       | 10.42                                   | (21.62)                                 |
| VIII   | <b>Profit Before Tax VIII (V-VI+VII)</b>  |          | <b>1,180.94</b>                         | <b>1,094.35</b>                         |
| IX     | <b>Tax Expense</b>  |          |   |   |
| (1)    | Current tax   |          | 391.50                                  | 290.00                                  |
| (2)    | Deferred tax  |          | 12.07                                   | 78.66                                   |
| (3)    | Adjustment of tax of earlier years (Net)  |          | (0.26)                                  | (0.65)                                  |
|        | <b>Total Tax Expense IX (1+2+3)</b>   |          | <b>403.31</b>                           | <b>368.01</b>                           |
| X      | <b>Profit for the period X (VIII-IX)</b>  |          | <b>777.63</b>                           | <b>726.34</b>                           |
| XI     | <b>Earnings per Share ( Face value ₹ 1,000/- )</b><br>(Refer S.No. 24 of Note No. 26 - Explanatory Notes) |          |   |   |
|        | (1) Basic (₹ )  |          | 388.45                                  | 362.83                                  |
|        | (2) Diluted (₹ )  |          | 388.45                                  | 362.83                                  |
|        | <b>Significant Accounting Policies</b>  | 1        |   |   |
|        | <b>Explanatory Notes</b>  | 26       |   |   |
|        | Note: The Notes referred to above form an integral part of the Financial Statements.                      |          |   |   |

For and on behalf of the Board

Sd/-  
Harish Kumar Sharma  
Company Secretary

Sd/-  
Anil Kumar Kaushik  
Director Finance  
DIN 06600755

Sd/-  
Dr. M Ravi Kanth  
Chairman & Managing Director  
DIN 01612905

As per our separate report of even date attached

For Dhawan & Co.  
Chartered Accountants  
(Firm Registration No. 002864 N)

Sd/-  
Sunil Gogia  
Partner  
(Membership No. 073740)

Place : New Delhi  
Dated : 28<sup>th</sup> September, 2015

## NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of Preparation of Financial Statements

The accounts of the Company have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the provisions of the Companies Act, the accounting standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2014 and the Housing Finance Companies (NHB) Directions, 2010 issued by National Housing Bank (NHB) as adopted consistently by the Company.

### 2. Revenue Recognition

- (a) Income is recognised in accordance with Accounting Standard AS-9 on "Revenue Recognition" issued by the Institute of Chartered Accountants of India except income from Non Performing Assets (NPA) which is recognised as per the prudential norms issued by NHB.
- (b) The application fees, front-end-fees, administrative fees and processing fees on loans are recognized when the revenue can be reliably measured regardless of when payment is being made.

### 3. Borrowing Cost

The ancillary cost of raising the borrowings namely brokerage charges, arranger's fees, stamp duty etc. are treated as expenditure in the financial year in which they are incurred.

### 4. Provision on Non Performing Assets

- a) Non-performing assets are identified and categorized into Sub-standard, Doubtful and Loss category based on the guidelines issued by NHB. Provisions for Non-performing assets are made in accordance with the said guidelines.
- b) Additional provisions (over and above the NHB prudential norms) is made in order to establish a balance in the provision for loans that the Corporation's management considers prudent and adequate keeping in view the unforeseen events and happenings such as change in policy of Government and procedural delays in repayments from agencies etc.

### 5. Grants and Subsidies

- (a) The Company acts as a channelising agency for disbursement of grants / subsidies under various schemes of the Government and Government Agencies. The Company receives the amount of such grants/subsidies and disburses them to eligible parties in accordance with the schemes of the relevant grants/subsidies. The undisbursed grants / subsidies as at the year-end are shown as a part of Current Liabilities. Where grants/ subsidies disbursed exceed the related amount received, such amount receivable from Government / Government Agencies is shown as a part of other Loans and Advances.
- (b) Grants received from KfW, a German financing agency, in respect of certain schemes for economically weaker sections / low-income groups are also dealt with in the manner described at (a) above. Interest earned on loans given under certain specified schemes is shown under "Current Liabilities" and is utilised as per the terms of the agreement with KfW.

### 6. Fixed Assets and Depreciation

#### (i) Tangible Assets

- (a) Fixed assets are shown at historical cost less accumulated depreciation. In case of properties where lease (sub-lease) / conveyance deed is yet to be executed,

**Note 1: (Contd.)**

the cost is increased by an estimated amount of ten percent of cost of acquisition towards stamp duty/registration charges.

- (b) Land / Buildings are classified into leasehold and freehold. Cost of leasehold land is amortized over the period of lease on straight-line basis.
- (c) Flats / Buildings are capitalized at cost including the stamp duty / registration charges etc. and the total value so arrived at is shown under Flats / Buildings till separate details of cost of land and building is available.
- (d) Payments made for Land / Buildings / Flats where allotment cum possession is pending are shown under Advance against Capital Purchases.
- (e) Fixed assets received free of cost from Government are recorded at a nominal amount of Rupee one only. Fixed assets acquired out of grants from Government are taken at the acquisition cost to the Company and the related grants are shown separately. Such assets are also depreciated in the normal manner. The depreciation for the year is arrived net of depreciation on grant assets.
- (f) Depreciation is provided over the remaining useful life of the asset as per Schedule-II of Companies Act 2013 using Written Down Value (WDV) method, effective from 1<sup>st</sup> April 2014.
- (g) On assets costing upto Rs.5000/ per item which are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- (h) Cost of Mobile phones reimbursed to employees upfront (90%) is directly charged to revenue in the year of purchase.

**(ii) Intangible Assets**

In accordance with Accounting Standard AS-26, Intangible Assets comprising of Computer Software are valued at cost less accumulated amortization. Computer software is amortised over a period of five years on a straight line basis.

**7. Investments**

- (a) Long term investments are carried at cost. A provision for diminution is made to recognize a decline, other than temporary in the value of long term investments as per Accounting Standard AS-13 "Accounting for Investments" issued by the Institute of Chartered Accountants of India and the guidelines issued by the NHB.
- (b) Investment in Mutual Funds (Infrastructure Debt Fund) is valued at cost, less diminution, if any, other than temporary. However, diminution in value is reversed, when there is rise in the value or if the reason for the reduction no longer exists.

**8. Foreign Exchange Transactions**

- (a) Foreign exchange transactions are recorded at the rates (RBI reference rate) prevailing on the dates of the respective transactions.
- (b) Monetary Assets and liabilities denominated in foreign currencies are restated at the exchange rate (RBI reference rate) as on the date of Balance Sheet except in respect of transactions where forward rate contract is taken.
- (c) Exchange differences resulting from restatement of assets or liabilities or from settlement of transactions are recognised in the Statement of Profit & Loss.
- (d) In respect of forward exchange contracts, other than for trading or speculation purposes, the difference between the forward rate and the rate (RBI reference rate) at the date of

**Note 1: (Contd.)**

transaction is recognized as income or expense over the life of the forward exchange contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the year.

**9. Employees Benefits**

- (a) Expenditure on corporation contributions to Provident Fund, Group Saving Linked Insurance Scheme, EPFO's Employees' Pension Scheme and HUDCO's Employees' Pension Scheme is accounted for on accrual basis in accordance with the terms of the relevant schemes and charged to Statement of Profit & Loss. The Corporation's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per AS-15 (Revised) Employee Benefits.
- (b) The Corporation's obligation towards sick leave, earned leave, leave travel concession, gift on completion of 20/30 years of service & retirement gift are actuarially determined and provided for as per AS-15 (Revised) Employee Benefits.

**10. Taxation**

- (a) Tax expense comprises of current and deferred. Current income tax and wealth tax is measured at the amount expected to be paid to tax authorities in accordance with the Indian Income Tax Act/ Wealth Tax Act.
- (b) In respect of disputed income tax / interest tax / wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.
- (c) Deferred Tax is recognized, subject to consideration of prudence on timing differences, representing the difference between the taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

**11. Provisions, Contingent Liabilities and Contingent Assets**

- (i) Provisions are recognized for liabilities that can be measured only using a substantial degree of estimation, if:
  - (a) the Company has a present obligation as a result of past event.
  - (b) a probable outflow of resources is expected to settle the obligation and
  - (c) the amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

- (ii) Contingent liability is disclosed in the case of:
  - (a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
  - (b) a possible obligation, unless the probability of outflow of resources is remote.

Provisions, Contingent Liabilities are reviewed by the management at each Balance Sheet date.
- (iii) Contingent assets are neither recognised nor disclosed.

**NOTE 2: SHARE CAPITAL**

(₹ in crore)

| S. No.  | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|--|---------------------------------------|---------------------------------------|
| <b>A</b>  | <b>Authorised</b><br>25,000,000 equity shares of ₹ 1,000/- each<br>(previous year 25,000,000 equity shares<br>of ₹ 1,000/- each)   | <b>2,500.00</b>                       | <b>2,500.00</b>                       |
| <b>B</b>  | <b>Issued, Subscribed and Paid up</b><br>20,019,000 equity shares of ₹ 1,000/- each<br>fully paid-up in cash (previous year 20,019,000 equity<br>shares of ₹ 1,000/- each fully paid-up in cash) | <b>2,001.90</b>                       | <b>2,001.90</b>                       |
|   |  | <b>2,001.90</b>                       | <b>2,001.90</b>                       |
| <b>(The entire Share Capital is held/owned by the Government of India and its nominees)</b> |  |                                       |                                       |

Reconciliation of the number of shares outstanding is set out below:

| S. No. | PARTICULARS                                      | As at<br>31 <sup>st</sup> March, 2015<br>Number of Shares | As at<br>31 <sup>st</sup> March, 2014<br>Number of Shares |
|--------|--|---|---|
| (a)    | Equity Shares at the beginning of the year       | 20,019,000  | 20,019,000  |
| (b)    | Add: Shares issued for cash at par               | -   | -   |
| (c)    | Equity Shares at the end of the year (c) = (a+b) | 20,019,000  | 20,019,000  |



Commissioner Office, Kohima (Nagaland), Civil Administrative Work Division

**NOTE 3: RESERVES AND SURPLUS**

(₹ in crore)

| S. No.   | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|--|---------------------------------------|---------------------------------------|
| <b>A</b>   | <b>Capital (KfW) Reserve</b>   |                                       |                                       |
|  | Balance from previous year   | 58.81                                 | 58.81                                 |
|  | Add: Additions during the year   | 1.15                                  | -                                     |
|  | Balance as at the end of the year  | <b>59.96</b>                          | <b>58.81</b>                          |
| <b>B</b>   | <b>Securities Premium on Bonds</b>   |                                       |                                       |
|  | Balance from previous year   | 0.04                                  | -                                     |
|  | Add: Additions during the year   | -                                     | 0.04                                  |
|  | Balance as at the end of the year  | <b>0.04</b>                           | <b>0.04</b>                           |
|  | Additions in Securities Premium Account during the Financial Year 2013-14 represent the premium received on issue of Tax Free Bonds through private placement.   |                                       |                                       |
| <b>C</b>   | <b>Debenture/Bond Redemption Reserve</b>   |                                       |                                       |
|  | Balance from previous year   | 859.71                                | 481.54                                |
|  | Add: Transferred from Surplus in Statement of Profit & Loss  | 378.17                                | 378.17                                |
|  | Balance as at the end of the year  | <b>1,237.88</b>                       | <b>859.71</b>                         |
|  | Prior to the issuance of circular no. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affairs (MCA), the company had to create a Debenture / Bond Redemption Reserve (DRR / BRR) equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the commencement of redemption of respective bonds as per the then prevalent SEBI Debt Regulations and section 117 C of the Companies Act, 1956. The creation of DRR / BRR was revised to 25% after issuance of the above circular. |                                       |                                       |
|  | The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalent to 50% on yearly basis, before commencement of redemption of respective bonds; and equivalent to 25% on bonds issued during the financial year 2013-14.  |                                       |                                       |
| <b>D</b>   | <b>General Reserve</b>   |                                       |                                       |
|  | Balance from previous year   | 1,014.21                              | 1,014.06                              |
|  | Add: Transferred from Surplus in Statement of Profit & Loss  | 0.26                                  | 0.15                                  |
|  | Less: Utilised for change in Depreciation Accounting as per Companies Act 2013   | 0.44                                  | -                                     |
|  | Balance as at the end of the year  | <b>1,014.03</b>                       | <b>1,014.21</b>                       |
| <b>E</b>   | <b>Special Reserve</b>   |                                       |                                       |
|  | <b>(i) Created (u/s 36(1) (viii) of the Income Tax Act,1961 and u/s 29C of NHB Act,1987 upto Financial Year 1996-97)</b>   |                                       |                                       |
|  | Balance from previous year   | 181.75                                | 181.75                                |
|  | <b>(ii) Created and Maintained (u/s 36(1) (viii) of the Income Tax Act,1961 and u/s 29C of NHB Act,1987 from Financial Year 1997-98 onwards)</b>   |                                       |                                       |
|  | Balance from previous year   | 2,872.05                              | 2,622.05                              |
|  | Add: Transferred from Surplus in Statement of Profit & Loss  | 310.00                                | 250.00                                |
| Less: Transferred to Surplus in Statement of Profit & Loss | -  | -                                     |                                       |
|  | Balance as at the end of the year (i+ii)   | <b>3,182.05</b>                       | <b>-</b>                              |
|  |  | <b>3,363.80</b>                       | <b>3,053.80</b>                       |

**NOTE 3: (Contd.)**

(₹ in crore)

| S. No.   | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|--|---------------------------------------|---------------------------------------|
| <b>F</b> | <b>Welfare Reserve</b><br>(This is to be used for the Welfare of employees of the company as per approved guideline) |                                       |                                       |
|          | Balance from previous year   | 66.56                                 | 66.56                                 |
|          | Balance as at the end of the year<br>(Refer S.No. 11 of Note 26 - Explanatory Notes)                                 | <b>66.56</b>                          | <b>66.56</b>                          |
| <b>G</b> | <b>Corporate Social Responsibility (CSR) Reserve</b>   |                                       |                                       |
|          | Add: Transferred from Surplus in Statement of Profit & Loss  | -                                     | 19.52                                 |
|          |  | -                                     | 19.52                                 |
|          | Balance as at the end of the year  | -                                     | -                                     |
| <b>H</b> | <b>Sustainable Development Reserve</b>   |                                       |                                       |
|          | Add: Transferred from Surplus in Statement of Profit & Loss  | -                                     | 0.77                                  |
|          | Less: Transferred to Surplus in Statement of Profit & Loss   | -                                     | 0.77                                  |
|          | Balance as at the end of the year  | -                                     | -                                     |
| <b>I</b> | <b>Surplus Account</b>   |                                       |                                       |
| (i)      | Balance from previous year   | 68.30                                 | 67.00                                 |
| (ii)     | Add: Balance from statement of Profit & Loss   | 777.63                                | 726.34                                |
| (iii)    | Add: Transferred from Corporate Social Responsibility (CSR) Reserve  | -                                     | 19.52                                 |
| (iv)     | Add: Transferred from Sustainable Development Reserve  | -                                     | 0.77                                  |
|          | <b>Total amount available for appropriation</b>  | <b>845.93</b>                         | <b>813.63</b>                         |
| (v)      | Less: Proposed Final Dividend (Refer S.No. 21 of Note 26 - Explanatory Notes)  | 100.01                                | 100.01                                |
| (vi)     | Less: Dividend Tax   | 20.49                                 | 17.00                                 |
| (vii)    | Less: Special Reserve  | 310.00                                | 250.00                                |
| (viii)   | Less: Debenture/Bond Redemption Reserve  | 378.17                                | 378.17                                |
| (ix)     | Less: General Reserve  | 0.26                                  | 0.15                                  |
|          | <b>Balance of Surplus as at the end of the year</b>  | <b>37.00</b>                          | <b>68.30</b>                          |
|          | <b>Total Reserves and Surplus</b>  | <b>5,779.27</b>                       | <b>5,121.43</b>                       |

**NOTE 4 : NON CURRENT - LONG TERM BORROWINGS**

(₹ in crore)

| S.No. | PARTICULARS  |                        | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-------|--|------------------------|---------------------------------------|---------------------------------------|
| (A)   | <b>SECURED LOANS</b>   |                        |                                       |                                       |
| I     | <b>Special Priority Sector Bonds</b>   | Date of Allotment      |                                       |                                       |
|       | SPS Bond series B & C (Bank of India)  | 10.06.1998             | 46.50                                 | 52.25                                 |
|       | [Refer Details of Long-term Borrowing - (A) I]   | <b>Sub-Total A - I</b> | <b>46.50</b>                          | <b>52.25</b>                          |
|       | The repayment dates for SPS bonds series B and C is semi annual: for series B from 10.12.2008 to 10.06.2015 and for series C from 10.12.2015 to 10.06.2022.  |                        |                                       |                                       |
|       | Bonds are secured by lien over Certificate of Deposits for US \$ 10.44 million (Previous year US \$ 11.50 million) placed under swap arrangement with Bank of India, Cayman Islands Branch, New York. The deposits are co-terminus with the maturity schedule of the underlying ADB loans. |                        |                                       |                                       |
| II    | <b>TAX FREE BONDS</b>  | Date of Allotment      | Date of redemption                    |                                       |
|       | 8.71% Tax free bonds 2013 (Tranche - III) Series - 3A  | 24.03.2014             | 24.03.2034                            | 8.76                                  |
|       | 8.96% Tax free bonds 2013(Tranche - III) Series - 3B   | 24.03.2014             | 24.03.2034                            | 41.54                                 |
|       | 8.76% Tax free bonds 2013 (Tranche - II) Series - 3A   | 13.01.2014             | 13.01.2034                            | 286.54                                |
|       | 9.01% Tax free bonds 2013 (Tranche - II) Series - 3B   | 13.01.2014             | 13.01.2034                            | 671.16                                |
|       | 8.49% Tax free bonds 2013 (Tranche - I) Series - 3A  | 25.10.2013             | 25.10.2033                            | 35.51                                 |
|       | 8.74% Tax free bonds 2013 (Tranche - I) Series - 3B  | 25.10.2013             | 25.10.2033                            | 88.85                                 |
|       | 8.73% Tax free bonds 2013 (Tranche - III) Series - 2A  | 24.03.2014             | 24.03.2029                            | 28.47                                 |
|       | 8.98% Tax free bonds 2013 (Tranche - III) Series - 2B  | 24.03.2014             | 24.03.2029                            | 128.42                                |
|       | 8.58% Tax free bonds 2013 (Tranche - II) Series - 2A   | 13.01.2014             | 13.01.2029                            | 127.39                                |
|       | 8.83% Tax free bonds 2013 (Tranche - II) Series - 2B   | 13.01.2014             | 13.01.2029                            | 123.75                                |
|       | 8.51% Tax free bonds 2013 (Tranche - I) Series - 2A  | 25.10.2013             | 25.10.2028                            | 799.27                                |
|       | 8.76% Tax free bonds 2013 (Tranche - I) Series - 2B  | 25.10.2013             | 25.10.2028                            | 815.00                                |
|       | 8.56% Tax free bonds 2013 Series - 1   | 02.09.2013             | 02.09.2028                            | 190.80                                |
|       | 7.19% Tax free bonds 2012 (Tranche - II) Series - 2  | 28.03.2013             | 28.03.2028                            | 109.39                                |
|       | 7.51% Tax free bonds 2012 (Tranche - I) Series - 2   | 16.02.2013             | 16.02.2028                            | 1,274.24                              |
|       | 8.20% Tax free bonds 2011 (Tranche - I) Series - 2   | 05.03.2012             | 05.03.2027                            | 2,518.30                              |
|       | 8.16% Tax free bonds 2011 (C - II)   | 22.12.2011             | 22.12.2026                            | 47.67                                 |
|       | 7.83% Tax free bonds 2011 (B - II)   | 11.11.2011             | 11.11.2026                            | 66.51                                 |
|       | 7.75% Tax free bonds 2011 (A - II)   | 21.10.2011             | 21.10.2026                            | 10.81                                 |
|       | 8.29% Tax free bonds 2013(Tranche - III) Series - 1A   | 24.03.2014             | 24.03.2024                            | 18.37                                 |
|       | 8.54% Tax free bonds 2013 (Tranche - III) Series - 1B  | 24.03.2014             | 24.03.2024                            | 47.36                                 |
|       | 8.51% Tax free bonds 2013 (Tranche - II) Series - 1A   | 13.01.2014             | 13.01.2024                            | 504.93                                |
|       | 8.76% Tax free bonds 2013 (Tranche - II) Series - 1B   | 13.01.2014             | 13.01.2024                            | 439.63                                |
|       | 8.14% Tax free bonds 2013 (Tranche - I) Series - 1A  | 25.10.2013             | 25.10.2023                            | 269.58                                |
|       | 8.39% Tax free bonds 2013 (Tranche - I) Series - 1B  | 25.10.2013             | 25.10.2023                            | 361.79                                |
|       | 7.03% Tax free bonds 2012 (Tranche - II) Series - 1  | 28.03.2013             | 28.03.2023                            | 97.62                                 |
|       | 7.34% Tax free bonds 2012 (Tranche - I) Series - 1   | 16.02.2013             | 16.02.2023                            | 920.10                                |
|       | 8.10% Tax free bonds 2011 (Tranche - I) Series - 1   | 05.03.2012             | 05.03.2022                            | 2,166.42                              |
|       | 8.09% Tax free bonds 2011 (C - I)  | 22.12.2011             | 22.12.2021                            | 47.86                                 |
|       | 7.62% Tax free bonds 2011 (B - I)  | 11.11.2011             | 11.11.2021                            | 137.66                                |

## NOTE 4 (Contd.)

(₹ in crore)

| S.No.      | PARTICULARS   |                   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |                  |
|------------|---|-------------------|---------------------------------------|---------------------------------------|------------------|
|            | 7.51% Tax free bonds 2011 (A - I)   | 21.10.2011        | 21.10.2021                            | 4.77                                  | 4.77             |
|            |   |                   | <b>Sub-Total A - II</b>               | <b>12,388.47</b>                      | <b>12,388.47</b> |
|            | The bonds are secured by a floating first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue. However, the company reserves the right to create first pari-passu charge on the present and future receivable for its present and future financial requirements.   |                   |                                       |                                       |                  |
| <b>III</b> | <b>LOANS FROM BANKS</b>   |                   |                                       |                                       |                  |
|            | Bank of India   |                   |                                       | 69.82                                 | 78.30            |
|            | [Refer Details of Long-term Borrowing - (A) II]   |                   | <b>Sub-Total A - III</b>              | <b>69.82</b>                          | <b>78.30</b>     |
|            | Secured by lien over Certificate of Deposits for US \$ 15.66 million (Previous year US \$ 17.25 million) placed under swap arrangement with Bank of India, Cayman Islands Branch, New York. The deposits are co-terminus with the maturity schedule of the underlying ADB loans. Repayable from 10.12.2002 to 10.06.2022.   |                   |                                       |                                       |                  |
| <b>IV</b>  | <b>LOANS FROM FINANCIAL INSTITUTIONS</b>  |                   |                                       |                                       |                  |
|            | National Housing Bank   |                   |                                       | 2,467.84                              | 1,281.73         |
|            | [Refer Details of Long-term Borrowing - (A) III]  |                   | <b>Sub-Total A - IV</b>               | <b>2,467.84</b>                       | <b>1,281.73</b>  |
|            | Secured by Bank guarantee for an amount of ₹ 862.50 crore (previous year ₹ 437.50 crore) [being 25% of loan amount of ₹ 3,450 crore (previous year ₹ 1,750 crore) sanctioned/disbursed by NHB] and negative lien on all properties, assets, receivables etc. of HUDCO both present and future, except those on which the first exclusive charge is created in favour of the trustees to the secured tax free bonds of ₹ 5,000 crore mobilised during 2011-12, ₹ 2,401.3526 crore mobilised during 2012-13 and ₹ 4,987.12 crore mobilised during 2013-14, repayable upto 01.01.2025. |                   |                                       |                                       |                  |
|            | <b>Total Secured Loans A (I+II+III+IV)</b>  |                   |                                       | <b>14,972.63</b>                      | <b>13,800.75</b> |
| <b>(B)</b> | <b>UNSECURED LOANS</b>  |                   |                                       |                                       |                  |
| <b>I</b>   | <b>BONDS</b>  |                   |                                       |                                       |                  |
|            | HUDCO Bonds - Non Cumulative redeemable at par  |                   |                                       |                                       |                  |
|            |   | Date of Allotment | Date of redemption                    |                                       |                  |
|            | 8.14% Taxable (A) 2013  | 30.05.2013        | 30.05.2018                            | 700.00                                | 700.00           |
|            | 8.92% Taxable (A) 2012 \$   | 02.11.2012        | 02.11.2017                            | 500.00                                | 500.00           |
|            | 8.65% Taxable (2-A) 2006-07 \$  | 29.11.2006        | 29.11.2016                            | 55.00                                 | 55.00            |
|            | 8.75% Taxable (2-B) 2006-07 @   | 29.11.2006        | 29.11.2016                            | 26.50                                 | 26.50            |
|            | 9.05% Taxable (2-C) 2006-07   | 29.11.2006        | 29.11.2016                            | 369.80                                | 369.80           |
|            | 9.75% Taxable (B) 2011  | 18.11.2011        | 18.11.2016                            | 413.90                                | 413.90           |
|            | 9.40% Taxable (A) 2011  | 22.09.2011        | 22.09.2016                            | 253.50                                | 253.50           |
|            | 8.60% Taxable (1-A) 2006-07 \$  | 29.08.2006        | 29.08.2016                            | 38.20                                 | 38.20            |
|            | 8.85% Taxable (1-B) 2006-07 @   | 29.08.2006        | 29.08.2016                            | 13.50                                 | 13.50            |
|            | 9.30% Taxable (1-D) 2006-07   | 29.08.2006        | 29.08.2016                            | 128.80                                | 128.80           |
|            | 8.05% Taxable (XXXIX-A) @   | 29.03.2006        | 29.03.2016                            | -                                     | 14.70            |
|            | 8.12% Taxable (XXXIX-B) @@  | 29.03.2006        | 29.03.2016                            | -                                     | 1.90             |
|            | 8.35% Taxable (XXXIX-C)   | 29.03.2006        | 29.03.2016                            | -                                     | 160.40           |
|            | 7.30% Taxable (XXXVII-A) @  | 20.01.2006        | 20.01.2016                            | -                                     | 34.60            |
|            | 7.50% Taxable (XXXVII-B) @@   | 20.01.2006        | 20.01.2016                            | -                                     | 7.40             |
|            | 7.80% Taxable (XXXVII-C)  | 20.01.2006        | 20.01.2016                            | -                                     | 590.00           |
|            |   |                   | <b>Sub-Total B - I</b>                | <b>2,499.20</b>                       | <b>3,308.20</b>  |
|            | \$ Put and call option at the end of 3 <sup>rd</sup> year from the date of allotment, else redeemable at par on due date.   |                   |                                       |                                       |                  |
|            | @ Put and call option at the end of 5 <sup>th</sup> year from the date of allotment, else redeemable at par on due date.  |                   |                                       |                                       |                  |
|            | @@ Put and call option at the end of 7 <sup>th</sup> year from the date of allotment, else redeemable at par on due date.   |                   |                                       |                                       |                  |

**NOTE 4 (Contd.)**

(₹ in crore)

| S.No.      | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|------------|---|---------------------------------------|---------------------------------------|
| <b>II</b>  | <b>LOANS FROM VARIOUS BANKS</b><br>(Repayable within 10 years from the date of drawal)<br>Covered by irrevocable power of attorney in favour of lenders / trustee.<br>Term Loans from Banks ( PLR / Base Rate)  | -                                     | 361.08                                |
|            | <b>Sub-Total B - II</b>   | <b>-</b>                              | <b>361.08</b>                         |
| <b>III</b> | <b>LOANS FROM GOVERNMENT OF INDIA UNDER:</b><br>Line of credit from Kreditanstalt für Wiederaufbau (KfW)  | -                                     | 0.17                                  |
|            | <b>Sub-Total B - III</b>  | <b>-</b>                              | <b>0.17</b>                           |
| <b>IV</b>  | <b>Public Deposits @ 6% p.a. to 12.5% p.a. [Refer Details of Long-term Borrowing - (B) I]</b><br>Repayable over a period of two to seven years  | 324.82                                | 810.90                                |
|            | <b>Sub-Total B - IV</b>   | <b>324.82</b>                         | <b>810.90</b>                         |
| <b>V</b>   | <b>Interest Bearing Cash Securities</b><br>[Refer Details of Long-term Borrowing - (B) II]  | 8.53                                  | 8.53                                  |
|            | <b>Sub-Total B - V</b>  | <b>8.53</b>                           | <b>8.53</b>                           |
| <b>VI</b>  | <b>LOANS IN FOREIGN CURRENCY : [Refer Details of Long-term Borrowing - (B) III]</b>   |                                       |                                       |
| (i)        | <b>Loans from Japan Bank for International Cooperation (JBIC) *</b>   |                                       |                                       |
| (a)        | Swapped with Yes Bank #   | 48.86                                 | 74.26                                 |
| (b)        | Unswapped Portion of JBIC   | 111.48                                | 125.86                                |
|            | <b>Sub-Total B - VI - i</b>   | <b>160.34</b>                         | <b>200.12</b>                         |
| *          | Guaranteed by Central Government as to the repayment of principal and interest.   |                                       |                                       |
| #          | Principal only swap (PoS) amounting to JPY 845.852 million executed with YES Bank Ltd. on 15.05.2013 (effective from 17.05.2013) for a period upto 20.01.2018, at spot rate of ₹ 0.5776 and PoS premium of 4.40% p.a. payable semi-annually.  |                                       |                                       |
| (ii)       | <b>Loans from Asian Development Bank (ADB) * #</b>  |                                       |                                       |
| (a)        | 6 months LIBOR for US \$ +0.40% p.a.  | 246.64                                | 270.10                                |
|            | <b>Sub-Total B - VI - ii</b>  | <b>246.64</b>                         | <b>270.10</b>                         |
| *          | Guaranteed by Central Government as to the repayment of principal and interest.   |                                       |                                       |
| #          | HUDCO has received a loan of US \$ 100 million from ADB out of which US \$ 50 million ( received during the years 1997-98 and 1998-99) has been placed as deposit as per arrangement with Bank of India, Cayman Islands Branch, USA. The deposits are co-terminus with the loan maturity schedule of the underlying ADB loans. The balance US \$ 50 million (received during the year 1999-2000) has been swapped with EXIM Bank and under the arrangement EXIM Bank has subscribed to 12.75% Special Priority Sector Bonds (II) ( rate of interest for the next 7 years reset to 12.50% w.e.f. 15.12.2013 ) for ₹ 217 crore which are co-terminus with the loan maturity schedule of the underlying ADB loans. Repayment of the above ADB Loan and redemption of the corresponding deposit / swap has started w.e.f. 15.12.2002 as per the amortisation schedule(s). |                                       |                                       |

## NOTE 4 (Contd.)

| S.No. | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-------|--|---------------------------------------|---------------------------------------|
| (iii) | <b>Loans from US Capital Market</b><br><b>(Guaranteed by USAID &amp; Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan)</b>   |                                       |                                       |
| (a)   | 6 months LIBOR for US \$ + 0.18% p.a.(USAID-1) *   | 29.43                                 | 31.61                                 |
| *     | Under the swap arrangement with EXIM Bank, HUDCO has remitted US \$ 10 million to EXIM Bank against which EXIM Bank has subscribed to 12.75% HUDCO Special Infrastructure Bonds (II) ( rate of interest for the next 7 years reset to 12.50% w.e.f. 23.09.2013 ) amounting to ₹ 43.60 crore which are co-terminus with the loan maturity schedule of the underlying USAID guaranteed loan. |                                       |                                       |
| (b)   | 6 months LIBOR for US \$ + 0.035% p.a. (USAID-2)   |                                       |                                       |
| (1)   | Swapped with ICICI Bank *  | 20.01                                 | 24.45                                 |
| (2)   | Swapped with State Bank of India **  | 22.25                                 | 22.25                                 |
| (3)   | Unswapped Portion  | 31.29                                 | 30.05                                 |
|       | <b>Sub-Total B - VI - iii</b>  | <b>102.98</b>                         | <b>108.36</b>                         |
| *     | Currency and Interest Rate Swap for US \$ 10 million executed with ICICI Bank Ltd. on 26.10.2010 effective from 28.10.2010 ( for 7 years upto 28.10.2017 ) in respect of USAID-2 loan at spot rate of ₹ 44.46 and swap premium of 6.18% payable semi-annually.   |                                       |                                       |
| **    | Currency and Interest Rate Swap for US \$ 5 million executed with State Bank of India on 19.07.2011 ( for 7 years upto 19.07.2018 ) in respect of USAID-2 loan at spot rate of ₹ 44.50 and swap premium of 6.2025% payable semi-annually.  |                                       |                                       |
|       | <b>Sub-Total B - VI</b>  | <b>509.96</b>                         | <b>578.58</b>                         |
|       | <b>Total Unsecured Loans B (I+II+III+IV+V+VI)</b>  | <b>3,342.51</b>                       | <b>5,067.46</b>                       |
|       | <b>Total Long Term Borrowings (A + B)</b>  | <b>18,315.14</b>                      | <b>18,868.21</b>                      |

## Details of Long-term Borrowing

(Foreign Currency amounts in Millions, INR ₹ in crore)

| S. No. | Date of drawal /Institution                | Rate on drawal | No of Bonds to be redeemed | Amount of Bonds to be redeemed | Rate of Interest as on 31.3.2015  | Frequency of repayment | Redemption Details              |
|--------|--|----------------|----------------------------|--------------------------------|---|------------------------|---------------------------------|
| (A)    | <b>Secured Loans</b>                       |                |                            |                                |   |                        |                                 |
| I      | <b>Special Priority Sector Bonds</b>       |                |                            |                                |   |                        |                                 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 84                         | 4.20                           | @ 1 year G.Sec.<br>+ 350 bps p.a.<br>Currently the ROI is 11.54 %<br>p.a. | Semi-Annual            | 10 <sup>th</sup> June, 2022     |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 84                         | 4.20                           |   | Semi-Annual            | 10 <sup>th</sup> December, 2021 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 80                         | 4.00                           |   | Semi-Annual            | 10 <sup>th</sup> June, 2021     |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 80                         | 4.00                           |   | Semi-Annual            | 10 <sup>th</sup> December, 2020 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 74                         | 3.70                           |   | Semi-Annual            | 10 <sup>th</sup> June, 2020     |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 74                         | 3.70                           |   | Semi-Annual            | 10 <sup>th</sup> December, 2019 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 71                         | 3.55                           |   | Semi-Annual            | 10 <sup>th</sup> June, 2019     |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 71                         | 3.55                           |   | Semi-Annual            | 10 <sup>th</sup> December, 2018 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 66                         | 3.30                           |   | Semi-Annual            | 10 <sup>th</sup> June, 2018     |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 66                         | 3.30                           |   | Semi-Annual            | 10 <sup>th</sup> December, 2017 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 60                         | 3.00                           |   | Semi-Annual            | 10 <sup>th</sup> June, 2017     |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 60                         | 3.00                           |   | Semi-Annual            | 10 <sup>th</sup> December, 2016 |
|        | SPS Bonds Series C (Bank of India)         | 12.00%         | 60                         | 3.00                           |   | Semi-Annual            | 10 <sup>th</sup> June, 2016     |
|        | <b>Total Special Priority Sector Bonds</b> |                |                            | <b>46.50</b>                   |   |                        |                                 |

**NOTE 4 (Contd.)**
**Details of Long-term Borrowing**

(Foreign Currency amounts in Millions, INR ₹ in crore)

| S. No.                     | Date of drawal /Institution                          | Rate on drawal | Amount Drawn | Amount Outstanding | Rate of Interest as on 31.3.2015                              | Frequency of repayment                        | Redemption Details                              |
|----------------------------|--|----------------|--------------|--------------------|---|---|---|
| II                         | <b>Bank of India</b>                                 |                |              |                    | @ 1 years G-Sec + 350bps p.a. Currently the ROI is 11.54% p.a |   |   |
|                            | -15.02.1999  | 12.50%         | 150.00       | 69.82              |   | Semi-Annual                                   | 10 <sup>th</sup> Jun. and 10 <sup>th</sup> Dec. |
| III                        | <b>National Housing Bank</b>                         |                |              |                    |   |   |   |
|                            | -12.12.2011  | 6.25%          | 250.00       | 98.00              | 6.25%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -25.04.2012  | 6.25%          | 250.00       | 117.00             | 6.25%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -30.10.2012  | 6.75%          | 250.00       | 138.88             | 6.75%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -09.04.2013  | 6.75%          | 500.00       | 314.82             | 6.75%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -17.12.2013  | 8.00%          | 500.00       | 351.85             | 8.00%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -02.06.2014  | 6.85%          | 555.00       | 431.64             | 6.85%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -03.06.2014  | 7.10%          | 195.00       | 151.62             | 7.10%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -26.12.2014  | 7.35%          | 500.00       | 448.68             | 7.35%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -08.01.2015  | 7.35%          | 229.00       | 211.36             | 7.35%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | -15.01.2015  | 7.35%          | 221.00       | 203.99             | 7.35%   | Quarterly                                     | 1st- Apr.,Jul.,Oct. & Jan.                      |
|                            | <b>Total National Housing Bank</b>                   |                |              | <b>2,467.84</b>    |   |   |   |
| <b>(B) Unsecured Loans</b> |  |                |              |                    |   |   |   |
| I                          | <b>Public Deposits</b>                               |                |              |                    |   |   |   |
|                            | Apr., 2016 - Mar. 2017                               |                |              | 225.48             |   | Repayable over a period of two to seven years |   |
|                            | Apr., 2017 - Mar. 2018                               |                |              | 90.27              |   |   |   |
|                            | Apr., 2018 - Mar. 2019                               |                |              | 7.91               |   |   |   |
|                            | Apr., 2019 - Mar. 2020                               |                |              | 1.05               |   |   |   |
|                            | Apr., 2020 - Mar. 2021                               |                |              | 0.08               |   |   |   |
|                            | Apr., 2021 - Mar. 2022                               |                |              | 0.03               |   |   |   |
|                            | <b>Total Public Deposits</b>                         |                |              | <b>324.82</b>      |   |   |   |
| II                         | <b>Interest bearing Cash Securities</b>              |                |              |                    |   |   |   |
| i                          | <b>Lotus Hospitals &amp; Research Centre Limited</b> |                |              |                    |   |   |   |
|                            | - 08.06.2013   | 8.25%          | 5.00         | 5.00               | 8.25%   | Bullet basis                                  | 07.06.2020                                      |
|                            | - 01.07.2013   | 8.25%          | 3.26         | 3.26               | 8.25%   | Bullet basis                                  | 30.06.2020                                      |
|                            |  |                |              | <b>8.26</b>        |   |   |   |
| ii                         | <b>TLV Builders</b>                                  |                |              |                    |   |   |   |
|                            | - 05.04.2013   | 8.50%          | 0.27         | 0.27               | 8.50%   | Bullet basis                                  | 04.04.2020                                      |
|                            |  |                |              | <b>0.27</b>        |   |   |   |
|                            | <b>Total Interest bearing Cash Securities</b>        |                |              | <b>8.53</b>        |   |   |   |

| S. No.     | Date of drawal /Institution  | Currency of drawal | Amount Drawn | Amount Outstanding | Rate of Interest as on 31.3.2015   | Frequency of repayment | Redemption Details                      |
|------------|--|--------------------|--------------|--------------------|--|------------------------|---|
| <b>III</b> | <b>LOANS IN FOREIGN CURRENCY:</b>                                    |                    |              |                    |  |                        |   |
| <b>i</b>   | <b>Loans from JBIC</b>   |                    |              |                    |  |                        |   |
|            | - 28.03.1997   | JPY                | 1,157.16     |                    |  |                        |   |
|            | - 27.03.1998   | JPY                | 406.00       |                    |  |                        |   |
|            | - 31.03.1999   | JPY                | 944.65       |                    |  |                        |   |
|            | - 22.06.1999   | JPY                | 1,159.92     |                    |  |                        |   |
|            | - 16.11.1999   | JPY                | 241.34       |                    |  |                        |   |
|            | - 17.03.2000   | JPY                | 3,613.47     |                    |  |                        |   |
|            | - 06.10.2000   | JPY                | 67.60        |                    |  |                        |   |
|            | - 10.11.2000   | JPY                | 176.27       |                    |  |                        |   |
|            | - 15.12.2000   | JPY                | 295.15       |                    |  |                        |   |
|            | - 27.02.2001   | JPY                | 351.39       |                    |  |                        |   |
|            | - 30.03.2001   | JPY                | 257.05       |                    |  |                        |   |
|            | Unswapped JBIC outstanding Loan out of above                         | JPY                | 2,139.31     | 111.48             | 2.10% p.a. (fixed)   | Semi-Annual            | Repayable from 20.07.2018 to 20.07.2023 |
|            | Swapped JPY outstanding Loan out of above with Yes Bank (Tranche-II) | JPY                | 845.85       | 48.86              | 2.10% p.a. (fixed), in addition Principal only Swap premium @ 4.40% p.a. | Semi-Annual            | Repayable from 20.07.2016 to 20.01.2018 |
|            | <b>Total JBIC</b>  |                    |              | <b>160.34</b>      |  |                        |   |
| <b>ii</b>  | <b>Loan from Asian Development Bank</b>                              |                    |              |                    |  |                        |   |
|            | - 31.12.1997   | US \$              | 20.00        |                    | @ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is 0.7384% p.a       |                        |   |
|            | - 13.11.1998   | US \$              | 30.00        |                    |  |                        |   |
|            | Swapped US \$ outstanding Loan out of above with Bank of India       | US \$              | 2.33         | 145.67             |  | Semi-Annual            | Repayable from 15.06.2016 to 15.06.2022 |
|            | - 06.12.1999   | US \$              | 50.00        |                    |  |                        |   |
|            | Swapped US \$ outstanding Loan out of above with Exim Bank           | US \$              | 23.27        | 100.97             | 12.50% p.a   | Semi-Annual            |   |
|            | <b>Total Asian Development Bank</b>                                  |                    |              | <b>246.64</b>      |  |                        |   |
| <b>iii</b> | <b>Loan from US Capital Market</b>                                   |                    |              |                    |  |                        |   |
| (a)        | <b>USAID-1</b>   |                    |              |                    |  |                        |   |
|            | -24.09.1999  | US \$              | 10.00        |                    |  |                        | Repayable from 23.09.2016 to 23.09.2029 |
|            | Swapped US \$ outstanding Loan out of above with Exim Bank           | US \$              | 6.75         | 29.43              | 12.50% p.a   | Semi-Annual            |   |
| (b)        | <b>USAID-2</b>   |                    |              |                    |  |                        |   |
|            | - 28.09.2000   | US \$              | 20.00        |                    |  |                        |   |
|            | Swapped US \$ outstanding Loan out of above with ICICI Bank          | US \$              | 4.50         | 20.01              | Swap premium @ 6.18% p.a   |                        |   |
|            | with State Bank of India   | US \$              | 5.00         | 22.25              | Swap premium @ 6.2025% p.a   | Semi-Annual            | Repayable from 15.09.2016 to 15.09.2030 |
|            | Unswapped US \$ outstanding Loan out of above                        | US \$              | 5.00         | 31.29              | @ 6M LIBOR for US \$ + 0.035% p.a. Currently the ROI is 0.4381% p.a      |                        |   |
|            | <b>Total USAID</b>   |                    |              | <b>102.98</b>      |  |                        |   |
|            | <b>Total Foreign Currency Loans</b>                                  |                    |              | <b>509.96</b>      |  |                        |   |

**NOTE 5 : DEFERRED TAX LIABILITIES**

(₹ in crore)

| S. No.   | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|---|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Deferred Tax Liabilities</b>   |                                       |                                       |
| (i)      | Depreciation  | 4.77                                  | 4.67                                  |
| (ii)     | Depreciation on account of restatement of useful life as per Companies Act 2013   | (0.23)                                | -                                     |
| (iii)    | Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 and 29 C of NHB Act, 1987 | 1,164.21                              | 1,037.99                              |
|          | <b>Sub Total (A)</b>  | <b>1,168.75</b>                       | <b>1,042.66</b>                       |
| <b>B</b> | <b>Deferred Tax Assets</b>  |                                       |                                       |
| (i)      | Provision on investment   | 1.17                                  | 1.15                                  |
| (ii)     | Provision for Debtors   | 4.97                                  | 4.11                                  |
| (iii)    | Provision on Loans  | 590.13                                | 487.35                                |
| (iv)     | Provision on Jabalpur Earthquake  | -                                     | 1.69                                  |
| (v)      | Provision for staff loans   | 0.03                                  | 0.03                                  |
| (vi)     | Provision on advances   | 0.15                                  | 0.09                                  |
| (vii)    | Provision for leave encashment  | 9.65                                  | 7.69                                  |
| (viii)   | Provision for post retirement medical benefit                                     | 40.73                                 | 32.74                                 |
| (ix)     | Provision for Welfare Expenses  | 0.38                                  | 0.18                                  |
| (x)      | Provision for LTC   | 1.36                                  | 3.08                                  |
| (xi)     | Provision for Pension Fund  | 9.82                                  | -                                     |
| (xii)    | Disallowance of interest under section 43B of Income Tax Act, 1961                | 3.47                                  | 3.28                                  |
| (xiii)   | Provision on Corporate Social Responsibility (CSR) & Sustainable Development (SD) | -                                     | 6.22                                  |
|          | <b>Sub Total (B)</b>  | <b>661.86</b>                         | <b>547.61</b>                         |
| <b>C</b> | <b>Net Deferred Tax Liabilities (A) - (B)</b>                                     | <b>506.89</b>                         | <b>495.05</b>                         |

**NOTE 6 : OTHER LONG TERM LIABILITIES**

(₹ in crore)

| S. No.   | PARTICULARS                         | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|-------------------------------------|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Others</b>                       |                                       |                                       |
| (i)      | Security and other deposits         | 8.33                                  | 7.20                                  |
| <b>B</b> | <b>Interest accrued but not due</b> |                                       |                                       |
| (i)      | Unsecured Loans                     | 64.78                                 | 105.39                                |
|          | <b>Total (A+B)</b>                  | <b>73.11</b>                          | <b>112.59</b>                         |

**NOTE 7 : LONG TERM PROVISIONS**

(₹ in crore)

| S. No.   | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|---|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Provision for employees benefit</b>  |                                       |                                       |
| (i)      | Leave encashment  | 22.48                                 | 20.63                                 |
| (ii)     | Post retirement medical benefit   | 115.03                                | 93.74                                 |
| (iii)    | Welfare expenses  | 1.00                                  | 0.47                                  |
| (iv)     | Leave travel concession<br>(Refer S.No. 9 of Note 26 - Explanatory Notes)   | 0.09                                  | 4.51                                  |
|          | <b>Sub Total A- (i+ii+iii+iv)</b>   | <b>138.60</b>                         | <b>119.35</b>                         |
| <b>B</b> | <b>Others</b>   |                                       |                                       |
| (i)      | Contingent Provisions for Standard Assets as per NHB norms<br>(Refer S.No. 3 & 25 of Note 26 - Explanatory Notes) | 120.32                                | 108.33                                |
|          | <b>Sub Total B - (i)</b>  | <b>120.32</b>                         | <b>108.33</b>                         |
|          | <b>Total (A+B)</b>  | <b>258.92</b>                         | <b>227.68</b>                         |
|          | Refer S. No. 10 of Note 26 - Explanatory Notes for movement of Provisions as per AS 29.                           |                                       |                                       |

**NOTE 8 : SHORT TERM BORROWINGS**

(₹ in crore)

| S. No.   | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|---|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Unsecured Loan</b>   |                                       |                                       |
|          | Term loan from CTBC Bank Co. Ltd.<br>(@ 9.75% p.a., repayable on 24.09.2014 by way of bullet repayment) | -                                     | 20.00                                 |
|          | <b>Total</b>  | <b>-</b>                              | <b>20.00</b>                          |

**NOTE 9 : TRADE PAYABLE**

(₹ in crore)

| S. No.   | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|---|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Expenses Payable</b>   |                                       |                                       |
| (i)      | Total outstanding dues of Micro Enterprises and small Enterprises   | -                                     | -                                     |
| (ii)     | Total outstanding dues of Creditors other than Micro Enterprises and small Enterprises<br>(Refer S.No. 17 of Note 26 - Explanatory Notes) | 9.34                                  | 13.76                                 |
|          | <b>Total</b>  | <b>9.34</b>                           | <b>13.76</b>                          |

## NOTE 10: OTHER CURRENT LIABILITIES

(₹ in crore)

| S. No.     | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|------------|--|---------------------------------------|---------------------------------------|
| <b>(A)</b> | <b>CURRENT MATURITIES OF LONG TERM DEBT</b>  |                                       |                                       |
| <b>I</b>   | <b>SECURED LOANS</b>   |                                       |                                       |
| (i)        | Special Priority Sector Bonds series B & C (Bank of India) [Details of Current Maturity of long term debt- (A) I (i)]  | 5.75                                  | 5.25                                  |
| (ii)       | Loan from Bank (Bank of India) [Details of Current Maturity of long term debt- (A) I (ii)]   | 8.48                                  | 7.97                                  |
| (iii)      | National Housing Bank [Details of Current Maturity of long term debt- (A) I (iii)]   | 352.40                                | 195.89                                |
|            | <b>Sub Total A - I (i+ii+iii)</b>  | <b>366.63</b>                         | <b>209.11</b>                         |
| <b>II</b>  | <b>UNSECURED LOANS</b>   |                                       |                                       |
| (i)        | BONDS- HUDCO Bonds Non Cumulative redeemable at par  |                                       |                                       |
|            | 8.05% Taxable (XXXIX-A) Repayable on 29.03.2016 @  | 14.70                                 | -                                     |
|            | 8.12% Taxable (XXXIX-B) Repayable on 29.03.2016 @@   | 1.90                                  | -                                     |
|            | 8.35% Taxable (XXXIX-C) Repayable on 29.03.2016  | 160.40                                | -                                     |
|            | 7.30% Taxable (XXXVII-A) Repayable on 20.01.2016 @   | 34.60                                 | -                                     |
|            | 7.50% Taxable (XXXVII-B) Repayable on 20.01.2016 @@  | 7.40                                  | -                                     |
|            | 7.80% Taxable (XXXVII-C) Repayable on 20.01.2016   | 590.00                                | -                                     |
|            | 10.00% Taxable (XXV-C) Repayable on 28.06.2014   | -                                     | 210.00                                |
|            | <b>Sub Total A - II - (i)</b>  | <b>809.00</b>                         | <b>210.00</b>                         |
|            | @ Put and call option at the end of 5 <sup>th</sup> year from the date of allotment, else redeemable at par on due date.   |                                       |                                       |
|            | @@ Put and call option at the end of 7 <sup>th</sup> year from the date of allotment, else redeemable at par on due date.  |                                       |                                       |
| (ii)       | <b>LOANS FROM VARIOUS BANKS</b>  |                                       |                                       |
|            | Term Loan from Banks ( PLR / Base Rate)  | -                                     | 550.05                                |
|            | <b>Sub Total A - II - (ii)</b>   | <b>-</b>                              | <b>550.05</b>                         |
| (iii)      | <b>LOANS FROM GOVERNMENT OF INDIA UNDER :</b>  |                                       |                                       |
|            | Line of credit from Kreditanstalt für Wiederaufbau (KfW)   |                                       |                                       |
|            | [Refer Details of Current Maturity of long-term debt - (A) II (i)]   | 0.17                                  | 23.45                                 |
|            | <b>Sub Total A - II - (iii)</b>  | <b>0.17</b>                           | <b>23.45</b>                          |
| (iv)       | <b>Public Deposits @ 6% p.a. to 12.5% p.a.</b>   |                                       |                                       |
|            | Repayable with in one year [Details of Current Maturity of long term debt- (A) II (ii)]  | 1,099.36                              | 403.69                                |
|            | <b>Sub Total A - II - (iv)</b>   | <b>1,099.36</b>                       | <b>403.69</b>                         |
| (v)        | <b>LOANS IN FOREIGN CURRENCY :</b>   |                                       |                                       |
|            | [Details of Current Maturity of long term debt- (A) II (iii) ]   |                                       |                                       |
| (a)        | <b>Loan from JBIC</b>  |                                       |                                       |
|            | - Swapped with Yes Bank (Tranche-I) #  | 25.40                                 | 25.40                                 |
|            | <b>Sub Total A - II - (v) (a)</b>  | <b>25.40</b>                          | <b>25.40</b>                          |
| #          | Principal only swap (PoS) amounting to JPY 1268.778 million executed with Yes Bank Ltd. on 18.01.2013 (effective from 22.01.2013) for a period upto 20.01.2016, at spot rate of ₹ 0.60065 and PoS premium of 6.6125% p.a. payable semi annually. |                                       |                                       |
| (b)        | <b>Loan from Asian Development Bank</b>  |                                       |                                       |
|            | 6 months LIBOR for US \$ +0.40% p.a.   | 29.95                                 | 27.50                                 |
|            | <b>Sub Total A - II - (v) (b)</b>  | <b>29.95</b>                          | <b>27.50</b>                          |
| (c)        | <b>Loan from US Capital Market</b>   |                                       |                                       |
|            | (Guaranteed by USAID & Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan)   |                                       |                                       |
| (1)        | 6 months LIBOR for US \$ + 0.18% p.a.(USAID-1)   | 2.18                                  | 2.18                                  |
| (2)        | 6 months LIBOR for US \$ + 0.035% p.a. (USAID-2)   |                                       |                                       |
|            | - Swapped with ICICI Bank  | 4.45                                  | 4.45                                  |
|            | <b>Sub Total A - II - (v) (c)</b>  | <b>6.63</b>                           | <b>6.63</b>                           |
|            | <b>Sub Total A - II - (v) (a+b+c)</b>  | <b>61.98</b>                          | <b>59.53</b>                          |
|            | <b>Sub Total A - II (i+ii+iii+iv+v)</b>  | <b>1,970.51</b>                       | <b>1,246.72</b>                       |
|            | <b>Total Current maturities of LongTerm Debt - A (I+II)</b>  | <b>2,337.14</b>                       | <b>1,455.83</b>                       |
| <b>(B)</b> | <b>Interest accrued but not due</b>  |                                       |                                       |
| (i)        | Secured Loans  | 206.62                                | 69.46                                 |
| (ii)       | Unsecured Loans  | 297.47                                | 424.93                                |
| (iii)      | Others   | 0.01                                  | 0.01                                  |
|            | <b>Sub Total B (i+ii+iii)</b>  | <b>504.10</b>                         | <b>494.40</b>                         |

**NOTE 10 (Contd.)**

(₹ in crore)

|   |   |       |                 |                 |
|---|---|-------|-----------------|-----------------|
| (C)   | Bank book overdraft in current account [see footnote (B) 1]                         |       | 2,815.50        | 960.71          |
| (D)   | Sundry Creditors *<br>[Refer S.No. 17 of Note No 26 - Explanatory Notes]            |       | 0.41            | 0.65            |
| (E)   | Security, Earnest money and other deposits  |       | 4.80            | 1.86            |
| (F)   | Amount received in advance  |       | 7.06            | 6.39            |
| (G)   | Unclaimed Liability towards: [see footnote (B) 2]                                   |       |                 |                 |
|   | i) Bonds  | 1.20  |                 | 9.90            |
|   | ii) Public Deposits   | 27.45 |                 | 3.27            |
|   | iii) Interest accrued and due on Debenture  | 0.01  |                 | 0.02            |
|   | iv) Interest accrued and due on Bonds   | 2.05  |                 | 4.29            |
|   | v) Interest accrued and due on Public Deposits                                      | 2.24  |                 | 0.63            |
|   |   |       | 32.95           |                 |
| (H)   | KfW R & D account   |       | 47.87           | 48.04           |
| (I)   | KfW Interest account  |       | 9.87            | 9.87            |
| (J)   | Amount received from KfW [see footnote (B) 3 and (B) 4]                             | 97.55 |                 | 98.70           |
|   | Less: KfW Releases  | -     |                 | 4.61            |
|   | <b>Sub Total (J)</b>  |       | <b>97.55</b>    |                 |
| (K)   | Grant / Subsidy received from different Ministries/Agencies<br>[see footnote (B) 4] |       | 8.94            | 9.41            |
| (L)   | Amt payable to Ministry - AGP and BCP   |       | 1.05            | 1.01            |
| (M)   | Amount Payable to Staff   |       | 13.25           | 16.80           |
| (N)   | Other Liabilities **  |       | 96.77           | 59.31           |
|   | <b>Sub Total ( B+C+D+E+F+G+H+I+J+K+L+M+N)</b>                                       |       | <b>3,640.12</b> | <b>1,720.65</b> |
|   | <b>Total (A+ B+C+D+E+F+G+H+I+J+K+L+M+N)</b>   |       | <b>5,977.26</b> | <b>3,176.48</b> |
| * Includes ₹ 0.40 crore (Previous year ₹ 0.31 crore) on account of Andrews Ganj Project [Refer S.No. 2(b) of Note No 26 - Explanatory Notes]. |   |       |                 |                 |
| ** Includes ₹ 0.03 crore (Previous year ₹ 0.03 crore) on account of Andrews Ganj Project [Refer S.No. 2(b) of Note No 26 - Explanatory Notes] |   |       |                 |                 |

**(A) Details of Current Maturity of long term debt**

(Foreign Currency amounts in Millions, INR ₹ in crore)

| S.No.     | Date of drawal / Institution                             | Amount        | Rate of Interest as on 31.03.2015 | Redemption Details                  |
|-----------|--|---------------|-----------------------------------|-------------------------------------|
| <b>I</b>  | <b>Secured Loans</b>                                     |               |                                   |                                     |
| (i)       | Special Priority Sector Bonds                            |               | @ 1 year G.Sec. + 350 bsp p.a.    |                                     |
|           | SPS Bond Series C (Bank of India)                        | 3.00          | Currently the ROI is 11.54% p.a.  | 10.12.2015                          |
|           | SPS Bond Series B (Bank of India)                        | 2.75          |                                   | 10.06.2015                          |
|           | <b>Total Special Priority Sector Bonds</b>               | <b>5.75</b>   |                                   |                                     |
| (ii)      | Loan from Bank of India                                  |               |                                   |                                     |
|           | -15.02.1999  | 4.17          | 11.54%                            | 10.06.2015                          |
|           | -15.02.1999  | 4.31          | 11.54%                            | 10.12.2015                          |
|           | <b>Total Bank of India</b>                               | <b>8.48</b>   |                                   |                                     |
| (iii)     | National Housing Bank                                    |               |                                   |                                     |
|           | - 15.01.2015   | 17.01         | 7.35%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 08.01.2015   | 17.64         | 7.35%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 26.12.2014   | 38.49         | 7.35%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 03.06.2014   | 21.69         | 7.10%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 02.06.2014   | 61.68         | 6.85%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 17.12.2013   | 55.56         | 8.00%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 09.04.2013   | 55.55         | 6.75%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 30.10.2012   | 27.78         | 6.75%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 25.04.2012   | 28.50         | 6.25%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | - 12.12.2011   | 28.50         | 6.25%                             | 01.07.2015, 01.10.2015 & 01.01.2016 |
|           | <b>Total National Housing Bank</b>                       | <b>352.40</b> |                                   |                                     |
| <b>II</b> | <b>Unsecured Loans</b>                                   |               |                                   |                                     |
| (i)       | <b>LOAN FROM GOVERNMENT OF INDIA UNDER:</b>              |               |                                   |                                     |
|           | Line of credit from Kreditanstalt für Wiederaufbau (KfW) |               |                                   |                                     |
|           | -11.11.1993  | 0.17          | 5.75%                             | 11.11.2015                          |
|           | <b>Total KfW Loan</b>                                    | <b>0.17</b>   |                                   |                                     |

**NOTE 10 (Contd.)**

|                                     |   |       |        |                 |   |                           |
|-------------------------------------|---|-------|--------|-----------------|---|---------------------------|
| (ii)                                | Public Deposits                         |       |        |                 |   |                           |
|                                     | April, 2015                             |       |        | 53.38           |   | Repayable within one year |
|                                     | May, 2015                               |       |        | 47.75           |   |                           |
|                                     | June, 2015                              |       |        | 49.76           |   |                           |
|                                     | July, 2015                              |       |        | 51.92           |   |                           |
|                                     | August, 2015                            |       |        | 50.29           |   |                           |
|                                     | September, 2015                         |       |        | 102.13          |   |                           |
|                                     | October, 2015 to March, 2016            |       |        | 744.13          |   |                           |
| <b>Total Public Deposits</b>        |   |       |        | <b>1,099.36</b> |   |                           |
| (iii)                               | <b>Loans in Foreign Currency:</b>       |       |        |                 |   |                           |
| (a)                                 | <b>Loan from JBIC</b>                   |       |        |                 |   |                           |
|                                     | Swapped with YES Bank                   | JPY   | 422.93 | 25.40           | 2.10% p.a. (fixed), in addition Principle only Swap premium @ 6.6125% p.a | 20.07.2015 and 20.01.2016 |
| (b)                                 | <b>Loan from Asian Development Bank</b> |       |        |                 |   |                           |
|                                     | Swapped with Bank of India              | US \$ | 2.83   | 17.68           | @ 6M LIBOR for US \$ + 0.40% p.a. currently the ROI is 0.7384% p.a.       | 15.06.2015 and 15.12.2015 |
|                                     | Swapped with Exim Bank                  | US \$ | 2.83   | 12.27           | 12.50% p.a.   |                           |
|                                     | Total IV (ii)                           |       |        | <b>29.95</b>    |   |                           |
| (c)                                 | <b>Loan from US Capital Market</b>      |       |        |                 |   |                           |
|                                     | <b>USAID-1</b>                          |       |        |                 |   |                           |
|                                     | Swapped with Exim Bank                  | US \$ | 0.50   | 2.18            | 12.50% p.a.   | 23.09.2015 and 23.03.2016 |
|                                     | <b>USAID-2</b>                          |       |        |                 |   |                           |
|                                     | Swapped with ICICI Bank                 | US \$ | 1.00   | 4.45            | Swap premium @ 6.18% p.a  | 15.09.2015 and 15.03.2016 |
|                                     | Total IV (iii)                          |       |        | <b>6.63</b>     |   |                           |
| <b>Total Foreign Currency Loans</b> |   |       |        | <b>61.98</b>    |   |                           |

**(B) Footnotes:**

(₹ in crore)

| 1 | Name of the Banks   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---|---------------------------------------|---------------------------------------|
|   | Indian Bank   | -                                     | 77.01                                 |
|   | State Bank of India   | 500.00                                | 500.00                                |
|   | Vijaya Bank   | -                                     | 383.70                                |
|   | Punjab National Bank  | 265.40                                | -                                     |
|   | Bank of Baroda  | 334.60                                | -                                     |
|   | Canara Bank   | 250.00                                | -                                     |
|   | Uco Bank  | 215.40                                | -                                     |
|   | State Bank of Hyderabad   | 250.00                                | -                                     |
|   | United Bank of India  | 699.97                                | -                                     |
|   | Union Bank of India   | 300.00                                | -                                     |
|   | <b>Total</b>  | <b>2,815.37</b>                       | <b>960.71</b>                         |
| 2 | Liability towards Investors Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 will be determined on the respective due dates. Debentures/ Bonds/ PDS aggregating to ₹ 32.95 crore towards principal and interest (Previous Year ₹ 18.11 crore) were due and unclaimed as on 31.3.2015. During the year an amount of ₹ 8.75 crore (previous year ₹ 1.19 crore) has been transferred to IEPF after completion of statutory period of seven years. {Refer S.No. 16 (b) of Note 26 - Explanatory Notes} |                                       |                                       |
| 3 | Includes Principal overdue & interest overdue as on 31.03.2015 amounting to ₹ Nil (previous year ₹ 4.61 crore) and ₹ Nil (previous year ₹9.06 crore) respectively.  |                                       |                                       |
| 4 | Includes ₹ 8.96 crore (Previous year ₹ 9.41 crore) (Net of refunds) as on 31.03.2015 received on account of various Grants/ Subsidies. Cumulative Grants/ Subsidies received as on 31.03.2015 is ₹ 1461.65 crore (Previous year ₹ 1457.37 crore), out of which ₹ 1452.69 crore (Previous year ₹ 1447.96 crore) has been released (Net of refunds). The Utilisation Certificates to the extent of ₹ 1328.67 crore has been received and for balance amount of Utilisation Certificates are being followed up.                        |                                       |                                       |

**NOTE 11 : SHORT TERM PROVISIONS**

(₹ in crore)

| S. No.   | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|--|---------------------------------------|---------------------------------------|
| <b>A</b> | Provision for employees benefit  |                                       |                                       |
| (i)      | Leave encashment   | 5.41                                  | 1.98                                  |
| (ii)     | Post retirement medical benefit  | 2.64                                  | 2.58                                  |
| (iii)    | Welfare expenses   | 0.11                                  | 0.06                                  |
| (iv)     | Leave travel concession  | 3.85                                  | 4.56                                  |
|          | (Refer S.No. 9 of Note 26 - Explanatory Notes)   |                                       |                                       |
|          | <b>Sub-Total A-(i+ii+iii+iv)</b>   | <b>12.01</b>                          | <b>9.18</b>                           |
| <b>B</b> | Others   |                                       |                                       |
| (i)      | Provision for Income Tax   | 396.90                                | 292.50                                |
| (ii)     | Less: Advance Income Tax ( Including TDS)  | 365.13                                | 278.73                                |
| (iii)    | Net Provision for Income Tax (i-ii)  | 31.77                                 |                                       |
| (iv)     | Wealth tax   | 0.25                                  | 0.25                                  |
| (v)      | Proposed Final Dividend  | 100.01                                | 100.01                                |
| (vi)     | Dividend Tax   | 20.49                                 | 17.00                                 |
|          | <b>Sub-Total B-(iii+iv+v+vi)</b>   | <b>152.52</b>                         | <b>131.03</b>                         |
| <b>C</b> | Provisions on Loans  |                                       |                                       |
| (i)      | Contingent Provisions for Standard Assets as per NHB norms                                     | 17.07                                 | 17.92                                 |
|          | (Refer S.No. 3 & 25 of Note 26 - Explanatory Notes)  |                                       |                                       |
|          | <b>Sub-Total C (i)</b>   | <b>17.07</b>                          | <b>17.92</b>                          |
| <b>D</b> | Corporate Social Responsibilities (CSR) & Sustainable Development (SD)                         |                                       |                                       |
|          | Opening Balance  | 18.30                                 | -                                     |
| (i)      | Add: Adjustment during the year  | 0.11                                  | 20.29                                 |
| (ii)     | Add: Provision for the year  | -                                     | 10.51                                 |
| (iii)    | Less: Expenditure Incurred during the year   | 8.47                                  | 12.50                                 |
|          | (Refer S.No. 29 (a) of Note 26 - Explanatory Notes)  | 9.94                                  | 18.30                                 |
|          | <b>Total</b>   | <b>191.54</b>                         | <b>176.43</b>                         |
|          | <i>Refer S. No. 10 of Note 26 - Explanatory Notes for movement of Provisions as per AS 29.</i> |                                       |                                       |

**NOTE 12: FIXED ASSETS**

| S. No.   | ITEMS                                    | GROSS BLOCK           |                          |             |              | DEPRECIATION / AMORTISATION |                 |             |              | NET BLOCK              |                  |                  |
|----------|--|-----------------------|--------------------------|-------------|--------------|-----------------------------|-----------------|-------------|--------------|------------------------|------------------|------------------|
|          |  | Cost as at 01.04.2014 | Addition during the year | Adjustments |              | As at 01.04.2014            | For the year ** | Adjustments |              | Total as at 31.03.2015 | As at 31.03.2015 | As at 31.03.2014 |
|          |  |                       |                          | Addition    | Deduction    |                             |                 | Addition    | Deduction    |                        |                  |                  |
| <b>A</b> | <b>TANGIBLE</b>                          |                       |                          |             |              |                             |                 |             |              |                        |                  |                  |
| (i)      | Land (Freehold)                          | 4.61                  | -                        | -           | -            | -                           | -               | -           | -            | -                      | 4.61             | 4.61             |
| (ii)     | Land (Leasehold) * #                     | 8.23                  | 2.60                     | -           | 1.53         | 0.11                        | -               | -           | 1.64         | -                      | 9.19             | 6.70             |
| (iii)    | Building (Freehold)                      | 9.71                  | -                        | 3.26        | 5.44         | 0.32                        | 0.67            | 0.35        | 6.08         | 0.35                   | 6.35             | 4.27             |
| (iv)     | Building (Leasehold) #                   | 78.82                 | 8.35                     | 0.54        | 40.36        | 1.72                        | 0.36            | 0.78        | 41.66        | 0.78                   | 42.57            | 38.46            |
| (v)      | Flat (Freehold) #                        | 10.36                 | -                        | 5.31        | 5.81         | 0.29                        | 3.73            | 0.02        | 9.81         | 0.02                   | 5.83             | 4.55             |
| (vi)     | Flat (Leasehold) #                       | 10.61                 | -                        | 0.03        | 6.85         | 0.10                        | 0.02            | 3.73        | 3.24         | 0.02                   | 2.09             | 3.76             |
| (vii)    | Air conditioner and Cooler               | 2.18                  | 0.23                     | -           | 1.31         | 0.33                        | -               | 0.04        | 1.60         | -                      | 0.77             | 0.87             |
| (viii)   | Office Equipments                        | 21.22                 | 0.86                     | 0.28        | 17.73        | 2.51                        | 0.02            | 0.82        | 19.44        | 0.02                   | 2.04             | 3.49             |
| (ix)     | Furniture and Fixtures                   | 4.83                  | 0.31                     | 0.02        | 4.03         | 0.29                        | 0.01            | 0.03        | 4.30         | 0.01                   | 0.82             | 0.80             |
| (x)      | Vehicle                                  | 1.93                  | -                        | 0.03        | 1.39         | 0.19                        | 0.03            | 0.03        | 1.58         | 0.03                   | 0.35             | 0.54             |
| (xi)     | Library Books                            | 0.95                  | 0.01                     | -           | 0.95         | 0.01                        | -               | -           | 0.96         | -                      | -                | -                |
| (xii)    | Miscellaneous Assets                     | 3.80                  | 0.05                     | -           | 3.80         | 0.05                        | -               | -           | 3.85         | -                      | -                | -                |
|          | <b>Total A</b>                           | 157.25                | 12.41                    | 9.47        | 89.20        | 5.92                        | 4.84            | 5.80        | 94.16        | 4.84                   | 74.62            | 68.05            |
| <b>B</b> | <b>INTANGIBLE</b>                        |                       |                          |             |              |                             |                 |             |              |                        |                  |                  |
| (i)      | Software                                 | 1.68                  | 0.04                     | -           | 1.63         | 0.02                        | -               | -           | 1.65         | -                      | 0.07             | 0.05             |
|          | <b>Total A+B</b>                         | 158.93                | 12.45                    | 9.47        | 90.83        | 5.94                        | 4.84            | 5.80        | 95.81        | 4.84                   | 74.69            | 68.10            |
| <b>C</b> | <b>Less : Grants</b>                     |                       |                          |             |              |                             |                 |             |              |                        |                  |                  |
| (i)      | Air Conditioner                          | -                     | -                        | -           | -            | -                           | -               | -           | -            | -                      | -                | -                |
| (ii)     | Office Equipment                         | 0.08                  | -                        | -           | 0.08         | -                           | -               | -           | 0.08         | -                      | -                | -                |
| (iii)    | Furniture and Fixtures                   | -                     | -                        | -           | -            | -                           | -               | -           | -            | -                      | -                | -                |
| (iv)     | Library Books                            | -                     | -                        | -           | -            | -                           | -               | -           | -            | -                      | -                | -                |
| (v)      | Miscellaneous Assets                     | 0.01                  | -                        | -           | 0.01         | -                           | -               | -           | 0.01         | -                      | -                | -                |
|          | <b>Total C</b>                           | 0.09                  | -                        | -           | 0.09         | -                           | -               | -           | 0.09         | -                      | -                | -                |
|          | <b>Total A+B-C</b>                       | 158.84                | 12.45                    | 9.47        | 90.74        | 5.94                        | 4.84            | 5.80        | 95.72        | 4.84                   | 74.69            | 68.10            |
| <b>D</b> | <b>Capital Work-in-Progress</b>          | 26.68                 | 6.91                     | -           | -            | -                           | -               | -           | -            | -                      | 24.94            | 26.68            |
|          | <b>As at 31<sup>st</sup> March, 2015</b> | <b>185.52</b>         | <b>19.36</b>             | <b>9.47</b> | <b>90.74</b> | <b>5.94</b>                 | <b>4.84</b>     | <b>5.80</b> | <b>95.72</b> | <b>4.84</b>            | <b>99.63</b>     | <b>94.78</b>     |
|          | <b>As at 31<sup>st</sup> March, 2014</b> | 175.95                | 10.50                    | 0.07        | 87.24        | 4.32                        | 0.07            | 0.89        | 90.74        | 0.07                   | 94.78            | 88.71            |

\* Includes land of ₹ 0.33 crore on perpetual lease (Previous year ₹ 0.33 crore) hence no depreciation has been provided.

# The lease (sub-lease) / conveyance deeds in respect of certain properties (Land, Building and Flat) of the value of ₹ 38.77 crore (previous year ₹ 38.77 crore) are yet to be executed.

\*\* Adjustment of Carrying value of ₹ 0.66 crore in respect of assets whose useful life has expired in complying with the transitional provision specified in Schedule II of Companies Act, 2013.

**NOTE 13: NON CURRENT INVESTMENTS**

(₹ in crore)

| S. No.   | PARTICULARS  |       | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|--|-------|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Equity Shares (Long Term) (Trade Investment)</b>                  | 36.67 |                                       | 34.87                                 |
|          | Less : Provision [Refer S.No. 25 (3) of Note 26 - Explanatory Notes] | 3.00  |                                       | 3.00                                  |
|          |  |       | <b>33.67</b>                          |                                       |
| <b>B</b> | <b>Equity Shares (Long Term) - Joint Venture</b>                     | 2.40  |                                       | 2.40                                  |
|          | Less : Provision [Refer S.No. 25 (3) of Note 26 - Explanatory Notes] | 0.39  |                                       | 0.39                                  |
|          |  |       | <b>2.01</b>                           |                                       |
| <b>C</b> | <b>Infrastructure Debt Fund (Long Term)</b>                          |       | <b>50.00</b>                          | 50.00                                 |
| <b>D</b> | <b>Bonds</b>   |       | <b>270.00</b>                         | 670.00                                |
|          | <b>Total (A+B+C+D)</b>   |       | <b>355.68</b>                         | <b>753.88</b>                         |

**Additional disclosures required in respect of the investments**

|           |   |  |               |        |
|-----------|---|--|---------------|--------|
| <b>I</b>  | <b>Aggregate of quoted investments:</b>   |  |               |        |
| (i)       | Cost                                      |  | <b>52.60</b>  | 52.60  |
| (ii)      | Market Value *                            |  | <b>57.31</b>  | 52.13  |
| <b>II</b> | <b>Aggregate of unquoted investments:</b> |  |               |        |
| (i)       | Cost                                      |  | <b>306.47</b> | 704.67 |

(₹ in crore)

| S. No.   | PARTICULARS  | Number<br>Shares/Units/Bonds | Face Value (₹) | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|--|------------------------------|----------------|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Quoted Investments</b>                                |                              |                |                                       |                                       |
| (1)      | <b>Equity Shares</b>                                     |                              |                |                                       |                                       |
| (i)      | Indbank Housing Limited                                  | 2,500,000                    | 10             | <b>2.50</b>                           | 2.50                                  |
| (ii)     | Sri KPR Industries Limited                               | 100,000                      | 10             | <b>0.10</b>                           | 0.10                                  |
|          | <b>Sub-Total A(1)</b>                                    |                              |                | <b>2.60</b>                           | <b>2.60</b>                           |
| (2)      | <b>Infrastructure Debt Fund</b>                          |                              |                |                                       |                                       |
| (i)      | IIFCL Assets Management Company Limited (IAMCL)**        | 500.00                       | 1,000,000      | <b>50.00</b>                          | 50.00                                 |
|          | <b>Sub-Total A(2)</b>                                    |                              |                | <b>50.00</b>                          | <b>50.00</b>                          |
|          | <b>Total Quoted Investments A (1 + 2)</b>                |                              |                | <b>52.60</b>                          | <b>52.60</b>                          |
| <b>B</b> | <b>Unquoted Investments</b>                              |                              |                |                                       |                                       |
| (1)      | <b>Equity Share</b>                                      |                              |                |                                       |                                       |
| (i)      | TN Urban Finance Infrastructure Dev. Corporation. Ltd.   | 20,000                       | 100            | <b>0.20</b>                           | 0.20                                  |
| (ii)     | Cent Bank Home Finance Ltd.                              | 170,000                      | 100            | <b>1.70</b>                           | 1.70                                  |
| (iii)    | Intra Consolid (India) Limited                           | 100,000                      | 10             | <b>0.10</b>                           | 0.10                                  |
| (iv)     | Nagarjuna Ceramics Ltd. ***                              | 100,000                      | 10             | <b>0.10</b>                           | 0.10                                  |
| (v)      | Marnite Polycast Ltd.                                    | 100,000                      | 10             | <b>0.10</b>                           | 0.10                                  |
| (vi)     | Periwal Bricks Ltd.                                      | 100,000                      | 10             | <b>0.10</b>                           | 0.10                                  |
| (vii)    | Trans Fibre Pipes (I) Ltd.                               | 71,900                       | 10             | <b>0.07</b>                           | 0.07                                  |
| (viii)   | Cochin International Airport Ltd.                        | 10,000,000                   | 10             | <b>10.00</b>                          | 10.00                                 |
| (ix)     | Delhi Mumbai Industrial Corridor Development Corpn. Ltd. | 19,900,000                   | 10             | <b>19.90</b>                          | 19.90                                 |
| (x)      | Sewa Grih Rin Ltd.                                       | 1,800,000                    | 10             | <b>1.80</b>                           | -                                     |
|          | <b>Sub-Total B (1)</b>                                   |                              |                | <b>34.07</b>                          | <b>32.27</b>                          |

|            |  |           |           |               |               |
|------------|--|-----------|-----------|---------------|---------------|
| <b>(2)</b> | <b>Equity Share - Joint Venture</b>                      |           |           |               |               |
| (i)        | Pragati Social Infrastructure Development Ltd.           | 130,000   | 10        | 0.13          | 0.13          |
| (ii)       | MCM Infrastructure Pvt. Ltd.                             | 260,000   | 10        | 0.26          | 0.26          |
| (iii)      | Shristi Urban Infrastructure Development Ltd.            | 2,000,000 | 10        | 2.00          | 2.00          |
| (iv)       | Signa Infrastructure India Ltd.                          | 13,000    | 10        | 0.01          | 0.01          |
|            | [Refer S.No. 27 (c) & 28 of Note 26 - Explanatory Notes] |           |           |               |               |
|            | <b>Sub-Total B (2)</b>                                   |           |           | <b>2.40</b>   | <b>2.40</b>   |
| <b>(3)</b> | <b>Bonds</b>   |           |           |               |               |
| (i)        | 8.00% West Bengal Inf. Dev. Finance Corp. Ltd. ****      | 2,000     | 1,000,000 | 0.00          | 200.00        |
| (ii)       | 8.15% A P Power Finance Corporation Ltd. ****            | 2,700     | 1,000,000 | 270.00        | 270.00        |
| (iii)      | 8.00% Maharashtra Jeewan Pradhikaran ****                | 2,000     | 1,000,000 | 0.00          | 200.00        |
|            | <b>Sub-Total B (3)</b>                                   |           |           | <b>270.00</b> | <b>670.00</b> |
|            | <b>Total Unquoted Investments B (1+2+3)</b>              |           |           | <b>306.47</b> | <b>704.67</b> |
|            | <b>Total (A + B)</b>                                     |           |           | <b>359.07</b> | <b>757.27</b> |

\* Market value of shares of Indbank Housing Ltd. @ ₹ 6.05 per share amounting to ₹ 1.51 crore (previous year @ ₹ 5.99 per share amounting to ₹ 1.50 crore), shares of Sri KPR Industries @ ₹ 16.75 per share amounting to ₹ 0.17 crore (previous year @ ₹ 18.55 per share amounting to ₹ 0.18 crore) and NAV Value of Units of IIFCL Assets Management Company Limited is @ ₹ 1112687.4953 per Unit amounting to ₹ 55.63 crore (previous year @ ₹ 1008996.0328 per unit amounting to ₹ 50.45 crore).

\*\* IIFCL Mutual Fund Infrastructure Debt Fund Series – I of IAMCL is 10 year close ended scheme launched in 2013-14.

\*\*\* Share Certificates sent for correction but not received back.

\*\*\*\* Floating charge has been created on Statutory Liquid Assets by way of trust deed with M/s IL & FS Trust Company Ltd. in terms of Sub-section (1) & (2) of Section 29B of National Housing Bank Act, 1987.



*District Treasury Office, Kohima, Treasuries and Accounts, Govt. of Nagaland.*

**NOTE 14: LONG TERM LOANS AND ADVANCES**

(₹ in crore)

| S. No.   | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|---|---------------------------------------|---------------------------------------|
| <b>A</b>   | <b>Loans</b>  |                                       |                                       |
| (i)  | Opening Balance   | 24,232.77                             | 21,239.51                             |
| (ii)   | Add : Advanced during the year  | 7,351.05                              | 6,937.15                              |
| (iii)  | Less : Repayment received during the year                                     | 4,123.96                              | 3,943.89                              |
|  | <b>Sub Total (i+ii-iii)</b>   | 27,459.86                             | 24,232.77                             |
| (iv)   | Less : Provision on Loans (Refer S.No. 3 & 25 of Note 26 - Explanatory Notes) | 344.56                                | 260.50                                |
|  | <b>Sub Total A (i+ii-iii-iv)</b>  | 27,115.30                             | 23,972.27                             |
| <b>B</b>   | <b>Staff Loans *</b>  |                                       |                                       |
| (i)  | Staff Loans - Principal 36.41   |                                       | 36.58                                 |
| (ii)   | Loans to Directors- Principal 0.01  |                                       | 0.02                                  |
| (iii)  | Add : Interest accrued on Staff Loan 14.62                                    |                                       | 13.80                                 |
| (iv)   | Add : Interest accrued on Loans to Directors 0.01                             |                                       | 0.01                                  |
|  | <b>Sub Total B (i+ii+iii+iv)</b>  | 51.05                                 | 50.41                                 |
| *Includes secured by way of mortgage of ₹41.89 crore (Previous Year ₹38.12 crore). |   |                                       |                                       |
| <b>C</b>   | <b>Loan (Secured against Hudco Public Deposit)</b>                            |                                       |                                       |
| (i)  | Loan (Secured against Hudco Public Deposit) - Principal                       | 1.36                                  | -                                     |
| (ii)   | Add : Interest accrued on above   | 0.06                                  | -                                     |
|  | <b>Sub Total C (i+ii)</b>   | 1.42                                  | -                                     |
| <b>D</b>   | <b>Advances</b>   |                                       |                                       |
| (i)  | Advance against capital purchases   | 3.90                                  | 9.10                                  |
| (ii)   | Deposit for Services  | 0.30                                  | 0.19                                  |
| (iii)  | Prepaid Expenses  | 1.96                                  | 1.99                                  |
|  | <b>Sub Total D (i+ii+iii)</b>   | 6.16                                  | 11.28                                 |
|  | <b>Sub Total (B+C+D)</b>  | 58.63                                 | 61.69                                 |
|  | <b>Total ( A+B+C+D)</b>   | 27,173.93                             | 24,033.96                             |

**Details of Loans**

(₹ in crore)

| S.No.     | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-----------|--|---------------------------------------|---------------------------------------|
|           | <b>LOANS</b>   |                                       |                                       |
| <b>I</b>  | <b>Secured Loans</b>   |                                       |                                       |
| (a)       | Loans (secured by Hypothecation and/ or Mortgage of materials and Tangible Assets) |                                       |                                       |
| (i)       | Considered Good  | 9,077.09                              | 10,346.29                             |
| (ii)      | Classified Doubtful  | 886.36                                | 869.51                                |
|           | <b>Sub Total I - a (i+ii)</b>  | 9,963.45                              | 11,215.80                             |
| <b>II</b> | <b>Unsecured Loans</b>   |                                       |                                       |
| (a)       | Loans (secured by Government Guarantee)  |                                       |                                       |
| (i)       | Considered Good  | 17,116.34                             | 12,609.02                             |
| (ii)      | Classified Doubtful  | 13.83                                 | 37.25                                 |
|           | <b>Sub Total II - a (i+ii)</b>   | 17,130.17                             | 12,646.27                             |
| (b)       | Loans- Others (secured by Negative Lien, Bank Guarantee, others)                   |                                       |                                       |
| (i)       | Considered Good  | 366.24                                | 370.44                                |
| (ii)      | Classified Doubtful  | -                                     | 0.26                                  |
|           | <b>Sub Total II - b (i+ii)</b>   | 366.24                                | 370.70                                |
|           | <b>Sub Total II (a+b)</b>  | 17,496.41                             | 13,016.97                             |
|           | <b>Total (I+II)</b>  | 27,459.86                             | 24,232.77                             |

**NOTE 15 : CURRENT INVESTMENTS**

(₹ in crore)

| S. No. | PARTICULARS | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--------|-------------|---------------------------------------|---------------------------------------|
| A      | Bonds *     | 400.00                                | -                                     |
|        |             | 400.00                                | -                                     |

**Additional disclosures required in respect of the investments**

|      |   |        |   |
|------|---|--------|---|
| I    | <b>Aggregate of quoted investments:</b>   |        |   |
| (i)  | Cost                                      | -      | - |
| (ii) | Market Value                              | -      | - |
| II   | <b>Aggregate of unquoted investments:</b> |        |   |
| (i)  | Cost                                      | 400.00 | - |

(₹ in crore)

| S. No. | PARTICULARS                                     | Number | Face Value<br>(₹) | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--------|---|--------|-------------------|---------------------------------------|---------------------------------------|
|        | <b>Bonds</b>                                    |        |                   |                                       |                                       |
| (i)    | 8.00% West Bengal Inf. Dev. Finance Corp. Ltd.* | 2,000  | 1,000,000         | 200.00                                | -                                     |
| (ii)   | 8.00% Maharashtra Jeewan Pradhikaran*           | 2,000  | 1,000,000         | 200.00                                | -                                     |
|        |   |        | Total             | 400.00                                | -                                     |

\* Floating charge has been created on Statutory Liquid Assets by way of trust deed with M/s IL & FS Trust Company Ltd. in terms of Sub-section (1) & (2) of Section 29B of National Housing Bank Act, 1987.

**Foot Note :**

Bonds of Karnataka Renewable Energy Development Ltd. against a face value of ₹ 135.80 crore were fully redeemed on 31.12.2009.

However, J & K Bank Depository Services who are still showing a balance of ₹ 135.80 crore, since the investee has not intimated the same to the Depository Services.



Nagar Palika, Nigam Jabalpur, Madhya Pradesh

**NOTE 16 : CURRENT ASSETS -TRADE RECEIVABLES**

(₹ in crore)

| S. No.    | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-----------|---|---------------------------------------|---------------------------------------|
| <b>A</b>  | <b>Unsecured</b>  |                                       |                                       |
| <b>I</b>  | <b>Outstanding for a period exceeding six months from the due date</b>                |                                       |                                       |
| (i)       | Considered good   | 8.39                                  | 7.71                                  |
| (ii)      | Considered doubtful   | 14.35                                 | 12.09                                 |
|           | <b>Sub Total (i+ii)</b>   | 22.74                                 | 19.80                                 |
| (iii)     | Less: Provision for doubtful debts<br>(Refer S.No. 20 of Note 26 - Explanatory Notes) | 14.35                                 | 12.09                                 |
|           | <b>Sub Total (i+ii-iii)</b>   | 8.39                                  | 7.71                                  |
| <b>II</b> | <b>Others</b>   |                                       |                                       |
| (i)       | Considered good   | 1.66                                  | 2.36                                  |
|           | <b>Total (I+II)</b>   | <b>10.05</b>                          | <b>10.07</b>                          |

**Footnote:**

(₹ in crore)

| S. No. | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--------|--|---------------------------------------|---------------------------------------|
| 1      | Secured, considered good                           | -                                     | -                                     |
|        | Unsecured, considered good                         | 10.05                                 | 10.07                                 |
|        | Doubtful   | -                                     | -                                     |
| 2      | Trade Receivable stated above include debts due by |                                       |                                       |
|        | Director   | Nil                                   | Nil                                   |
|        | Other Officers of the Company                      | Nil                                   | Nil                                   |
|        | Firm in which Director is a partner                | Nil                                   | Nil                                   |
|        | Private Company in which director is a member      | Nil                                   | Nil                                   |

**NOTE 17 : CASH AND BANK BALANCES**

(₹ in crore)

| S. No.   | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015         | As at<br>31 <sup>st</sup> March, 2014 |
|----------|--|---|---------------------------------------|
| <b>A</b> | <b>Cash and Cash Equivalents</b>   |   |                                       |
| (i)      | <b>Balances in Current Accounts With:</b>  |   |                                       |
| (a)      | Reserve Bank of India  | 0.03  | 0.02                                  |
| (b)      | Schedules Banks *  | 80.36   | 71.71                                 |
|          |  | 80.39   |                                       |
| (ii)     | Cash and Revenue Stamps in hand  | 0.01  | 0.01                                  |
| (iii)    | Stamps in Hand (Including Franking Machine balance)  | 0.01  | -                                     |
| (iv)     | Remittance in transit (Inter Office)   | 0.77  | -                                     |
|          | <b>Sub-Total (A)</b>   | <b>81.18</b>                                  | <b>71.74</b>                          |
| <b>B</b> | <b>Others Balances</b>   |   |                                       |
| (i)      | Bank Deposits (More than 12 months)  | -   | -                                     |
| (ii)     | Bank Deposits (More than 3 months & upto 12 months) *  | 40.38   | 27.32                                 |
| (iii)    | Bank Deposits **   | 163.36  | 172.83                                |
|          | <b>Sub-Total (B)</b>   | <b>203.74</b>                                 | <b>200.15</b>                         |
|          | <b>Total (A+B)</b>   | <b>284.92</b>                                 | <b>271.89</b>                         |
| *        | <b>Balances with Scheduled Banks includes: Earmarked balances with Bank</b>                                |   |                                       |
| (i)      | Human Settlement Management Institute (HSMI)   | = ₹ 0.01 crore (previous year ₹ 2.93 crore)   |                                       |
| (ii)     | Rajiv Rinn Yojana  | = ₹ 27.51 crore (previous year ₹ 25.00 crore) |                                       |
| (iii)    | No-Lien account of Andrews Ganj Project  | = ₹ 0.08 crore (previous year ₹ 0.08 crore)   |                                       |
| (iv)     | Heritage Project - Retail Finance  | = ₹ 1.40 crore (previous year ₹ 1.27 crore)   |                                       |
| (v)      | Interest Subsidy for Housing Urban Poor (ISHUP)  | = ₹ 0.12 crore (previous year ₹ 0.10 crore)   |                                       |
| (vi)     | City Specific Capacity Building  | = ₹ 0.98 crore (previous year ₹ 0.90 crore)   |                                       |
| (vii)    | Ascot Hotel & Resorts Pvt. Ltd.  | = ₹ 10.31 crore (previous year ₹ Nil)         |                                       |
| (viii)   | Unclaimed Bonds  | = ₹ 1.44 crore (previous year ₹ 0.66 crore)   |                                       |
| **       | Under lien with Bank of India, Cayman Islands branch, USA. = ₹ 163.36 crore (previous year ₹ 172.83 crore) |   |                                       |

**NOTE 18: SHORT TERM LOANS AND ADVANCES**

(₹ in crore)

| S. No.  | PARTICULARS   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---|---------------------------------------|---------------------------------------|
| <b>A</b>  | <b>Loans</b>  |                                       |                                       |
| (i)   | Opening Balance   | 5,113.66                              | 4,701.64                              |
| (ii)  | Add : Advanced during the year  | 621.99                                | 496.29                                |
| (iii)   | Less : Repayment received during the year   | 730.65                                | 84.27                                 |
|   | <b>Sub Total (i+ii-iii)</b>   | <b>5,005.00</b>                       | <b>5,113.66</b>                       |
| (iv)  | Less : KFW Release  | -                                     | 4.61                                  |
|   | <b>Sub Total (i+ii-iii-iv)</b>  | <b>5,005.00</b>                       | <b>5,109.05</b>                       |
| (v)   | Less : Excess amount (Pending adjustment)   | 0.72                                  | 0.10                                  |
|   | <b>Sub Total (i+ii-iii-iv-v)</b>  | <b>5,004.28</b>                       | <b>5,108.95</b>                       |
| (vi)  | Less : Provision on Loans (Refer S.No. 3 & 25 of Note 26 - Explanatory Notes)           | 1,223.14                              | 1,047.06                              |
|   | <b>Sub Total (i+ii-iii-iv-v-vi)</b>   | <b>3,781.14</b>                       | <b>4,061.89</b>                       |
| (vii)   | Add : Interest accrued and due on above   | 79.54                                 | 107.03                                |
|   | <b>Sub Total A (i+ii-iii-iv-v-vi+vii)</b>   | <b>3,860.68</b>                       | <b>4,168.92</b>                       |
| <b>B</b>  | <b>Staff Loans *</b>  |                                       |                                       |
| (i)   | Staff Loans - Principal 8.08  |                                       | 8.88                                  |
| (ii)  | Loans to Directors- Principal 0.06  |                                       | 0.01                                  |
| (iii)   | Add : Interest accrued on Staff Loan 0.42   |                                       | 0.29                                  |
| (iv)  | Add : Interest accrued on Loans to Directors -  |                                       | -                                     |
|   | <b>Sub Total (i+ii+iii+iv)</b> 8.56   |                                       |                                       |
| (v)   | Less : Provision on Staff Loans 0.09<br>(Refer S.No. 20 of Note 26 - Explanatory Notes) |                                       | 0.09                                  |
|   | <b>Sub Total - B - (i+ii+iii+iv-v)</b>  | <b>8.47</b>                           | <b>9.09</b>                           |
| * Includes secured by way of mortgage of ₹ 6.23 crore (Previous Year ₹ 6.31 crore). |   |                                       |                                       |
| <b>C</b>  | <b>Loan (Secured against Hudco Public Deposit)</b>                                      |                                       |                                       |
| (i)   | Loan (Secured against Hudco Public Deposit) - Principal                                 | -                                     | 0.55                                  |
| (ii)  | Add: Interest accrued on above  | -                                     | 0.06                                  |
|   | <b>Sub Total - C - (i+ii)</b>   | <b>-</b>                              | <b>0.61</b>                           |
|   | <b>Sub Total - (B+C)</b>  | <b>8.47</b>                           | <b>9.70</b>                           |
|   | <b>Total (A+B+C)</b>  | <b>3,869.15</b>                       | <b>4,178.62</b>                       |

**Details of Loans**

| S. No.    | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-----------|--|---------------------------------------|---------------------------------------|
|           | <b>LOANS</b>   |                                       |                                       |
| <b>I</b>  | <b>Secured Loans</b>   |                                       |                                       |
| (a)       | Loans (secured by Hypothecation and/ or Mortgage of materials and Tangible Assets) |                                       |                                       |
| (i)       | Considered Good  | 1,397.68                              | 2,206.08                              |
| (ii)      | Classified Doubtful  | 916.65                                | 790.37                                |
|           | <b>Sub Total I - a (i+ii)</b>  | <b>2,314.33</b>                       | <b>2,996.45</b>                       |
| <b>II</b> | <b>Unsecured Loans</b>   |                                       |                                       |
| (a)       | Loans (secured by Government Guarantee)  |                                       |                                       |
| (i)       | Considered Good  | 2,398.99                              | 1,739.90                              |
| (ii)      | Classified Doubtful  | 225.67                                | 301.76                                |
|           | <b>Sub Total II - a (i+ii)</b>   | <b>2,624.66</b>                       | <b>2,041.66</b>                       |
| (b)       | Loans- Others (secured by Negative Lien, Bank Guarantee, others)                   |                                       |                                       |
| (i)       | Considered Good  | 38.93                                 | 39.89                                 |
| (ii)      | Classified Doubtful  | 27.08                                 | 31.05                                 |
|           | <b>Sub Total II - b (i+ii)</b>   | <b>66.01</b>                          | <b>70.94</b>                          |
|           | <b>Sub Total II (a+b)</b>  | <b>2,690.67</b>                       | <b>2,112.60</b>                       |
|           | <b>Total (I+II)</b>  | <b>5,005.00</b>                       | <b>5,109.05</b>                       |

**NOTE 19: OTHER CURRENT ASSETS**

(₹ in crore)

| S. No.   | PARTICULARS  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|----------|--|---------------------------------------|---------------------------------------|
| <b>A</b> | <b>Advances</b>  |                                       |                                       |
| (i)      | Deposit for Services   | 3.03                                  | 9.02                                  |
| (ii)     | Prepaid Expenses   | 0.82                                  | 0.79                                  |
| (iii)    | Loans and Advances to related party  | -                                     | -                                     |
| (iv)     | <b>Other loans and Advances</b>  |                                       |                                       |
| (a)      | Advances for works *   | 14.37                                 | 14.32                                 |
| (b)      | Recoverable from Andrews Ganj Project (AGP)<br>(Refer S.No. 2 (b) of Note 26 - Explanatory Notes)  | 222.68                                | 200.60                                |
| (c)      | Advances to Employees  | 0.15                                  | 0.21                                  |
| (d)      | Income Tax Payments under litigation   | 317.11                                | 314.32                                |
| (e)      | Interest Tax Payments under litigation   | 6.59                                  | 6.59                                  |
| (f)      | Service Tax Payments under litigation  | 2.64                                  | 2.50                                  |
|          | <b>Sub Total A iv (d+e+f)</b>  | <b>326.34</b>                         |                                       |
| (g)      | Others **  | 55.98                                 | 41.04                                 |
| (h)      | Less : Provision (Refer S.No. 20 of Note 26 - Explanatory Notes)   | 0.44                                  | 0.27                                  |
|          | <b>Sub Total A iv (g-h)</b>  | <b>55.54</b>                          |                                       |
|          | <b>Sub Total A (i + ii+ iii+iv)</b>  | <b>622.93</b>                         | <b>589.12</b>                         |
|          | * Includes ` 14.21 crore (Previous year ` 14.21 crore) on account of Andrews Ganj Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes).  |                                       |                                       |
|          | ** Includes ` 37.46 crore (Previous year ` 37.46 crore) on account of Andrews Ganj Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes). |                                       |                                       |
| <b>B</b> | <b>Interest accrued but not due on :</b>   |                                       |                                       |
| (i)      | Bonds  | 37.17                                 | 37.17                                 |
| (ii)     | Fixed Deposit with Scheduled Bank - Indian Branches  | 0.16                                  | 0.14                                  |
| (iii)    | Deposit with Scheduled Bank - Foreign Branches   | 0.39                                  | 0.42                                  |
| (iv)     | Loans  | 228.25                                | 212.74                                |
|          | <b>Sub Total B (i+ii+iii+iv)</b>   | <b>265.97</b>                         | <b>250.47</b>                         |
| <b>C</b> | <b>Work-in-Progress</b>  |                                       |                                       |
| (i)      | Andrews Ganj Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes)  | 19.34                                 | 19.34                                 |
| (ii)     | BSUP Project   | 11.77                                 | 11.40                                 |
|          | <b>Sub Total C (i+ii)</b>  | <b>31.11</b>                          | <b>30.74</b>                          |
| <b>D</b> | <b>Others</b>  |                                       |                                       |
| (i)      | Amount receivable from Government of India under Jabalpur Earthquake Scheme  | -                                     | 4.98                                  |
| (ii)     | Less: Provision (Refer S.No. 20 of Note 26 - Explanatory Notes)  | -                                     | 4.98                                  |
|          | <b>Sub Total D (i-ii)</b>  | <b>-</b>                              | <b>-</b>                              |
|          | <b>Sub Total (B+C+D)</b>   | <b>297.08</b>                         | <b>281.21</b>                         |
|          | <b>Total (A+B+C+D)</b>   | <b>920.01</b>                         | <b>870.33</b>                         |

**NOTE 20: REVENUE FROM OPERATIONS**

(₹ in crore)

| S. No.   | PARTICULARS                              | Year Ended<br>31 <sup>st</sup> March, 2015 | Year Ended<br>31 <sup>st</sup> March, 2014 |
|----------|--|--|--|
| <b>A</b> | <b>Interest Income</b>                   |  |  |
| (i)      | Interest on Loans                        | 3,351.74                                   | 2,842.49                                   |
| (ii)     | Less: Interest waived off                | 95.91                                      | 20.35                                      |
|          | <b>Sub Total (i-ii)</b>                  | <b>3,255.83</b>                            |  |
| (iii)    | Interest on Bonds                        | 54.01                                      | 54.01                                      |
| (iv)     | Interest on Loan against Public Deposits | 0.07                                       | 0.05                                       |
| (v)      | Interest on Fixed Deposits               |  |  |
| 1        | Scheduled Bank - Indian Branches         | 0.56                                       | 40.40                                      |
| 2        | Scheduled Bank - Foreign Branches        | 1.38                                       | 1.63                                       |
|          | <b>Sub Total - v (1+2)</b>               | <b>1.94</b>                                |  |
|          | <b>Sub Total A (i-ii+iii+iv+v)</b>       | <b>3,311.85</b>                            | <b>2,918.23</b>                            |
| <b>B</b> | <b>Other Operations Income</b>           |  |  |
| (i)      | Other Income on Loans                    | 26.91                                      | 20.66                                      |
| <b>C</b> | <b>Other Financial Service</b>           |  |  |
| (i)      | Consultancy, Trusteeship and Consortium  | 7.79                                       | 6.14                                       |
|          | <b>Total (A+B+C)</b>                     | <b>3,346.55</b>                            | <b>2,945.03</b>                            |

**NOTE 21: OTHER INCOME**

(₹ in crore)

| S. No.   | PARTICULARS   | Year Ended<br>31 <sup>st</sup> March, 2015 | Year Ended<br>31 <sup>st</sup> March, 2014 |
|----------|---|--|--|
| <b>A</b> | <b>Dividend Income</b>  |  |  |
| (i)      | Dividend on long term equity shares   | 2.07                                       | 1.98                                       |
| <b>B</b> | <b>Net gain / loss on sale of investments</b>                                       |  |  |
| (i)      | Profit on sale of fixed assets (Net)  | -  | 0.03                                       |
| <b>C</b> | <b>Others</b>   |  |  |
| (i)      | Net gain in Foreign Currency Translation and Transaction                            | 13.13                                      | -  |
| (ii)     | Interest on Staff Advances  | 1.82                                       | 1.88                                       |
| (iii)    | Rental Income   | 24.01                                      | 18.05                                      |
| (iv)     | Interest on Income tax Refund   | 10.02                                      | 0.54                                       |
| (v)      | Excess Provision of Interest on Short Income Tax written back                       | 0.13                                       | 0.49                                       |
| (vi)     | Overhead Charges on Construction Project  | 0.03                                       | 0.23                                       |
| (vii)    | Interest on Construction Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes) | 22.99                                      | 22.53                                      |
| (viii)   | Management Development Programme  | 0.30                                       | 0.89                                       |
| (ix)     | Miscellaneous Income  | 6.72                                       | 2.20                                       |
|          | <b>Total (A+B+C)</b>  | <b>81.22</b>                               | <b>48.82</b>                               |

**NOTE 22: FINANCE COST**

(₹ in crore)

| S. No.   | PARTICULARS   | Year Ended<br>31 <sup>st</sup> March, 2015 | Year Ended<br>31 <sup>st</sup> March, 2014 |
|----------|---|--|--|
| <b>A</b> | <b>INTEREST EXPENDITURE</b>                                     |  |  |
| (i)      | Interest on secured loans                                       | 1,193.79                                   | 829.89                                     |
| (ii)     | <b>Interest on unsecured loans</b>                              |  |  |
| (a)      | Indian Currency   | 532.47                                     | 788.00                                     |
| (b)      | Foreign Currency  |  |  |
|          | - Unswapped   | 4.32                                       | 5.19                                       |
|          | - Swapped   | 28.05                                      | 31.65                                      |
| (iii)    | Interest on Income tax  | 5.40                                       | 2.50                                       |
|          | <b>Sub-Total (A)</b>  | <b>1,764.03</b>                            | <b>1,657.23</b>                            |
| <b>B</b> | <b>OTHER BORROWING COST</b>                                     |  |  |
| (i)      | Government Guarantee Fee  | 3.66                                       | 3.88                                       |
| (ii)     | Other Expenses on loans   | 7.69                                       | 35.42                                      |
|          | <b>Sub-Total (B)</b>  | <b>11.35</b>                               | <b>39.30</b>                               |
| <b>C</b> | <b>Net loss in Foreign currency Translation and Transaction</b> |  |  |
|          | <b>Sub-Total (C)</b>  | <b>-</b>                                   | <b>5.18</b>                                |
|          | <b>Total (A) + (B) + (C)</b>                                    | <b>1,775.38</b>                            | <b>1,701.71</b>                            |

**NOTE 23: EMPLOYEE BENEFIT EXPENSES**

(₹ in crore)

| S. No. | PARTICULARS                               | Year Ended 31 <sup>st</sup> March, 2015 |               | Year Ended 31 <sup>st</sup> March, 2014 |               |
|--------|---|---|---------------|---|---------------|
|        |   | Directors *                             | Total         | Directors *                             | Total         |
| A      | Salaries, Allowances & Other Amenities ** | 0.98                                    | 122.24        | 0.63                                    | 98.96         |
| B      | Group Saving Linked Insurance Premium     | -                                       | 0.02          | -                                       | 0.03          |
| C      | Gratuity **                               | -                                       | 1.55          | -                                       | 1.37          |
| D      | Insurance **                              | -                                       | 0.09          | -                                       | 0.09          |
| E      | Welfare                                   | -                                       | 1.76          | -                                       | 1.34          |
| F      | Staff Development/Training                | -                                       | 0.09          | 0.03                                    | 0.32          |
| G      | Provident Fund / Pension Fund             | 0.07                                    | 7.08          | 0.03                                    | 2.55          |
| H      | Administrative Charges-Provident Fund     | -                                       | 0.11          | -                                       | 0.11          |
| I      | HUDCO Pension Fund                        | -                                       | 28.36         | -                                       | -             |
| J      | Contribution to Benevolent Fund           | -                                       | 0.07          | -                                       | 0.07          |
|        | <b>Total</b>                              | <b>1.05</b>                             | <b>161.37</b> | <b>0.69</b>                             | <b>104.84</b> |

\* Included in total.

\*\* Includes provision / payment for directors.

**NOTE 24: OTHER EXPENSES**

(₹ in crore)

| S. No.   | PARTICULARS                                  | Year Ended 31 <sup>st</sup> March, 2015 |              | Year Ended 31 <sup>st</sup> March, 2014 |              |
|----------|--|---|--------------|---|--------------|
|          |  | Directors *                             | Total        | Directors *                             | Total        |
| <b>A</b> | <b>ADMINISTRATIVE</b>                        |   |              |   |              |
| (i)      | Office Rent \$                               | -                                       | 0.81         | -                                       | 0.63         |
| (ii)     | Repairs & Maintenance to Building            | -                                       | 5.50         | -                                       | 6.64         |
| (iii)    | Repairs & Maintenance to Other Assets        | -                                       | 2.57         | -                                       | 1.84         |
| (iv)     | Repairs & Maintenance to Vehicle             | -                                       | 0.40         | -                                       | 0.43         |
| (v)      | Loss on sale of Fixed Assets (Net)           | -                                       | 0.01         | -                                       | -            |
| (vi)     | Insurance                                    | -                                       | 0.13         | -                                       | 0.12         |
| (vii)    | Rates & Taxes                                | -                                       | 2.95         | -                                       | 4.77         |
| (viii)   | Travelling                                   | 0.38                                    | 3.76         | 0.34                                    | 4.94         |
| (ix)     | Legal & Professional Fees                    | -                                       | 2.58         | -                                       | 3.41         |
| (x)      | Auditors Remuneration :                      |   |              |   |              |
| (a)      | Audit Fees                                   |   |              |   |              |
| (1)      | Current Year                                 | -                                       | 0.10         | -                                       | 0.10         |
| (b)      | Tax Audit Fees                               |   |              |   |              |
| (1)      | Current Year                                 | -                                       | 0.05         | -                                       | 0.05         |
| (c)      | Other Services                               | -                                       | 0.12         | -                                       | 0.22         |
| (d)      | Reimbursement of expenses                    | -                                       | 0.02         | -                                       | 0.01         |
| (xi)     | Electricity                                  | -                                       | 2.02         | -                                       | 2.05         |
| (xii)    | Printing, Stationery & Photocopying          | -                                       | 0.92         | -                                       | 0.87         |
| (xiii)   | Postage, Telegram, Telephone & Telex         | -                                       | 1.48         | -                                       | 1.33         |
| (xiv)    | Advertisement, Publicity & Sponsorship       | -                                       | 2.63         | -                                       | 4.67         |
| (xv)     | Exhibition & Conference (Net)                | -                                       | 0.28         | -                                       | 0.30         |
| (xvi)    | Subscription & Membership                    | -                                       | 0.29         | -                                       | 0.24         |
| (xvii)   | Miscellaneous #                              | 0.06                                    | 8.34         | 0.08                                    | 9.55         |
|          | <b>Total A</b>                               | <b>0.44</b>                             | <b>34.96</b> | <b>0.42</b>                             | <b>42.17</b> |
| <b>B</b> | <b>OTHERS</b>                                |   |              |   |              |
| (i)      | Grant in Aid/ R & D expenditure              | -                                       | 0.10         | -                                       | 0.10         |
| (ii)     | Expenses on Consultancy                      | -                                       | 0.32         | -                                       | 0.44         |
| (iii)    | Expenses on Management Development Programme | -                                       | 0.66         | -                                       | 1.11         |
| (iv)     | Research and Development                     | -                                       | 2.15         | -                                       | 3.50         |
|          | <b>Total B</b>                               | <b>-</b>                                | <b>3.23</b>  | <b>-</b>                                | <b>5.15</b>  |
|          | <b>Total (A+B)</b>                           | <b>0.44</b>                             | <b>38.19</b> | <b>0.42</b>                             | <b>47.32</b> |

\$ Refer S.No. 22 of Note 26 - Explanatory Notes.

\* Included in total.

# Includes ` 0.04 crore (Previous year ` 0.07 crore ) on account of Sitting fee paid to Directors.

**NOTE 25: PRIOR PERIOD ADJUSTMENTS**

(₹ in crore)

| S. No.   | PARTICULARS  | Year Ended<br>31 <sup>st</sup> March, 2015 | Year Ended<br>31 <sup>st</sup> March, 2014 |
|----------|--|--|--|
| <b>A</b> | <b>INCOME</b>  |  |  |
| (i)      | Salary Allowances & Other benefits   | 0.06                                       | -  |
| (ii)     | Interest on Deposits   | 5.64                                       | -  |
| (iii)    | Interest on Loans  | 1.69                                       | -  |
| (iv)     | Depreciation   | 0.10                                       | 0.01                                       |
| (v)      | Interest on Bonds & Other Borrowings   | 0.06                                       | 0.89                                       |
| (vi)     | Miscellaneous receipts   | 3.00                                       | 0.01                                       |
|          | <b>Total A</b>   | <b>10.55</b>                               | <b>0.91</b>                                |
| <b>B</b> | <b>EXPENDITURE</b>   |  |  |
| (i)      | Salary Allowances & Other benefits   | 0.06                                       | 0.01                                       |
| (ii)     | Repairs and Maintenance  | 0.01                                       | 0.02                                       |
| (iii)    | Interest on Investments  | -  | 0.04                                       |
| (iv)     | Management Consultancy   | -  | -  |
| (v)      | Interest on loan   | -  | 1.87                                       |
| (vi)     | Depreciation   | 0.01                                       | -  |
| (vii)    | Corporate Social Responsibility, Sustainable Development, Research & Development | -  | 20.29                                      |
| (viii)   | Other Expenses   | 0.05                                       | 0.30                                       |
|          | <b>Total B</b>   | <b>0.13</b>                                | <b>22.53</b>                               |
|          | <b>Excess of Income over Expenditure / (Expenditure over Income) A - B</b>       | <b>10.42</b>                               | <b>(21.62)</b>                             |

**NOTE 26 : EXPLANATORY NOTES**

- 1) Contingent Liabilities & other commitments not provided for and counter guarantees issued by the company :

- (a) Contingent Liabilities: (₹ in crore)

|      |  | 2014-2015 | 2013-2014 |
|------|--|-----------|-----------|
| i.   | Claims of Contractors not acknowledged as debts  | 0.72      | 0.72      |
|      | Counter claims of the company  | 0.63      | 0.63      |
| ii.  | Demand (including penalty) on account of payment of guarantee fee on SLR debentures guaranteed by Government of India  | 31.61     | 31.61     |
| iii. | Disputed Income tax and Interest tax demands against which company has gone in appeal. The company has paid a cumulative amount upto 31.03.2015 of ₹ 323.69 crore (previous year ₹ 320.91 crore) under protest | 448.19    | 619.75    |
| iv.  | Disputed service tax demands against which company has gone in appeal. The company has paid a cumulative amount upto 31.03.2015 of ₹ 2.64 crore (previous year ₹ 2.50 crore) under protest                     | 6.97      | 5.05      |

- (b) Capital commitments not provided for: (₹ in crore)

|    |   | 2014-2015 | 2013-2014 |
|----|---|-----------|-----------|
| i. | Estimated amount of commitments remaining to be executed on capital account | 39.49     | 14.59     |

- (c) CSR commitments not provided for: (₹ in crore)

|    |  | 2014-2015 | 2013-2014 |
|----|--|-----------|-----------|
| i. | Estimated amount of CSR commitments remaining to be executed | 9.61      | --        |

- (d) Counter guarantees issued by the company: (₹ in crore)

| S. No. | Lender in whose favour the guarantee is extended | Date of execution and validity of Counter Guarantee          | Name of the counterparty and purpose of Counter Guarantee  | Amount of the guarantee (as on 31.03.15) | Amount of the guarantee (as on 31.03.14) |
|--------|--|--|--|--|--|
| 1)     | Bank of Baroda                                   | Date of execution November 2, 2012<br>Validity Date 21.04.17 | Performance guarantee for design and consultancy services/ contracts for construction of quarters and allied services at Hindustan Aeronautics Limited Bangalore | 0.06                                     | 0.06                                     |
| 2)     | Axis Bank  | Date of execution January 1, 2013<br>Validity Date 06.04.14  | In favour of NSE Ltd. towards 1% security deposit in respect of tax-free bonds issued during FY 2012-13.   | --                                       | 47.00                                    |
| 3)     | HDFC Bank  | Date of execution January 24, 2013<br>Validity Date 23.07.14 | In favour of NSE Ltd. towards 1% security deposit in respect of tax-free bonds issued during FY 2011-12.   | --                                       | 43.85                                    |
| 4)     | Indusind Bank                                    | Date of execution March 15, 2013<br>Validity Date 18.03.16   | Collateral security in respect of refinance facility of ₹ 250 crore availed under Rural Housing fund from National Housing Bank                                  | 50.00                                    | 50.00                                    |

## Note 26: (Contd.)

(₹ in crore)

| S. No.       | Lender in whose favour the guarantee is extended | Date of execution and validity of Counter Guarantee                      | Name of the counterparty and purpose of Counter Guarantee  | Amount of the guarantee (as on 31.03.15) | Amount of the guarantee (as on 31.03.14) |
|--------------|--|--|--|--|--|
| 5)           | Bank of Baroda                                   | Date of execution<br>March 19, 2013<br><br>Validity Date<br>18.03.16     | Collateral security in respect of refinance facility of ₹ 750 crore (including refinance assistance of ₹ 250 crore obtained from National Housing Bank against which Bank guarantee has been obtained from Indusind Bank) availed under Rural Housing fund from National Housing Bank. | 137.50                                   | 137.50                                   |
| 6)           | Vijaya Bank                                      | Date of execution<br>April 5, 2013<br><br>Validity Date<br>07.04.16      | Collateral security in respect of refinance facility of ₹ 500 crore availed under Rural Housing fund from National Housing Bank.   | 125.00                                   | 125.00                                   |
| 7)           | Indusind Bank                                    | Date of execution<br>September 12, 2013<br><br>Validity Date<br>12.09.15 | In favour of BSE Ltd. towards 1% security deposit in respect of tax-free bonds issued during FY 2013-14.   | 45.10                                    | 45.10                                    |
| 8)           | Axis Bank  | Date of execution<br>December 12, 2013<br><br>Validity Date<br>15.12.16  | Collateral security in respect of refinance facility of ₹ 500 crore availed under Rural Housing fund from National Housing Bank.   | 125.00                                   | 125.00                                   |
| 9)           | Indusind Bank                                    | Date of execution<br>May 28, 2014<br><br>Validity Date<br>01.06.17       | Collateral security in respect of refinance facility of ₹ 750 crore availed under Rural Housing fund from National Housing Bank.   | 125.00                                   | --                                       |
| 10)          | Axis Bank  | Date of execution<br>May 28, 2014<br><br>Validity Date<br>01.06.17       | Collateral security in respect of refinance facility of ₹ 750 crore availed under Rural Housing fund from National Housing Bank.   | 62.50                                    | --                                       |
| 11)          | Canara Bank                                      | Date of execution<br>December 23, 2014<br><br>Validity Date<br>25.12.17  | Collateral security in respect of refinance facility of ₹ 950 crore availed under Rural Housing Fund and Urban Housing Fund. from National Housing Bank.   | 237.50                                   | --                                       |
| <b>Total</b> |  |  |  | <b>907.66</b>                            | <b>573.51</b>                            |

- 2) (a) The above does not include contingent liabilities in respect of Andrews Ganj Project (AGP) executed on behalf of Government of India, arising on account of various court cases / arbitration / allottees claims against cancellation of allotment etc., because in this case, HUDCO is only working as an agent. As such, liability (if any) whenever ascertained / finalised shall be passed on to Govt. of India and met out of AGP project account, being maintained separately.
- (b) The company has undertaken Andrews Ganj Project (AGP) on behalf of the then Ministry of Urban Affairs & Employment, MoUA&E (now Ministry of Urban Development, MoUD)

**Note 26: (Contd.)**

in the year 1989-90. Vide minutes dated 07.09.1995, MoUA&E has agreed to pay interest @ 17% p.a. on the expenditure incurred on the Andrews Ganj Project along with 1.5% administrative charges. As per Perpetual Lease Deed dated 04.07.1997, the company is liable to make available Net Resources from the development and disposal of properties of the project to the above Ministry and accordingly the company was crediting interest on Net Resources generated on the project upto 03.11.2004 and thereafter a separate "No Lien account" has been opened under the name of HUDCO AGP Account into which the surplus lying to their credit had been deposited and interest accrued / earned on No Lien Account is being credited to that account. Further, company's contention that it is working as an agent and as such total ownership rights and responsibilities are of Government of India and there is no financial liability of the company has been upheld by the opinion of Shri GE Vahanvati as Solicitor General of India dated 12<sup>th</sup> April, 2005 and as Attorney General of India vide his opinion dated 19<sup>th</sup> August, 2009 wherein he has opined as under:-

"I am of the opinion that it is not open to the Ministry of Urban Development to contend that they had nothing to do with the development of Hotel Site or that HUDCO was not its agent. The protracted dispute between the two Ministries is leading to mounting interest which is being added to the amount of the decree. This is a matter which therefore, has to be resolved on a mutually acceptable basis and the Ministry of Urban Development should accept its liabilities as the land owner".

The opinion has also been duly endorsed by the then Law Secretary and Law Minister of Government of India. Keeping this in view, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them through above HUDCO AGP Account. As on 31.03.2015, this account has a debit balance of ₹ 295.61 crore, which represents amounts paid by HUDCO on behalf of government for the capital and revenue expenditures on above project over and above the recoveries to this account including the cumulative interest on excess of expenditure over recoveries of ₹ 81.11 crore upto 31.3.2015 at the rate of 10.75% per annum charged in accordance with HUDCO's Board decision in 459<sup>th</sup> meeting held on 24.08.2009 on the aforesaid excess payment made by HUDCO, which is recoverable from the above Ministry. The Ministry has been informed in specific of the above facts and figures on various occasions through correspondence as also in the meetings. However, no specific denial/confirmation from the Ministry has yet been received. The company, in its aforesaid capacity of agent to the Government of India, is in possession of real estate properties (9 guest houses blocks and hotel site) which command much higher realizable market value sufficient to recover aforesaid amount of ₹ 295.61 crore. HUDCO is raising its demands from time to time to MoUD. The detail of ₹ 295.61 crore is given hereunder:

| S. No. | Particulars of Items of Andrews Ganj Project                             | Balance as on 31.03.2015 (₹ in crore) | Balance as on 31.03.2014 (₹ in crore) | Reference of Note of the Balance Sheet               |
|--------|--|---------------------------------------|---------------------------------------|--|
| a      | Amount Recoverable from MoUD (Current Assets)                            | 222.68                                | 200.60                                | Note 18 - D (iv)(b)                                  |
| b      | Closing balance WIP (Current Assets)                                     | 19.34                                 | 19.34                                 | Note 18- F (i)                                       |
| c      | Amount Due Recoverable from Contractor/ Recovery Others (Current Assets) | 53.83                                 | 51.67                                 | Included in the amount shown against Note 18 - D(iv) |
|        | <b>Total (a to c) A</b>  | <b>295.85</b>                         | <b>271.61</b>                         |  |

**Note 26: (Contd.)**

| S. No. | Particulars of Items of Andrews Ganj Project                         | Balance as on 31.03.2015 (₹ in crore) | Balance as on 31.03.2014 (₹ in crore) | Reference of Note of the Balance Sheet         |
|--------|--|---------------------------------------|---------------------------------------|--|
| d      | Amount payable to contractor/ TDS Payable (Current Liabilities)      | 0.21                                  | 0.31                                  | Included in amount showing against Note -10(D) |
| e      | VAT/WCT/Cess payable/Maintenance Fund (Current Liabilities)          | 0.03                                  | 0.03                                  | Included in amount showing against Note -10(N) |
|        | <b>Total (d to e) B</b>  | <b>0.24</b>                           | <b>0.34</b>                           |  |
|        | Surplus/ (Deficit) available as on 31.03.2015 <b>DEFICIT (A – B)</b> | <b>(295.61)</b>                       | <b>(271.27)</b>                       |  |

In line with the provisions of perpetual lease deed executed between HUDCO and MoUD, HUDCO is regularly requesting MoUD for its decisions on the project properties or else to take over the Andrews Ganj Project alongwith assets & liabilities after making payment to HUDCO of the amount spent/ being spent by HUDCO on meeting the liabilities of Andrews Ganj Project with interest and overhead charges. In view of persistent request of HUDCO, several meetings were held in year 2013-14 under the chairmanship of Secretary, UD wherein the possibilities were explored by MoUD to take over the project from HUDCO and handing over the same to NBCC for further implementation and payments of the due amount to HUDCO which has been spent by HUDCO on implementing the project as agent of MOUD.

NBCC recently through a letter has conveyed its unwillingness to MOUD's proposal to take over the Andrews Ganj Project. A meeting was again held under the chairmanship of Secretary, HUPA in presence of Secretary, UD, on 27.4.2015, wherein it was decided that HUDCO shall continue to implement the Andrews Ganj Project in terms of perpetual lease deed conditions and all the pending issues shall be looked into for resolution by MoUD.

- (c) An amount of ₹ 17.98 crore (50% of the total property tax claimed by Municipal Corporation of Delhi (MCD) was initially deposited by HUDCO with MCD on account of property tax of Andrews Ganj Project for the period from 2.7.1990 to 4.7.1997, although there was no liability of payment of property tax on HUDCO since the property belongs to Union of India. The Hon'ble Supreme Court decided the case in favour of HUDCO as such, the entire amount along with interest is recoverable from MCD. Out of the above, an amount of ₹ 11.46 crore has been refunded by MCD on 3.10.2005 which has been adjusted against interest. As per opinion of Solicitor General of India no property tax is payable by HUDCO on the land owned by Government of India. Company filed contempt petition against MCD for recovery of balance amount from MCD after taking opinion of Additional Solicitor General of India.

After hearing, the Hon'ble Supreme Court disposed off the contempt petition, granting liberty to HUDCO to pursue their remedy in competent Court if the same is available under Law. Accordingly, company has filed execution petition in Hon'ble Delhi High Court on 31.05.2014 against South Delhi Municipal Corporation (SDMC), earlier MCD, for recovery of balance amount.

Further, SDMC, vide notice dated 24.12.2012 and 02.01.2013, has also raised the demand of service charges for the period from 02.07.1990 till 04.07.1997 and also property tax for the period from 04.07.1997 till 02.01.2013 from HUDCO amounting to ₹ 84.28 crore including interest for the delayed payment @12% p.a. as per the provisions

**Note 26: (Contd.)**

of Delhi Municipal Corporation Act, for the properties in possession by HUDCO on behalf of MoUD. The notice further stated that in case dues are not cleared then SDMC may proceed to attach the bank accounts of HUDCO. HUDCO filed writ petition no.467/2013 in Delhi High Court against SDMC and Union of India challenging the demand of property tax and service charges amounting to ₹ 84.28 crore raised by SDMC and claimed from HUDCO on Andrews Ganj property on the ground that HUDCO is the agent of Union of India (as inferred from lease deed dated 04.07.1997).

After hearing both parties, the Hon'ble High Court stayed the operation of the impugned demand of SDMC and directed HUDCO to deposit ₹ 7 crore with SDMC, without prejudice to the rights and contentions of both the parties within four weeks of the order dated 31.01.2013. The amount of ₹ 7 crore has since been deposited on 26.02.2013 with SDMC. Now the matter is listed on 15.12.2015 before High Court for filing of counter affidavit by Union of India and rejoinder thereafter, if any, by the petitioner. SDMC has filed its reply. HUDCO has filed rejoinder to the reply of SDMC.

- (d) The company had allotted a hotel site including car parking space to M/s. M S Shoes East Limited (MSSEL). Due to default in payment of installments by MSSEL, the company cancelled the allotment of hotel site including car parking space and forfeited the first installment paid by MSSEL in terms of the allotment letter. MSSEL started litigation regarding hotel site, which is still continuing at the appellate stage in the High Court of Delhi and the next date of hearing in the matter is fixed as 10.09.2015. On the initiatives of MSSEL and MoUD, the matter was referred to Delhi Mediation and Conciliation Centre, Delhi High Court for settlement, which is still pending.
- (e) The allotment of 9 blocks of guest houses and restaurants, kitchens and shops, which were allotted to MSSEL, was cancelled and first installment paid by MSSEL was forfeited as per terms of allotment letter. MSSEL filed suit in the Hon'ble District Court Delhi. Further, on an appeal filed by HUDCO against the interim order of Hon'ble District Court, Delhi, the Hon'ble High Court of Delhi has transferred the case to itself by directing the MSSEL to pay the ad-valorem court fee on the suit amount which has since been paid by MSSEL. At present, the case is pending with Hon'ble High Court of Delhi.

The High Court vide order dated 08.11.2012, without prejudice to respective rights and contentions of the parties in dispute, has referred the case to Delhi Mediation and Conciliation Centre on the initiative of MSSEL and consent of Ministry of Urban Development (MoUD), which is still pending.

MoUD vide its letter dated 14<sup>th</sup> May 2013 has requested HUDCO to furnish the account statement in the matter of out of court settlement with MSSEL. Accordingly, HUDCO, vide letter dated 23<sup>rd</sup> May 2013, has furnished the statement of account and also requested for reimbursement of amount spent by HUDCO out of its own fund for meeting the liability of Andrews Ganj Project. Further, MoUD vide another letter dated 25<sup>th</sup> May 2013, has requested HUDCO for its NOC for out of court settlement by MoUD with MSSEL. In reply of the same, in accordance with the decision taken by the HUDCO Board, HUDCO issued NOC subject to the conditions that the amount spent / being spent by HUDCO towards the liability of Andrews Ganj Project shall be reimbursed to HUDCO and the same may be mentioned in the settlement agreement between MoUD and MSSEL. HUDCO also stated that the payment, if any, by MSSEL be routed through HUDCO.

The matter was listed before mediator on 05.08.2015. The letter given by Ministry for calling off the mediation was submitted to mediation centre. The case is likely to be referred back to the Hon'ble High Court and is fixed up for further orders on 29.10.2015.

### Note 26: (Contd.)

- (f) The arbitrator has passed an award in respect of various claims by M/s. Ansal Properties and Industries Ltd. (APIL) with respect to issues related to external electrification, provision of scrubber, refund of interest etc. allotment of site in Shopping Arcade to APIL on 28.07.2005 in favour of APIL directing HUDCO to pay ₹ 8.84 crore and further interest @18% p.a. from 01.08.2005 till payment. Arbitrator has allowed the counter claim of HUDCO and directed APIL to pay approximately ₹ 0.85 crore of maintenance charges as billed by M/s. Habitat Services Centre (HSC) w.e.f. 01.01.2001 upto 31.07.2005 within 3 months from the date of award failing which, APIL shall have to pay interest thereon @18% p.a. HUDCO has challenged the award before the Hon'ble High Court of Delhi and, as per the directions of the Court, has deposited a sum of ₹ 7.99 crore in the Court, out of HUDCO AGP Account to save future interest liability which has since been released to APIL by the court against the security of Bank Guarantee. After expiry of Bank Guarantee, APIL requested Court to accept the security of immovable properties, which was allowed by the Court. Accordingly, APIL submitted documents of immovable properties in the Court. However, documents submitted by APIL are not acceptable to company. The company moved an application in Court for restoring security of Bank Guarantee as earlier provided by APIL. Now, the case is listed before Registrar General, High Court for hearing.

APIL has invoked arbitration for refund of ground rent paid by it from the date of handing over the possession i.e. November, 1995 to the date of commercial use of the shopping arcade by APIL i.e. October, 1999 and the arbitrator has pronounced the award on 21.07.2006 holding therein that APIL is not liable to pay the ground rent up to October 1999 till meaningful possession was given to APIL i.e. till the shopping arcade was constructed and become operational in October 1999. The amount of ₹ 3.93 crore deposited by APIL earlier has been directed to be adjusted towards the future ground rent payment due w.e.f. from November 1999. Interest @ 7% p.a. for the delayed payment has also been awarded by the arbitrator w.e.f. November 1999. HUDCO has filed petition u/s. 34 of Arbitration and Conciliation Act challenging the award before the Hon'ble High Court of Delhi. The Learned High Court on 10.05.2012 has set aside the arbitration award dated 21.07.2006 and has further held that APIL was liable to pay ground rent to HUDCO from date of possession of shopping arcade i.e. November, 1995.

APIL filed an appeal against the above mentioned order before Division Bench of High Court, Delhi. Division Bench pronounced the order on 24.01.2013, allowing APIL appeal and upheld the Arbitrators award. HUDCO has filed SLP on 10.05.2013 before Supreme Court challenging the order dated 24.01.2013 of Division Bench, High Court. After hearing, the SLP has been admitted by the court and now it will be listed in due course.

- (g) A meeting was held under the chairmanship of Secretary, HUPA in presence of Secretary, UD, on 27.04.2015, wherein it has been decided that the Andrewsganj Project will continue to be with HUDCO and they will be responsible for its execution and further progress. HUDCO as a lessee will bear all the liabilities of its Andrewsganj Project including liabilities generated out of the compliance of various court orders in cases related to this Project. As regards sub-letting/ sub leasing of 9 guest house blocks, HUDCO may take decision as per the terms and conditions of the Lease Deed and court orders, if any. L&DO will requisite approvals on request of HUDCO, if required. HUDCO may get the 'Community City Centre' lease hold property converted into freehold as per extant policy of conversion from L&DO.
- 3) (a) The company has procedure for seeking confirmation of outstanding balances at each quarter end from all the borrowers except cases under litigation. In case of receipt of balance confirmation from the agency for any Quarter of the year, the same is treated as confirmed during the year. Confirmation of balances covering approximately 83.85% (previous year 87.37%) in value of the total project loan outstanding (excluding Litigation

**Note 26: (Contd.)**

cases) have been received from the borrowers. However, in those cases where agencies have informed different balances, the reconciliation is under process.

- (b) The provision on loans as per NHB norms has increased by ₹ 101.28 crore (previous year ₹ 167.85 crore) during the year which stood at ₹ 1,315.09 crore (previous year ₹ 1,213.81 crore) as on 31.03.2015. The total NPA provision made by company is ₹ 1,705.09 crore as on 31.03.2015 (against ₹ 1,433.81 crore as on 31.03.2014).

The company has been making additional provision of NPA beyond NHB norms. The above adhoc provision stood at ₹ 390 crore on 31.03.2015 (Previous Year ₹ 220 crore).

- 4) Interest during Construction Period (IDCP) is financed as a part of the project cost as stated in the loan agreement and within the approved project cost. As per HUDCO's policy/ guidelines, in case the borrower agrees, HUDCO releases the IDCP due amount and pay to self so that the payment in Loan Accounts is appropriately accounted for. This facility is available to all the borrowers. However, in defaulting cases (normally consortium cases) IDCP is funded/ adjusted with the approval of the Board. Adjustment of IDCP is generally done with the consent of the borrower. As a normal process, compliance of pre disbursement conditions are ensured which in case of consortium and defaulting agency is a time consuming process. In the process, sometimes the agency comes under NPA. The adjustment of IDCP is done with the specific approval of Board duly informing the status of the agency. An amount of ₹ 151.69 crore (previous year ₹ 63.43 crore) of NPA cases in consortium funded agencies has been adjusted as above, with the approval of Board, during 2014-15.
- 5) U. P. Rural Housing Board (UPRHB) had availed credit facility from HUDCO, in the past. In the year 2000, U. P. State was bifurcated into Uttarakhand and Uttar Pradesh. In view of the bifurcation, the Government of U. P. informed that certain schemes were implemented in State of Uttarakhand and accordingly, the amount belonging to the schemes implemented in Uttarakhand shall now be paid by Uttarakhand only. U. P. Government further represented that they will be settling the dues outstanding against schemes implemented in Uttar Pradesh only.

UPRHB, in the year 2005, unilaterally paid ₹ 40.61 crore towards settlement of dues against the schemes falling in Uttar Pradesh only. HUDCO did not accept the contention of UPRHB and adjusted above payment as per loan agreement and showed the balance amount as recoverable. Consequent upon this, the outstanding amount ran into defaults. In view of the overdue in the account, the account was classified as non-performing asset in September 2000. In view of persistent overdue in the account, the account was classified as non-performing asset with 100% provisioning. The overdue in the account as on 31<sup>st</sup> March 2015 were ₹ 90.28 crore (consisting of interest of ₹ 62.22 crore & principal amount of ₹ 28.06 crore).

During the current financial year 2014 - 15, HUDCO sanctioned a new loan of ₹ 1500 crore to UPRHB and released a sum of ₹ 659.54 crore on 31.03.2015 after adjusting the amount as detailed above and interest on fresh loan amounting to ₹ 0.18 crore. UPRHB refuted the above book adjustment and has given a confirmation only for an amount of ₹ 659.54 crore received by it. HUDCO approached UPRHB and requested them to give a confirmation for the disbursement of ₹ 750 crore. As per agreement, out of the total amount of ₹ 90.28 crore due, a sum of ₹ 48.09 crore is due from the State of Uttar Pradesh and a sum of ₹ 42.19 crore is due from the State of Uttarakhand. Further, UPRHB, in the month of September, 2015, requested the company to accept its One Time Settlement (OTS) proposal at ₹ 16.63 crore as on 31<sup>st</sup> March 2015, related to old outstanding against the schemes implemented in U. P. only as full & final settlement against their share of default / NPA along with waiver of one day interest of ₹ 0.18 crore charged by HUDCO on new loan. Government of U. P. requested to release the balance amount out of ₹ 90.28 crore, after adjusting the OTS amount of ₹ 16.63

### Note 26: (Contd.)

crore. Government of U.P. also informed the amount to be recovered from Uttarakhand against the schemes implemented in Uttarakhand. Government of U. P. also indicated that HUDCO should approach the Government of Uttarakhand separately and take up the matter of recovery directly with Government of Uttarakhand. As the UPRHB portion has been settled in full as per OTS, hence the fresh loan given to UPRHB has not been considered as NPA and has been considered as standard as on 31.03.2015.

The Board of Directors of HUDCO acceded to the request of UPRHB and waived one day interest of ₹ 0.18 crore charged on new loan during the financial year 2014 – 15 in the 548<sup>th</sup> Board meeting held on 20<sup>th</sup> July, 2015 and also approved the proposal of OTS submitted by UPRHB in its 552<sup>nd</sup> Board meeting held on 28.09.2015 with certain conditions such as issue of NOC in respect of old loan and release of Govt. guarantee in respect of UP portion. However, these conditions are in the process of compliance. HUDCO, in line with the AS -4, on "Contingencies and Events occurring after the balance sheet date", has given effect of the above in its books of accounts for the financial year 2014 - 15 resulting in increase in profit by ₹ 12.31 crores. Further, release of ₹ 750 crores, has been reduced by ₹ 73.65 crores (₹ 90.28 crore – ₹ 16.63 crore) as on 31.03.2015, which is payable to UPRHB.

The company has shown a sum of ₹ 8.34 crore as loan recoverable from Government of Uttarakhand. The amount is yet to be confirmed by the Government of Uttarakhand. The necessary loan documents / agreements in respect of this loan amount are yet to be executed. The amount, in view of the above, has been classified as doubtful asset with 100% provisioning.

- 6) Status of Documentation subsequent to unbundling of State Electricity Boards (SEBs) - The company had sanctioned & disbursed loans to the State Electricity Boards. Some of these erstwhile SEBs (HUDCO's existing agencies) were restructured by the respective State Governments and new entities were formed. Consequently, the liabilities of these erstwhile SEBs were transferred to new entities.

However, in case of Tamil Nadu Electricity Board (TNEB), during the unbundling of the said Electricity Board, three agencies were formed namely; TNEB, TANTRASCO and TANGEDCO. As per the Government order issued by the Government of Tamil Nadu, TANGEDCO will be responsible for all repayments to HUDCO till such time all the assets and liabilities are apportioned between three entities. After the apportionment of assets and liabilities, transfer agreement will be executed with HUDCO for transferring the loan liability. The Government of Tamil Nadu had extended the time period upto 31.10.2014 which as per TANGEDCO's communication is expected to be further extended up to 31.10.2015. After final confirmation from the Government of Tamil Nadu, transfer agreement(s) will be executed between HUDCO and the three unbundled entities.

- 7) Status of Documentation subsequent to Reorganisation of Andhra Pradesh State – Subsequent to the reorganization of erstwhile Andhra Pradesh, it has been bifurcated into two States namely, Andhra Pradesh and Telangana (New State) on June 2, 2014. However, the assets and liabilities of the erstwhile State of Andhra Pradesh are yet to be divided between borrowing agencies of these two States through a formal Gazette Notification.
- 8) Loans granted by the company directly to individuals and bulk loans under HUDCO Niwas Scheme are secured fully/partly by :
- (i) Equitable Mortgage of the property and /or
  - (ii) Undertaking to create security through execution of Tripartite Agreement between the company, borrower and the Developing Authority / Developer ;

**Note 26: (Contd.)**

- (iii) Government Guarantee, First charge on the assets of the housing finance company or First Pari-Passu charge on the outstanding loans, Escrow mechanism, postdated cheques or ECS, First Pari-Passu charge on immovable property, Undertakings, Demand promissory note and Irrevocable Power of Attorney in favour of HUDCO.

In addition to (i) and (ii) above, the assignment of Life Insurance Policies, pledge of National Saving Certificates, Fixed Deposits, etc. are also obtained.

- 9) The company has adopted AS-15 (revised 2005) 'Employees Benefits'. Defined employee benefit schemes are as follows:
- (a) The company pays fixed contribution of provident fund at a predetermined rate to a separate trust, which invests the funds in permitted securities. The trust is required to pay a minimum notified rate of interest on contribution to the members of the trust and the provident fund scheme additionally requires the company to guarantee the payment of interest at rates notified by the Central Government from time to time. The fair value of the assets of the provident fund as at 31.03.2015 is higher than the obligation under the defined contribution plan. Accordingly, no provision on the basis of actuarial valuation of provident fund has been made during the year 2014-15.
- (b) The company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the payment of Gratuity Act, 1972. The scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the company.
- (c) The summarized position of various defined benefit schemes recognised in the Statement of Profit & Loss, Balance Sheet and the funded status are as under:

(₹ in crore)

|   | Gratuity |         | Leave Encashment |         |         |         | Post Retirement Medical Benefits |         |
|---|----------|---------|------------------|---------|---------|---------|----------------------------------|---------|
|   | 2014-15  | 2013-14 | EL               |         | HPL     |         | 2014-15                          | 2013-14 |
|   | 2014-15  | 2013-14 | 2014-15          | 2013-14 | 2014-15 | 2013-14 | 2014-15                          | 2013-14 |
| <b>1. Component of Employer Expenses</b>                                      |          |         |                  |         |         |         |                                  |         |
| a. Current Service Cost   | 1.43     | 1.31    | 2.51             | 2.30    | 0.56    | 0.51    | 3.38                             | 3.10    |
| b. Interest Cost  | 3.04     | 2.45    | 1.58             | 1.37    | 0.38    | 0.86    | 8.65                             | 7.11    |
| c. Past Service Cost  | -        | -       | -                | -       | -       | -       | -                                | -       |
| d. Unrecognized Past service cost   | -        | -       | -                | -       | -       | -       | -                                | -       |
| e. Expected return on plan assets   | (3.69)   | (3.51)  | NA               | NA      | N.A.    | N.A.    | N.A.                             | N.A.    |
| f. Actuarial (Gain) / Loss  | 2.87     | 2.52    | 3.33             | 2.65    | 0.47    | (7.51)  | 12.28                            | (1.16)  |
| g. Recognised in the Statement of Profit & Loss.                              | 3.65     | 2.77    | 7.42             | 6.32    | 1.41    | (6.14)  | 24.31                            | 9.04    |
| <b>2. Net Asset / (Liability) recognised in Balance Sheet as at 31.3.2015</b> |          |         |                  |         |         |         |                                  |         |
| a. Present value of Obligation as at 31.3.2015                                | 39.54    | 34.70   | 22.41            | 18.16   | 5.48    | 4.45    | 117.67                           | 96.32   |
| b. Fair Value of plan assets as at 31.3.2015                                  | 42.43    | 40.23   | NA               | NA      | N.A.    | N.A.    | N.A.                             | N.A.    |

## Note 26: (Contd.)

|   | Gratuity |         | Leave Encashment |         |        |        | Post Retirement Medical Benefits |         |
|---|----------|---------|------------------|---------|--------|--------|----------------------------------|---------|
|   | 2014-15  | 2013-14 | EL               |         | HPL    |        | 2014-15                          | 2013-14 |
| c. Liability / (Assets) recognised in Balance Sheet             | (2.89)*  | (5.53)* | 22.41            | 18.16   | 5.48   | 4.45   | 117.67                           | 96.32   |
| <b>3. Change in present value of obligation as on 31.3.2015</b> |          |         |                  |         |        |        |                                  |         |
| Present Value of obligation as at 31.3.2014                     | 34.70    | 32.27   | 18.16            | 22.26   | 4.45   | 10.92  | 96.32                            | 89.41   |
| Current service cost  | 1.43     | 1.31    | 2.51             | 2.30    | 0.56   | 0.51   | 3.38                             | 3.10    |
| Interest Cost   | 3.04     | 2.45    | 1.58             | 1.37    | 0.38   | 0.86   | 8.65                             | 7.11    |
| Past Service Cost   | -        | -       | -                | -       | -      | -      | -                                | -       |
| Unrecognized Past service cost                                  | -        | -       | -                | -       | -      | -      | -                                | -       |
| Actuarial (Gain) / Loss   | 2.60     | 2.45    | 3.33             | 2.65    | 0.47   | (7.51) | 12.28                            | (1.16)  |
| Benefits Paid   | (2.23)   | (3.78)  | (3.17)           | (10.42) | (0.38) | (0.33) | (2.96)                           | (2.14)  |
| Present Value of obligation as at 31.3.2015                     | 39.54    | 34.70   | 22.41            | 18.16   | 5.48   | 4.45   | 117.67                           | 96.32   |
| <b>4. Change in the Fair Value of Plan Assets</b>               |          |         |                  |         |        |        |                                  |         |
| Present value of plan assets as on 31.3.2014                    | 40.23    | 34.51   | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Expected return on Plan Assets                                  | 3.69     | 3.51    | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Actual company Contribution                                     | 1.45     | 1.25    | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Benefits Paid   | (2.22)   | (2.34)  | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Actuarial Gain / (Loss)   | (0.72)   | 3.30    | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Fair Value of Plan Assets as at 31.3.2015                       | 42.43    | 40.23   | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Actual Return on plan assets                                    | 3.42     | 6.81    | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| <b>5. Actuarial Assumptions</b>                                 |          |         |                  |         |        |        |                                  |         |
| Discount Rate (p.a.) (%)  | 7.80     | 9.10    | 7.80             | 9.10    | 7.80   | 9.10   | 7.80                             | 9.10    |
| Expected rate of returns on plan assets (p.a.) (%)              | 9.40     | 9.40    | N.A.             | N.A.    | N.A.   | N.A.   | N.A.                             | N.A.    |
| Salary increase rate (p.a.) (%)                                 | 8.00     | 8.00    | 8.00             | 8.00    | 8.00   | 8.00   | 8.00                             | 8.00    |
| <b>6. Details of the Plan Assets at cost as on 31.3.2015</b>    |          |         |                  |         |        |        |                                  |         |
| Government of India Securities, Corporate Bonds etc.            | -        | -       |                  |         |        |        |                                  |         |
| Gratuity Fund Managed by Insurer                                | 100%     | 100%    |                  |         |        |        |                                  |         |

**Note 26: (Contd.)**

(₹ in crore)

The estimates of future salary increase on account of inflation, promotions and other relevant factors have been considered in actuarial valuation.

\* The Assets of ₹ 2.89 crore (previous year ₹ 5.53 crore) on Gratuity has not been recognised in the Balance Sheet, since the fair value of plan assets is more than the present value of defined benefit obligations as on 31.03.2015.

**10) Details of Short Term and Long Term Provisions as per AS 29**

(₹ in crore)

| S. No.   | Particulars   | Opening Balance | Additions During the Year | Paid/ Adjusted during the year | Closing Balance |
|----------|---|-----------------|---------------------------|--------------------------------|-----------------|
| <b>A</b> | <b>Provision for employees benefit</b>  |                 |                           |                                |                 |
| (i)      | Leave encashment  | 22.61           | 8.83                      | 3.55                           | 27.89           |
|          | Previous Year   | 33.18           | 0.18                      | 10.75                          | 22.61           |
| (ii)     | Post-retirement medical benefit   | 96.32           | 24.31                     | 2.96                           | 117.67          |
|          | Previous Year   | 89.42           | 9.04                      | 2.14                           | 96.32           |
| (iii)    | Welfare expenses  | 0.53            | 0.66                      | 0.08                           | 1.11            |
|          | Previous Year   | 0.56            | 0.08                      | 0.11                           | 0.53            |
| (iv)     | Leave travel concession   | 9.07            | 2.28                      | 7.41                           | 3.94            |
|          | Previous Year   | 11.64           | 1.74                      | 4.31                           | 9.07            |
| <b>B</b> | <b>Others</b>   |                 |                           |                                |                 |
| (i)      | Provision for Income Tax  | 292.50          | 396.90                    | 292.50                         | 396.90          |
|          | Previous Year   | 297.00          | 292.50                    | 297.00                         | 292.50          |
| (ii)     | Wealth tax  | 0.25            | 0.25                      | 0.25                           | 0.25            |
|          | Previous Year   | 0.20            | 0.25                      | 0.20                           | 0.25            |
| (iii)    | Proposed Final Dividend   | 100.01          | 100.01                    | 100.01                         | 100.01          |
|          | Previous Year   | 150.00          | 100.01                    | 150.00                         | 100.01          |
| (iv)     | Dividend Tax  | 17.00           | 20.49                     | 17.00                          | 20.49           |
|          | Previous Year   | 25.50           | 17.00                     | 25.50                          | 17.00           |
| <b>C</b> | <b>Provisions on Loans</b>  |                 |                           |                                |                 |
| (i)      | Contingent Provisions for Standard Assets as per NHB norms                        | 126.25          | 11.14                     | 0.00                           | 137.39          |
|          | Previous Year   | 122.65          | 3.60                      | 0.00                           | 126.25          |
| (ii)     | Provision on Loans other than Standard  | 1307.56         | 260.14                    | 0.00                           | 1567.70         |
|          | Previous Year   | 1303.31         | 4.25                      | 0.00                           | 1307.56         |
| <b>D</b> | <b>Corporate Social Responsibilities (CSR) &amp; Sustainable Development (SD)</b> | <b>18.30</b>    | <b>0.11</b>               | <b>8.47</b>                    | <b>9.94</b>     |
|          | Previous Year   | 0.00            | 30.80                     | 12.50                          | 18.30           |
| <b>E</b> | <b>Provisions on Investment/ Advances/ Debtors/ Staff Advances/</b>               |                 |                           |                                |                 |
| (i)      | Provisions on Investment  | 3.39            | 0.00                      | 0.00                           | 3.39            |
|          | Previous Year   | 3.39            | 0.00                      | 0.00                           | 3.39            |

**Note 26: (Contd.)**

| S. No. | Particulars   | Opening Balance | Additions During the Year | Paid/ Adjusted during the year | Closing Balance |
|--------|---|-----------------|---------------------------|--------------------------------|-----------------|
| (ii)   | Provision on staff advances   | 0.09            | 0.00                      | 0.00                           | 0.09            |
|        | Previous Year   | 0.09            | 0.00                      | 0.00                           | 0.09            |
| (iii)  | Provision on Advances   | 0.27            | 0.17                      | 0.00                           | 0.44            |
|        | Previous Year   | 0.25            | 0.02                      | 0.00                           | 0.27            |
| (iv)   | Provision on amount receivable from Govt. of India under Jabalpur Earthquake Scheme | 4.98            | 0.00                      | 4.98                           | 0.00            |
|        | Previous Year   | 4.98            | 0.00                      | 0.00                           | 4.98            |

- 11) Hudco has created Welfare Reserve by transferring the unutilised amount of 5% of distributable profit of the Company after payment of PLI/ PRP to its employees. An amount of ₹ 66.56 crore as on 31.3.2015 has been accumulated over the years.

The Welfare guidelines as to the eligibility and welfare activities have been approved by the Board of Directors. Further, funds have since been transferred to a separate account and invested. However, the procedure/ system for incurring the expenditure out of the investment proceeds is under finalisation.

- 12) National Housing Bank's credit concentration norms states that a Housing Finance company's agency wise exposure should not exceed 15% of its net owned funds. Further, as per NHB's latest circular dated 21.03.13, investment of a Housing Finance company (HFC) in the shares of another HFC shall not exceed 15% of the Equity Capital of the investee company.

NHB has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO as given below:

- (i) NHB vide its letter No. NHB/ ND/ HFC/ DRS/ 3792/ 2011 dated 05.04.2011 has given relaxation which is reproduced as under:

"The Bank, after taking into consideration the role envisaged for HUDCO by the Ministry of Urban Development, in terms of the MOU signed between HUDCO and the Ministry, decided to grant permission to HUDCO for lending upto 50% of its Net Owned Fund (NOF) to the Government Agencies (under individual borrower exposure) only for housing and housing related infrastructure and upto 100% of its NOF to the individual State Governments (under group exposure). However, the above permission will not be applicable in respect of HUDCO's lending to builders, private parties and cooperatives, in respect of whom, the extant provisions of the Directions will continue to apply."

Towards effective implementation of the above relaxation and for appropriate reporting, the Board of Directors of HUDCO in its meeting No.498 held on 19.03.2012 approved the categorization of projects as housing and housing related infrastructure and others.

- (ii) NHB vide its letter No. NHB/ ND/ SUP/ 6682/ 2014 dated 16.05.2014 has given relaxation which is reproduced as under:

"The Bank, after taking into consideration the role envisaged for HUDCO by the Ministry of Housing & Urban Poverty Allievation, in terms of the MOU signed between HUDCO and the Ministry, has decided to grant permission to HUDCO for housing and housing related activities for Government/ Public agencies permitted upto 75% of its Net Owned Funds for individual exposure and 150% of its Net Owned Fund for group exposure in respect of four states namely Andhra Pradesh, Rajasthan, Karnataka and Tamil Nadu.

**Note 26: (Contd.)**

It has also been decided to grant permission to HUDCO for other than housing and housing related activities for Government/Public agencies permitted upto 20% of its Net Owned Funds for individual exposure.”

The company is complying with National Housing Bank’s credit concentration norms. However, in one case investment in another HFC viz., Indbank Housing Ltd. is 25 % as against the prescribed limit of 15% as per NHB’s circular dated 21.03.13, which states that investment of a Housing Finance company (HFC) in the shares of another HFC shall not exceed 15% of the Equity Capital of the investee company.

HUDCO had invested ₹ 2.50 crore, more than 20 years back, in the Equity Shares of the Indbank Housing Ltd., whose total paid-up capital is ₹ 10 crore resulting in investment to the extent of 25% of the equity. Further, in principle approval for merger of Indbank Housing Ltd. in Indian Bank has been accorded by HUDCO’s Board in its 495<sup>th</sup> meeting held on 20.01.2012. The matter is yet to be finally concluded alongwith swap ratio of shares. Once the merger is effected, the investment will be as per NHB Norms.

**13) Valuation of investment**

- a) The company had invested in 25 lac equity shares, amounting to ₹ 2.50 crore, of the Indbank Housing Ltd. around 20 years back as strategic investor. As the said investment is strategic in nature, hence, there are no plans of disposing off the stake in near future. Considering the fact that Indbank Housing Ltd. has highly negative Net Worth even though market price of the share as on 31.03.2015 is ₹ 6.05 per share (previous year ₹5.99 per share), Hudco continues to reflect the strategic investment of ₹2.50 crore in Indbank Housing Ltd. at diminished value of ₹ 1 only (since the FY 2006-07) as on 31.03.15. Moreover, merger of Indbank Housing Ltd. in Indian Bank is also under process and the swap ratio and other modalities are yet to be worked out.
- b) The company had invested in 1 lac equity shares, amounting to ₹ 0.10 crore, in the Sri K.P.R. Industries Ltd. (formerly, Bhagyanagar Wood Plast Ltd.) around 20 years back. Considering the fact that Sri K.P.R. Industries Ltd. had highly negative Net Worth during its past years, HUDCO had made a provision of ₹ 0.03 crore accordingly in previous years. The company has not revised the provision (written back) on account of its low volume of transactions in the Stock exchange, even though market price of the share as on 31.03.2015 is ₹ 16.75 per share (previous year ₹18.55 per share).

**14) During the year, the company has changed its Accounting Policy as under:**

- a) The accounting policy of recognizing of income from application fees, front-end-fees, administrative fees and processing fees on loans has been changed from cash basis to accrual basis. The financial impact of the same is unascertainable.
- b) Effective from 1<sup>st</sup> April 2014, the company has charged depreciation based on the remaining useful life of the assets as per the requirement of Schedule II of Companies Act 2013. Consequent to this, depreciation expenses for the period ended 31.03.2015 is higher by ₹ 1.03 crore. In case of assets whose useful life has expired, the carrying value (net of residual value), as at 1<sup>st</sup> April 2014 amounting to ₹ 0.43 crore (net of tax ₹ 0.23 crore) has been adjusted to the General Reserve as on 01.04.2014 in complying with the transitional provisions specified in Schedule II.
- c) HUDCO’s Employees’ Pension Scheme effective from 01.01.2007 has been introduced during the financial year 2014-15 after receipt of approval from the Ministry and the accounting policy related to Employees Benefits has been modified to that extent. Keeping this in view, a provision of ₹ 28.36 crores relating to employer’s share has been

**Note 26: (Contd.)**

made. Accordingly, the profit for the year is lower by ₹ 28.36 crore due to the said change in accounting policy.

- 15) Details of Registration Number obtained from financial sector regulators:

| S. No. | Particulars                   | Registration Number         |
|--------|-------------------------------|-----------------------------|
| a.     | Ministry of Corporate Affairs | CIN : U74899DL1970GOI005276 |
| b.     | National Housing Bank         | 01.0016.01                  |

- 16) (a) Income Tax as applicable in respect of Interest accrued on bonds / debentures which are not listed on recognized Stock Exchange, is deducted at source at the time of actual payment of interest to the bondholders / debenture holders since bonds / debentures are transferable by endorsement & delivery.
- (b) In respect of Bonds/ Deposits/ Debentures, the company is presently transferring unclaimed principal and/or interest, or both (if any), which are paid on due dates as per the terms of the Bonds/ Debentures/ Public Deposit Scheme, after 7 years from the maturity date of the Bonds/ Deposits/ Debentures to IEPF. The unclaimed amount lying in current liability includes interest of ₹ 0.26 crores as on 31/03/2015, which have lapsed 7 years from the respective due dates of interest payment and not transferred to IEPF, since 7 years from the maturity date of the Bonds/ Deposits/ Debentures has not been completed yet.
- 17) The company has not received information from vendors / suppliers regarding their status under the "Micro, Small and Medium Enterprises Development Act, 2006" and hence disclosure relating to amount unpaid at the year end together with interest paid or payable under this Act has not been given.
- 18) There are no separate business / geographical reportable segments as per the Accounting Standard AS-17 "Segment Reporting" since the main business of the company is to provide finance for Housing / Infrastructure projects and all other activities of the company revolve around the main business.
- 19) Provision of Impairment loss as required under Accounting Standard AS-28 "Impairment of Assets" is complied with. In the opinion of management, there is no impairment of assets during the year.
- 20) The company makes full provision on doubtful debtors / receivables and advances which are outstanding for more than three years.
- 21) The company has proposed final dividend of ₹ 100.01 crore at the rate of ₹ 49.96 per share of ₹ 1,000 each, which is payable to Government of India, subject to approval of same by shareholders in the ensuing annual general meeting.
- 22) The company's significant leasing arrangements are in respect of operating leases for office premises. These leasing arrangements which are not non-cancelable range between 1 and 30 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as office rent under Note No. 24 of the Statement of Profit & Loss. Further, there is no financial lease as company's leasing arrangement does not transfer substantially all other risks & rewards incidental to the ownership of an asset.

**Note 26: (Contd.)**
**23) Details of Expenditure / Earnings in foreign currency :**

(₹ in crore)

| Particulars                     | 2014-2015   | 2013-2014   |
|---------------------------------|-------------|-------------|
| <b>Expenditure</b>              |             |             |
| a) Traveling & Entertainment    | 0.16        | 0.21        |
| b) Others                       | 0.00        | 0.01        |
| c) Interest on foreign loan     | 5.77        | 6.89        |
| <b>Total Expenditure</b>        | <b>5.93</b> | <b>7.11</b> |
| <b>Earnings</b>                 |             |             |
| a) Interest on overseas deposit | 1.40        | 1.73        |

**24) Earnings Per Share:**

| Particulars  | Year ended 31.3.2015 | Year ended 31.3.2014 |
|--|----------------------|----------------------|
| Net Profit for the year attributable to equity shareholders (₹ in crore) (a) | 777.63               | 726.34               |
| Weighted Average number of Equity Shares (b)                                 | 2,00,19,000          | 2,00,19,000          |
| Basic / Diluted Earning Per Share of ₹ 1000/- each (₹) (a / b)               | 388.45               | 362.83               |

25) Disclosure regarding provisions made for loans and depreciation in investments as per National Housing Bank Guidelines on prudential norms applicable to Housing Finance Companies.

**(1) HOUSING FINANCE BUSINESS:**
**Loans :**

(₹ in crore)

| Assets Classification                       | Principal outstanding*            |                                   | Provision As per Norms*           |                                   | Additional provision |              |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------|--------------|
|   | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 | 2014-2015            | 2013-2014    |
| <b>Standard (considered good) - Secured</b> | 9,302.59                          | 7,460.15                          | 45.24                             | 37.39                             | 20.00                | 40.00        |
| <b>Sub-standard Assets – Secured</b>        | 23.86                             | 57.74                             | 3.58                              | 8.66                              |                      |              |
| <b>Doubtful Assets</b>                      |                                   |                                   |                                   |                                   |                      |              |
| <b>Secured</b>                              | 297.38                            | 315.18                            | 262.29                            | 293.29                            |                      |              |
| <b>Unsecured</b>                            | 11.51                             | 11.26                             | 11.51                             | 11.26                             |                      |              |
| <b>Total Doubtful Assets</b>                | 308.89                            | 326.44                            | 273.80                            | 304.55                            |                      |              |
| <b>Loss Assets</b>                          |                                   |                                   |                                   |                                   |                      |              |
| <b>Secured</b>                              | 1.68                              | 1.73                              | 1.68                              | 1.73                              |                      |              |
| <b>Unsecured</b>                            | 24.12                             | 28.80                             | 24.12                             | 28.80                             |                      |              |
| <b>Total Loss Assets</b>                    | 25.80                             | 30.53                             | 25.80                             | 30.53                             |                      |              |
| <b>Total</b>                                | <b>9,661.14</b>                   | <b>7,874.86</b>                   | <b>348.42</b>                     | <b>381.13</b>                     | <b>20.00</b>         | <b>40.00</b> |

**Note 26: (Contd.)****(2) NON HOUSING FINANCE BUSINESS:**

(₹ in crore)

| Assets Classification                | Principal outstanding             |                                   | Provision As per Norms            |                                   | Additional provision |           |
|--------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------|-----------|
|                                      | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 | 2014-2015            | 2013-2014 |
| Standard (considered good) - Secured | 21,092.68                         | 19,851.48                         | 92.15                             | 88.86                             | 370.00               | 180.00    |
| Sub-standard Assets – Secured        | 181.47                            | 622.89                            | 27.22                             | 93.43                             |                      |           |
| Doubtful Assets                      |                                   |                                   |                                   |                                   |                      |           |
| Secured                              | 1,430.68                          | 980.23                            | 748.41                            | 638.03                            |                      |           |
| Unsecured                            | 95.12                             | 8.59                              | 95.12                             | 8.59                              |                      |           |
| Total Doubtful Assets                | 1,525.80                          | 988.82                            | 843.53                            | 646.62                            |                      |           |
| Loss Assets - Unsecured              | 3.77                              | 3.77                              | 3.77                              | 3.77                              |                      |           |
| Total                                | 22,803.72                         | 21,466.96                         | 966.67                            | 832.68                            | 370.00               | 180.00    |
| Grand Total (1) + (2)                | 32,464.86                         | 29,341.82                         | 1,315.09                          | 1,213.81                          | 390.00               | 220.00    |

**(3) Investments:**

(₹ in crore)

| Particulars                   | Principal outstanding             |                                   | Provision As per Norms            |                                   |
|-------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                               | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 | As at 31 <sup>st</sup> March 2015 | As at 31 <sup>st</sup> March 2014 |
| Equity Shares                 | 36.67                             | 34.87                             | 3.00                              | 3.00                              |
| Equity Shares - Joint Venture | 2.40                              | 2.40                              | 0.39                              | 0.39                              |
| Infrastructure Debt Fund      | 50.00                             | 50.00                             | -                                 | -                                 |
| Bonds                         | 670.00                            | 670.00                            | -                                 | -                                 |
| Total                         | 759.07                            | 757.27                            | 3.39                              | 3.39                              |

\* The principal outstanding and cumulative provision is excluding KFW Loans

26) As per DPE letter dated 21.01.2013, the Chairman and Managing Director and Whole time Directors are entitled to use staff car for private use upto 1,000 km. per month against payment of ₹ 2,000/- per month.

**27) Related parties Disclosure :****(a) Joint Ventures**

- (1) Shristi Urban Infrastructure Development Ltd.
- (2) Pragati Social Infrastructure & Development Ltd.
- (3) MCM Infrastructure Pvt. Ltd.
- (4) Signa Infrastructure India Ltd.

**(b) Key Management Personnel during the year 2014-2015 :**

| Sl. No. | Director(s)       | Status  |
|---------|-------------------|---|
| 1.      | Dr. M. Ravi Kanth | Chairman & Managing Director<br>(Whole time Director)<br>(from 11.4.2014)               |
| 2.      | Shri V P Baligar  | Ex-Chairman & Managing Director (Whole time Director)<br>(from 11.4.2011 to 10.04.2014) |

**Note 26: (Contd.)**

|    |                          |   |
|----|--------------------------|---|
| 3. | Shri N. L. Manjoka       | Director Corporate Planning<br>(Whole time Director)<br>(from 11.04.2013) |
| 4. | Shri Anil Kumar Kaushik  | Director Finance<br>(Whole time Director)<br>(from 30.05.2013)            |
| 5. | Shri Harish Kumar Sharma | Company Secretary<br>(from 06.11.2013)                                    |

**(c) Transactions with Joint Ventures:**
**(i) Investment in Joint Venture**

(₹ in crore)

| Proportion of ownership        | 40%   | 26%  |                              |                                 |              |
|--------------------------------|---|--|------------------------------|---------------------------------|--------------|
| Nature of Transactions         | Shristi Urban Infrastructure Development Ltd. | Pragati Social Infrastructure & Development Ltd. | MCM Infrastructure Pvt. Ltd. | Signa Infrastructure India Ltd. | Total        |
| <b>Investments</b>             |   |  |                              |                                 |              |
| Balance as at 31.3.2014        | 2.00  | 0.13   | 0.26                         | 0.013                           | 2.403        |
| Additions during the year      | -   | -  | -                            | -                               | -            |
| <b>Balance as at 31.3.2015</b> | <b>2.00</b>                                   | <b>0.13</b>                                      | <b>0.26</b>                  | <b>0.013</b>                    | <b>2.403</b> |

**(d) Transactions with Key Management Personnel:**

- i) Shri N. L. Manjoka, DCP has taken a vehicle loan of ₹ 0.03 crore (interest bearing) from the company in January 2014, in the ordinary course of business. The service of providing such loans is extended by the company to all of its employees. The balance outstanding as on 31.03.2015 is ₹ 0.03 crore including interest accrued ₹ 0.01 crore (maximum outstanding is ₹ 0.04 crore during the year 2014-15).
- ii) Shri Anil Kumar Kaushik, DF has taken a House Building Advance of ₹ 0.10 crore (interest bearing) from the company in October, 2014, in the ordinary course of business. The service of providing such loans is extended by the company to all of its employees. The balance outstanding as on 31.03.2015 is ₹ 0.05 crore including interest accrued ₹ 0.002 crore (maximum outstanding is ₹ 0.10 crore during the year 2014-15).

**(e) Managerial Remuneration :**

(₹ in crore)

| Particulars                      | Dr. M. Ravi Kanth, CMD |          | Shri V P Baligar, Ex-CMD |             | Shri N. L. Manjoka, DCP |             | Shri Anil Kumar Kaushik, DF |             | Shri Harish Kumar Sharma, CS |             |
|----------------------------------|------------------------|----------|--------------------------|-------------|-------------------------|-------------|-----------------------------|-------------|------------------------------|-------------|
|                                  | 2014-15                | 2013-14  | 2014-15                  | 2013-14     | 2014-15                 | 2013-14     | 2014-15                     | 2013-14     | 2014-15                      | 2013-14     |
| Salaries                         | 0.20                   | -        | 0.01                     | 0.18        | 0.21                    | 0.18        | 0.22                        | 0.16        | 0.11                         | 0.05        |
| Contribution to PF               | 0.02                   | -        | -                        | -           | 0.02                    | 0.02        | 0.02                        | 0.02        | 0.01                         | 0.01        |
| Perquisites and other allowances | 0.09                   | -        | 0.01                     | 0.05        | 0.27                    | 0.06        | 0.28                        | 0.08        | 0.02                         | -           |
| <b>Total</b>                     | <b>0.31</b>            | <b>-</b> | <b>0.02</b>              | <b>0.23</b> | <b>0.50</b>             | <b>0.26</b> | <b>0.52</b>                 | <b>0.26</b> | <b>0.14</b>                  | <b>0.06</b> |

**Note 26: (Contd.)****28) Information in relation to the interest of the company in Joint Ventures as required under AS – 27.****a) Details of Joint Ventures**

| Name of the company                              | Contribution towards equity (₹ in crore) | Country of Residence | Proportion of ownership | Description of Interest   |
|--|--|----------------------|-------------------------|---------------------------|
| Shristi Urban Infrastructure Development Ltd.    | 2.000                                    | India                | 40%                     | Jointly controlled entity |
| Pragati Social Infrastructure & Development Ltd. | 0.130                                    | India                | 26%                     | Jointly controlled entity |
| MCM Infrastructure Pvt. Ltd.                     | 0.260                                    | India                | 26%                     | Jointly controlled entity |
| Signa Infrastructure India Ltd.                  | 0.013                                    | India                | 26%                     | Jointly controlled entity |
| <b>Total</b>                                     | <b>2.403</b>                             |                      |                         |                           |

**b) Proportionate Assets & Liabilities:**

(₹ in lac)

| Year ending  | Shristi Urban Infrastructure Development Ltd. |                         | Pragati Social Infrastructure & Development Ltd.* |                         | MCM Infrastructure Pvt. Ltd. |                         | Signa Infrastructure India Ltd. |                         |
|--|---|-------------------------|---|-------------------------|------------------------------|-------------------------|---------------------------------|-------------------------|
|  | Un audited as at 31.3.2015                    | Audited as at 31.3.2014 | Un audited as at 31.3.2015                        | Audited as at 31.3.2014 | Un audited as at 31.3.2015   | Audited as at 31.3.2014 | Un audited as at 31.3.2015      | Audited as at 31.3.2014 |
| <b>Fixed Assets</b>  | 0.18  | 0.48                    | Not available                                     | Not available           | -                            | -                       | 0.03                            | 0.04                    |
| <b>Investments</b>   | 120.00  | 120.00                  | Not available                                     | Not available           | -                            | -                       | -                               | -                       |
| <b>Deferred Tax Assets</b>   | 0.45  | 0.37                    | Not available                                     | Not available           | -                            | -                       | -                               | -                       |
| <b>Current Assets, Loans and Advances</b>                            | 240.50  | 200.14                  | Not available                                     | Not available           | 14.23                        | 13.11                   | 14.80                           | 13.15                   |
| <b>Statement of Profit &amp; Loss (Debit Balance)</b>                | -   | -                       | Not available                                     | Not available           | -                            | -                       | -                               | -                       |
| <b>Share of Total Assets</b>   | 369.82  | 329.84                  | Not available                                     | Not available           | 14.23                        | 13.11                   | 14.83                           | 13.19                   |
| <b>Reserves &amp; Surplus</b>  | 13.23   | 13.13                   | Not available                                     | Not available           | -12.29                       | -13.14                  | 9.04                            | 9.08                    |
| <b>Current Liabilities and Provisions</b>                            | 155.28  | 115.38                  | Not available                                     | Not available           | 0.51                         | 0.25                    | 4.42                            | 2.80                    |
| <b>Loans Funds</b>   | 1.31  | 1.33                    | Not available                                     | Not available           | -                            | -                       | 0.05                            | -                       |
| <b>Deferred Tax Liabilities</b>                                      | -   | -                       | Not available                                     | Not available           | -                            | -                       | 0.01                            | 0.01                    |
| <b>Share of Total Liabilities (excluding Reserves &amp; Surplus)</b> | 156.59  | 116.71                  | Not available                                     | Not available           | 0.51                         | 0.25                    | 4.48                            | 2.81                    |
| <b>Operations Income</b>   | 0.86  | 73.97                   | Not available                                     | Not available           | -                            | -                       | -                               | 2.71                    |

**Note 26: (Contd.)**

| Year ending  | Shristi Urban Infrastructure Development Ltd. |                         | Pragati Social Infrastructure & Development Ltd.* |                         | MCM Infrastructure Pvt. Ltd. |                         | Signa Infrastructure India Ltd. |                         |
|--|---|-------------------------|---|-------------------------|------------------------------|-------------------------|---------------------------------|-------------------------|
|  | Un audited as at 31.3.2015                    | Audited as at 31.3.2014 | Un audited as at 31.3.2015                        | Audited as at 31.3.2014 | Un audited as at 31.3.2015   | Audited as at 31.3.2014 | Un audited as at 31.3.2015      | Audited as at 31.3.2014 |
| Other Income   | 50.51   | 0.10                    | Not available                                     | Not available           | 1.17                         | 1.11                    | -                               | 0.07                    |
| Total Income   | 51.36   | 74.07                   | Not available                                     | Not available           | 1.17                         | 1.11                    | -                               | 2.78                    |
| Share of Expenses  | 51.14   | 74.00                   | Not available                                     | Not available           | 0.31                         | 0.31                    | 0.04                            | 2.57                    |
| HUDCO's share in contingent liability of JV Co.                      | Not available                                 | Not available           | Not available                                     | Not available           | Not available                | Not available           | Not available                   | Not available           |
| Contingent liability or jointly controlled company incurred by HUDCO | Not available                                 | Not available           | Not available                                     | Not available           | Not available                | Not available           | Not available                   | Not available           |
| Capital Commitment   | Not available                                 | Not available           | Not available                                     | Not available           | Not available                | Not available           | Not available                   | Not available           |

\* Case filed before company Law Board, Kolkata Law Bench on 28.2.2013 against M/s. Pragati Social Infrastructure & Development Ltd. under section 397 and 398 (Prevention of Oppression and Mismanagement) of Companies Act, 1956, therefore the company has not provided unaudited / audited accounts for the year 2013-2014 & 2014-2015 and also not available at MCA site.

- 29) (a) The company has formulated a CSR and Sustainability policy in line with the new guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. F.No.15(7)/2012-DPE(GM)-GL-104 dated 12/04/2013 with the approval of HUDCO's Board.

As per Companies Act' 2013, HUDCO's Board also approved allocation for CSR and Sustainability budget for the FY 2014-15, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹ 20.64 crore.

(₹ in crore)

| S. No. | Particulars  | Amount  |                        |
|--------|--|---------|------------------------|
| 1.     | Gross Amount of CSR required to be spent during the financial year 2014-15 | 20.64   |                        |
| 2.     | Amount spent during the year on:   | In cash | Yet to be paid in cash |
|        | i) Construction/ Acquisition of any asset                                  | --      | --                     |
|        | ii) On purpose other than (i) above  | 3.23    | --                     |

As per the new guidelines issued by ICAI, no provision has been made in the financial statements for any shortfall in the amount that was expected to be spent on CSR. Further, an amount of ₹ 18.30 crores remained unutilised upto 31.03.2014, out of which ₹ 8.36 crores (net) has been spent during the financial year 2014-15 and the balance amount of ₹ 9.94 crores is shown under the head Provision for CSR in Note 11.

As per HUDCO's approved CSR Policy, 1<sup>st</sup> installment of CSR assistance is released on completion of documentation and the subsequent installments are released on receipt of utilization certificate and after achieving physical/ financial progress in the proposal.

**Note 26: (Contd.)**

There has been a couple of cases where even after sanction of CSR and Sustainability Fund by HUDCO, documentation formalities were not completed by the agencies and therefore the 1<sup>st</sup> installment could not be released, as envisaged. In some of the cases, the agencies concerned could not achieve required physical/ financial progress and the utilisation certificate for the CSR assistance released was not submitted by agencies. These factors result in delay/ time gap in incurring CSR expenditure.

- (b) The company has formulated a Research & Development (R&D) policy in line with the guidelines issued by the Department of Public Enterprises vide Office Memorandum No. 3(9)/2010-DPE (MoU) dated 20.9.2011.

As per the R&D guidelines of DPE, a minimum of 0.5% of PAT of the previous year has to be allocated for R&D projects / activities, accordingly, an amount of ₹ 3.63 crore for the FY 2014-15 has been earmarked. During the financial year 2014-15, an amount of ₹ 2.15 crores has been spent on R&D activities and balance amount of ₹ 1.48 crores has been kept as non-lapsable budget. Accordingly, no provision of ₹ 1.48 crore in the financial statements for the shortfall has been considered in line with the new CSR Policy.

**30) Additional Disclosure requirement as per NHB Directions****(a) Capital to Risk Assets Ratio (CRAR)**

| Particulars |                            | 31.3.2015 | 31.3.2014 |
|-------------|----------------------------|-----------|-----------|
| i)          | CRAR (%)                   | 50.46     | 27.85     |
| ii)         | CRAR - Tier I capital (%)  | 50.46     | 27.85     |
| iii)        | CRAR - Tier II Capital (%) | -         | -         |

**(b) Exposure to Real Estate Sector**

(₹ in crore)

| Category |   | 2014-2015 | 2013-2014 |
|----------|---|-----------|-----------|
| a)       | <b>Direct exposure</b>  |           |           |
| (i)      | Residential Mortgages –   |           |           |
|          | Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans more than ₹15 lakh)   | 31.93     | 32.42     |
|          | Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh)  | 134.20    | 156.88    |
|          | Total   | 166.13    | 189.30    |
| (ii)     | Commercial Real Estate –  |           |           |
|          | Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; | 1363.37   | 1825.38   |
|          | Investments in Mortgage Backed Securities (MBS) and other securitised exposures –   | -         | -         |
| (iii)    | (a) Residential   | -         | -         |
|          | (b) Commercial Real Estate  | -         | -         |

|           |   |        |        |
|-----------|---|--------|--------|
| <b>b)</b> | <b>Indirect Exposure</b>  |        |        |
|           | Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) | 212.11 | 277.10 |

**(c) Asset Liability Management**
**Maturity pattern of certain items of assets and liabilities as on 31.3.2015:**

(₹ in crore)

|                       | 1day to 30-31 days (one month) | Over one month to 2 months | Over 2 months to 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years | Total    |
|-----------------------|--------------------------------|----------------------------|---------------------------|---------------------------|-------------------------|------------------------|-------------------------|-------------------------|--------------------------|---------------|----------|
| <b>Liabilities</b>    |                                |                            |                           |                           |                         |                        |                         |                         |                          |               |          |
| Borrowings from banks | 2698.39                        | 117.11                     | 4.17                      | -                         | 4.30                    | 18.60                  | 21.03                   | 23.78                   | 6.42                     | -             | 2893.80  |
| Market Borrowings     | 34.71                          | 60.01                      | 90.06                     | 319.78                    | 1820.44                 | 3223.90                | 1703.86                 | 2921.75                 | 3005.01                  | 7394.46       | 20573.98 |
| <b>Assets</b>         |                                |                            |                           |                           |                         |                        |                         |                         |                          |               |          |
| Advances              | 93.03                          | 718.97                     | 166.38                    | 938.48                    | 1957.42                 | 7692.83                | 6704.87                 | 5382.35                 | 4813.97                  | 2428.14       | 30896.44 |
| Investments           | 400.00                         | -                          | -                         | -                         | -                       | -                      | -                       | 270.00                  | -                        | 85.68         | 755.68   |

- 31) (a) Figures of the previous year have been regrouped/ rearranged/ recasted wherever considered necessary to make them comparable with figures for current year.
- (b) Figures in rupees have been rounded off to crore without decimals except where specifically indicated.

For and on behalf of the Board

Sd/-  
Harish Kumar Sharma  
Company Secretary

Sd/-  
Anil Kumar Kaushik  
Director Finance  
DIN 06600755

Sd/-  
Dr. M. Ravi Kanth  
Chairman & Managing Director  
DIN 01612905

As per our separate report of even date attached

For Dhawan & Co.  
Chartered Accountants  
(Firm Registration No. 002864N)

Sd/-  
Sunil Gogia  
Partner  
(Membership No. 073740)

Place : New Delhi  
Dated : 28<sup>th</sup> September, 2015

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in crore)

| S.No.    | Particulars  | 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
|----------|--|------------------------------|------------------------------|
| <b>A</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                     |                              |                              |
|          | <b>NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS</b>           | 1170.52                      | 1115.97                      |
|          | Add/ (Less): Adjustments for:                                  |                              |                              |
| (i)      | Depreciation   | 5.28                         | 4.32                         |
| (ii)     | Provision on loans & advances                                  | (2.55)                       | 1.33                         |
| (iii)    | Provision for leave encashment                                 | 5.28                         | (10.57)                      |
| (iv)     | Provision for post retirement medical benefit                  | 21.35                        | 6.90                         |
| (v)      | Provision on Loans   | 101.28                       | 167.85                       |
| (vi)     | Provision for welfare expenditure                              | 0.58                         | (0.03)                       |
| (vii)    | Provision for LTC  | (5.13)                       | (2.57)                       |
| (viii)   | Provision for Provident Fund                                   | 0.00                         | (4.12)                       |
| (ix)     | Provision for Corporate Social Responsibilities (CSR)          | (8.36)                       | 18.30                        |
| (x)      | Additional Provision on Loans                                  | 170.00                       | (160.00)                     |
| (xi)     | Provision for Wealth Tax                                       | 0.25                         | 0.25                         |
| (xii)    | Provision for Interest under Income Tax Act                    | 5.40                         | 2.50                         |
| (xiii)   | Prior Period Adjustments (Net)                                 | 10.42                        | (21.62)                      |
| (xiv)    | Loss/ (Profit) on sale of Fixed Assets (Net)                   | 0.01                         | (0.03)                       |
| (xv)     | Translation/exchange (Gain)/Loss on Foreign Currency Loan      | (13.13)                      | 5.18                         |
|          | <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>         | <b>1461.20</b>               | <b>1123.66</b>               |
|          | Adjustment for   |                              |                              |
| (i)      | Decrease/(Increase) in Loans                                   | (3094.93)                    | (3448.79)                    |
| (ii)     | (Increase)/Decrease in Current Assets, other Loans & Advances* | (419.93)                     | (472.97)                     |
| (iii)    | Increase/(Decrease) in Current Liabilities and Provisions      | 1496.68                      | (1224.75)                    |
|          | <b>CASH GENERATED FROM OPERATIONS</b>                          | <b>(556.98)</b>              | <b>(4022.85)</b>             |
| (i)      | Direct taxes paid (Net of refunds)                             | 373.52                       | 359.66                       |
| (ii)     | Securities Premium on Bonds                                    | 0.00                         | 0.04                         |
| (iii)    | KFW Reserve  | 1.15                         | -                            |
|          | <b>NET CASH FLOW FROM OPERATING ACTIVITIES - A</b>             | <b>(182.31)</b>              | <b>(3663.15)</b>             |
| <b>B</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                     |                              |                              |
| (i)      | Sale / (Purchase) of Investment                                | (1.80)                       | (69.90)                      |
| (ii)     | Purchase of fixed assets                                       | (10.83)                      | (10.45)                      |
| (iii)    | Sale of Fixed assets   | 0.02                         | 0.09                         |
|          | <b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>                 | <b>(12.61)</b>               | <b>(80.26)</b>               |
| <b>C</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                     |                              |                              |
| (i)      | Proceed from borrowings (Net)                                  | 321.37                       | 3550.80                      |
| (ii)     | Corporate Dividend Tax Paid                                    | (17.00)                      | (25.50)                      |
| (iii)    | Dividend Paid  | (100.01)                     | (150.00)                     |
|          | <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                 | <b>204.36</b>                | <b>3375.30</b>               |

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

(₹ in crore)

| S.No. | Particulars   | 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
|-------|---|------------------------------|------------------------------|
|       | <b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>   | <b>9.44</b>                  | <b>(368.11)</b>              |
|       | CASH & CASH EQUIVALENTS - OPENING BALANCE **                | 71.74                        | 439.85                       |
|       | CASH & CASH EQUIVALENTS - CLOSING BALANCE                   | 81.18                        | 71.74                        |
|       | <b>NET INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENTS</b> | <b>9.44</b>                  | <b>(368.11)</b>              |

| * Includes components of Bank Deposits: Earmarked balances with Bank |  |              |              |
|--|--|--------------|--------------|
| (i)  | Rajiv Rinn Yojana  | 27.51        | 25.00        |
| (ii)   | Heritage Project - Retail Finance                          | 1.38         | 1.27         |
| (iii)  | City Specific Capacity Building                            | 0.98         | 0.90         |
| (iv)   | Ascot Hotel & Resorts Pvt. Ltd.                            | 10.31        | 0.00         |
|  |  | <b>40.18</b> | <b>27.17</b> |
| (v)  | Under lien with Bank of India, Cayman Islands branch, USA. | 163.36       | 172.83       |

| ** Components of Cash & Cash Equivalents : Earmarked balances with Bank |   |             |             |
|---|---|-------------|-------------|
| (i)   | Human Settlement Management Institute (HSMI)    | 0.01        | 2.93        |
| (ii)  | No-Lien account of Andrews Ganj Project         | 0.08        | 0.08        |
| (iii)   | Heritage Project - Retail Finance               | 0.02        | 0.00        |
| (iv)  | Interest Subsidy for Housing Urban Poor (ISHUP) | 0.12        | 0.10        |
| (v)   | Unclaimed Bonds                                 | 1.44        | 0.66        |
|   |   | <b>1.66</b> | <b>0.84</b> |

**Note:**

- 1 Cash Flow has been prepared using Indirect Method.
- 2 Previous year figures have been regrouped wherever necessary.

For and on behalf of the Board

Sd/-  
**Harish Kumar Sharma**  
 Company Secretary

Sd/-  
**Anil Kumar Kaushik**  
 Director Finance  
 DIN 06600755

Sd/-  
**Dr. M. Ravi Kanth**  
 Chairman & Managing Director  
 DIN 01612905

As per our separate report of even date attached

For Dhawan & Co.  
 Chartered Accountants  
 (Firm Registration No. 002864N)

Sd/-  
**Sunil Gogia**  
 Partner  
 (Membership No. 073740)

Place : New Delhi  
 Dated : 28<sup>th</sup> September, 2015

### HUDCO'S ASSISTANCE TO URBAN INFRASTRUCTURE PROJECTS AS ON 31.03.2015

| Infrastructure Segments                       | No. of Projects |             | HUDCO Assistance<br>(₹ in crore) |                 |
|---|-----------------|-------------|----------------------------------|-----------------|
|   | 2014-2015       | Cumulative  | 2014-2015                        | Cumulative      |
| Water supply                                  | 15              | 480         | 4919.14                          | 23510.05        |
| Sewerage, Drainage and solid waste Management | 8               | 125         | 473.32                           | 5894.03         |
| Transportation/Roads                          | 27              | 471         | 3787.24                          | 25745.41        |
| Area Development                              | 0               | 112         | 0.00                             | 1587.34         |
| Social infrastructure                         | 50              | 416         | 212.92                           | 5003.65         |
| Others including commercial                   | 21              | 421         | 4033.68                          | 32424.47        |
| <b>TOTAL</b>                                  | <b>121</b>      | <b>2025</b> | <b>13426.30</b>                  | <b>94164.95</b> |

Note : This statement excludes Sanitation Schemes.

### REHABILITATION HOUSING FOR NATURAL CALAMITIES AS ON 31-03-2015

| Natural Calamities        | Loan Amount<br>(₹ in crore) | No. of Units   |
|---------------------------|-----------------------------|----------------|
| A) Earthquake & Landslide | 197.44                      | 131067         |
| B) Cyclone                | 1054.17                     | 437934         |
| C) Flooding & Sea Erosion | 957.74                      | 3575734        |
| <b>Total</b>              | <b>2209.36</b>              | <b>4144735</b> |

**STATEWISE CUMULATIVE INFORMATION OF PROJECTS SANCTIONED BY HUDCO AS ON 31.03.2015**

| S. No. | State/ UT Name         | No. of Schemes Sanctioned | Project Cost     | Loan Sanctioned  | Loan Released   | Dwelling Units          |                 | Plots         |
|--------|------------------------|---------------------------|------------------|------------------|-----------------|-------------------------|-----------------|---------------|
|        |                        |                           |                  |                  |                 | (..... ₹ in crore.....) |                 |               |
|        |                        |                           |                  |                  |                 | UPGD                    | New             |               |
| 1      | Andhra Pradesh         | 2130                      | 39204.81         | 17480.48         | 13303.93        | 144243                  | 2360092         | 5687          |
| 2      | Arunachal Pradesh      | 9                         | 16.48            | 6.38             | 6.39            | 0                       | 1822            | 0             |
| 3      | Assam                  | 188                       | 1870.87          | 942.88           | 897.51          | 15536                   | 40713           | 1871          |
| 4      | Bihar                  | 212                       | 18125.66         | 6431.75          | 903.80          | 23032                   | 80566           | 5741          |
| 5      | Chhattisgarh           | 273                       | 33292.82         | 3032.53          | 1608.29         | 314                     | 156181          | 18573         |
| 6      | Delhi                  | 78                        | 43642.79         | 1898.09          | 1363.04         | 0                       | 21838           | 1             |
| 7      | Goa                    | 41                        | 3370.72          | 2595.91          | 261.79          | 5983                    | 1410            | 1526          |
| 8      | Gujarat                | 1256                      | 73965.79         | 9230.53          | 6539.48         | 55868                   | 539219          | 8196          |
| 9      | Haryana                | 379                       | 10180.98         | 3987.07          | 1598.56         | 17437                   | 259425          | 4987          |
| 10     | Himachal Pradesh       | 184                       | 2263.88          | 1187.09          | 1166.24         | 948                     | 73647           | 1446          |
| 11     | Jammu & Kashmir        | 117                       | 4524.80          | 612.49           | 546.33          | 11123                   | 13108           | 11330         |
| 12     | Jharkhand              | 134                       | 9756.27          | 3129.35          | 2379.96         | 10346                   | 388185          | 2000          |
| 13     | Karnataka              | 1451                      | 74525.19         | 20249.47         | 11792.98        | 287596                  | 2510480         | 39194         |
| 14     | Kerala                 | 1104                      | 10156.96         | 4600.52          | 3280.29         | 99286                   | 1310442         | 651           |
| 15     | Madhya Pradesh         | 1197                      | 26596.47         | 9950.22          | 6337.22         | 9436                    | 298464          | 141286        |
| 16     | Maharashtra            | 1243                      | 56813.38         | 10703.62         | 7626.37         | 52566                   | 453619          | 18355         |
| 17     | Manipur                | 39                        | 280.59           | 148.63           | 140.51          | 385                     | 14207           | 0             |
| 18     | Meghalaya              | 34                        | 554.22           | 367.78           | 350.04          | 291                     | 15104           | 0             |
| 19     | Mizoram                | 37                        | 193.79           | 113.26           | 101.26          | 5150                    | 7297            | 148           |
| 20     | Nagaland               | 311                       | 1417.32          | 1025.27          | 997.73          | 29                      | 22123           | 332           |
| 21     | Odisha                 | 453                       | 3801.88          | 1566.59          | 1576.35         | 15283                   | 261651          | 7147          |
| 22     | Punjab                 | 541                       | 6105.78          | 3266.85          | 1900.90         | 14864                   | 103170          | 7411          |
| 23     | Rajasthan              | 1222                      | 19625.01         | 11861.13         | 9642.76         | 976                     | 979327          | 96337         |
| 24     | Sikkim                 | 39                        | 3422.35          | 547.55           | 434.27          | 3854                    | 8985            | 0             |
| 25     | Tamil Nadu             | 2253                      | 37240.14         | 11129.24         | 10648.91        | 324651                  | 1187606         | 161749        |
| 26     | Tripura                | 37                        | 268.02           | 89.58            | 70.82           | 1909                    | 5661            | 1             |
| 27     | Uttar Pradesh          | 1298                      | 16595.74         | 10405.13         | 7126.93         | 32546                   | 677152          | 65928         |
| 28     | Uttarakhand            | 110                       | 1386.61          | 766.22           | 347.86          | 3506                    | 53341           | 560           |
| 29     | West Bengal            | 338                       | 12486.23         | 4348.45          | 3327.78         | 3020900                 | 194604          | 5346          |
|        | <b>Union Territory</b> |                           |                  |                  |                 |                         |                 |               |
| 30     | A & N Islands          | 16                        | 25.86            | 13.21            | 10.91           | 0                       | 534             | 0             |
| 31     | Chandigarh             | 78                        | 2066.94          | 203.50           | 171.16          | 0                       | 28036           | 8045          |
| 32     | Dadar Nagar Haveli     | 2                         | 0.35             | 0.25             | 0.00            | 45                      | 42              | 0             |
| 33     | Puducherry             | 79                        | 1815.94          | 934.85           | 453.55          | 0                       | 9424            | 0             |
|        | <b>Total</b>           | <b>16883</b>              | <b>515594.64</b> | <b>142825.87</b> | <b>96927.92</b> | <b>4158103</b>          | <b>12077475</b> | <b>613848</b> |

THE CUMMULATIVE PROJECT COST, SANCTIONS AND DWELLING/PLOTS ARE NET AFTER INCORPORATING REVISIONS/WITHDRAWALS AS PER THE DATA RECEIVED FROM REGIONAL OFFICES.

**TOTAL SANCTIONS INCLUDING HUDCO NIWAS**

LOAN AMOUNT : 148262.92 crores  
RELEASE AMOUNT : 101284.58 crores  
DWELLING UNITS : 16619302

## YEARWISE DETAILS OF HUDCO'S OPERATIONS

| Year                    | No. of Schemes | Gross Loan Sanctioned | Amount Released | Repayment Received | Dwelling Units | Plots  |
|-------------------------|----------------|-----------------------|-----------------|--------------------|----------------|--------|
| (..... ₹ in crore.....) |                |                       |                 |                    |                |        |
| 1971-72                 | 19             | 34.86                 | 5.51            | 0.37               | 22095          | 10883  |
| 1972-73                 | 46             | 36.06                 | 7.44            | 2.92               | 21269          | 3297   |
| 1973-74                 | 53             | 30.63                 | 13.15           | 6.37               | 19017          | 4390   |
| 1974-75                 | 67             | 37.52                 | 22.63           | 6.39               | 25165          | 1450   |
| 1975-76                 | 163            | 54.47                 | 35.84           | 11.82              | 36345          | 798    |
| 1976-77                 | 242            | 72.70                 | 40.08           | 15.21              | 53714          | 16738  |
| 1977-78                 | 179            | 88.05                 | 48.78           | 18.09              | 140141         | 5539   |
| 1978-79                 | 227            | 107.98                | 65.86           | 17.82              | 99463          | 9475   |
| 1979-80                 | 227            | 139.20                | 77.04           | 23.77              | 202841         | 6317   |
| 1980-81                 | 346            | 161.68                | 89.97           | 36.77              | 268363         | 6107   |
| 1981-82                 | 392            | 193.62                | 105.24          | 45.04              | 276948         | 14342  |
| 1982-83                 | 516            | 221.33                | 131.78          | 61.83              | 284879         | 11890  |
| 1983-84                 | 617            | 283.93                | 149.11          | 80.05              | 316349         | 7344   |
| 1984-85                 | 677            | 352.88                | 199.82          | 87.38              | 318837         | 16601  |
| 1985-86                 | 697            | 387.42                | 222.51          | 116.21             | 339832         | 15210  |
| 1986-87                 | 581            | 392.02                | 270.15          | 142.26             | 306716         | 9182   |
| 1987-88                 | 650            | 496.73                | 324.60          | 174.68             | 300938         | 18285  |
| 1988-89                 | 755            | 651.28                | 438.05          | 201.18             | 380547         | 82701  |
| 1989-90                 | 844            | 906.84                | 541.60          | 217.66             | 665485         | 32870  |
| 1990-91                 | 1164           | 1385.89               | 735.00          | 272.01             | 832803         | 20211  |
| 1991-92                 | 956            | 1348.09               | 834.00          | 394.82             | 669905         | 29844  |
| 1992-93                 | 831            | 1110.42               | 858.91          | 417.77             | 399179         | 20821  |
| 1993-94                 | 971            | 1368.45               | 1003.58         | 402.66             | 416274         | 24111  |
| 1994-95                 | 1094           | 1763.24               | 1121.50         | 473.25             | 372803         | 12945  |
| 1995-96                 | 912            | 1966.91               | 1241.80         | 337.09             | 393692         | 18258  |
| 1996-97                 | 973            | 2470.59               | 1575.90         | 248.16             | 423248         | 43623  |
| 1997-98                 | 795            | 3061.86               | 2263.20         | 392.00             | 553156         | 22457  |
| 1998-99                 | 1146           | 6666.67               | 3200.71         | 559.73             | 1860357        | 23669  |
| 1999-00                 | 659            | 8899.89               | 4372.74         | 825.24             | 1635844        | 22117  |
| 2000-01                 | 360            | 7912.73               | 4829.32         | 746.06             | 3097651        | 8871   |
| 2001-02                 | 341            | 8140.53               | 4661.78         | 550.63             | 736519         | 12477  |
| 2002-03                 | 316            | 15627.21              | 8179.68         | 2078.82            | 873047         | 35471  |
| 2003-04                 | 364            | 13415.31              | 6136.27         | 2974.96            | 969883         | 5842   |
| 2004-05                 | 317            | 13861.62              | 5920.88         | 4779.39            | 1119742        | 15758  |
| 2005-06                 | 224            | 10099.19              | 3766.52         | 3267.11            | 192197         | 2181   |
| 2006-07                 | 287            | 12162.55              | 3452.41         | 3562.30            | 140970         | 5573   |
| 2007-08                 | 306            | 13500.61              | 3754.02         | 3545.62            | 98868          | 4185   |
| 2008-09                 | 192            | 14754.30              | 4020.07         | 3733.98            | 114009         | 1477   |
| 2009-10                 | 147            | 16623.76              | 3098.07         | 5243.29            | 297907         | 1191   |
| 2010-11                 | 134            | 19761.68              | 5104.28         | 4188.32            | 295732         | 2643   |
| 2011-12                 | 130            | 20511.40              | 6905.74         | 4323.80            | 422524         | 181853 |
| 2012-13                 | 140            | 23974.06              | 6079.10         | 3930.17            | 439286         | 57247  |
| 2013-14                 | 134            | 17490.94              | 7437.50         | 4028.16            | 1434102        | 243    |
| 2014-15                 | 162            | 21095.54              | 8101.29         | 4854.61            | 484128         | 128    |

## SENIOR EXECUTIVES



**PRK Naidu**  
Chief Vigilance Officer



**Dr. P Jayapal**  
Sr. ED (Project-Operation/SH)



**Dr. Subrahmanyam**  
Sr. ED (Project/CI/RF)



**Rajinder Paul**  
ED (Finance Operation/ES)



**K K Gupta**  
ED (Finance-GA/LA/LRO)



**Rakesh Soni**  
ED (Law-Operation/Corporate Affairs)



**P R Srivastava**  
ED (Project-P&T/RE)



**V Thirumavalavan**  
ED (Project-TRO)



**Dr H S Gill**  
ED (Training)



**P K Aggarwal**  
ED (Finance-IA/DMR)



**D Guhan**  
ED (Finance-RM/Risk)



**Rekha V Sarathy**  
ED (Finance-CNRO)



**A K Mohapatra**  
ED (Law-BURO)



**J Prem Nawaz**  
ED (HRMA)



**Dr. Shailendra K. Gupta**  
ED (Project-Eco/CP/PSU)



**Chanamolu N. Rao**  
ED (Project-HRO/VWRO)



**Rajesh Sharma**  
ED (Project-MRO)



**Akhilesh Kumar**  
ED (Project-W&D/EM/BMT)



**Harish Sharma**  
Company Secretary

## HUDCO OFFICES

### CORPORATE OFFICE

#### Housing and Urban Development Corporation Ltd.

HUDCO Bhawan, Core 7-A,  
India Habitat Centre, Lodhi Road,  
New Delhi – 110 003.  
Tel: 011-24649610 – 23, 24627113-15  
After Office Hours: (011) 24648193-95  
Voice Mail Service: (011) 24648160, 63, 64  
Fax: (011) 24625308  
Website: www.hudco.org

### Training & Research Wing

#### Human Settlement Management Institute

HUDCO House, Lodhi Road,  
New Delhi – 110 003.  
Tel: (011) 24308600  
Fax: (011) 24365292, 24366603  
Email: hsmi@hudco.org;  
hsmi.hudco@gmail.com

### HSMI Hostel

212, Asiad Village, Khel Gaon Marg,  
New Delhi -110 0049  
Tel (EPABX): (011) 26493445, 26493015, 26493375,  
26493559  
Fax: (011) 26493726  
Email: hsmi.hostel@gmail.com

### HUDCO REGIONAL OFFICES

#### Ahmedabad

4<sup>th</sup> Floor, Gruh Nirman Building,  
Ashram Road, Ahmedabad – 380 009 (Gujarat)  
Tel: 079-26582787, 26583488, 26580684, 26584813  
Hudco Niwas: 26585991, 2658992  
Fax : 079-26580804  
Email: aro@hudco.org, hudcoaro@hotmail.com

HUDCO Niwas Home Loan Office  
3<sup>rd</sup> Floor, Gruh Nirman Bldg.  
B/s. Bata, Ashram Road,  
Ahmedabad-380 009 (Gujarat)

#### Bengaluru

No.703 & 704, North Block 7<sup>th</sup> Floor,  
Manipal Centre 47- Dickenson Road  
Bengaluru-560 042 (Karnataka)  
Tel : 080-25587010, 25587012  
Fax : 080-25598748  
Email: bro@hudco.org, bro@gmail.com

#### Bhopal

3<sup>rd</sup> Block, Paryavas Bhawan, Jail Road,  
Arera Hills, Bhopal – 462 011 (M.P)  
Tel : 0755-2763542, 2763628  
Fax : 0755-2763526  
Email: bhro@hudco.org

#### Bhubaneshwar

3<sup>rd</sup> Floor, Deendayal Bhawan, Ashok Nagar  
Janpath, Bhubaneshwar-751 009 (Odisha)  
Tel : 0674-2536287, 2534696  
Fax : 0674-2534905  
Email : bbro@hudco.org

#### Chandigarh

SCO 132-133, 1<sup>st</sup> & 2<sup>nd</sup> Floor,  
Sector-34-A, Chandigarh – 160 022  
Tel : 0172-2648952, 2648954 , 2601514  
Fax : 0172-2648955  
Email : hudcochd@yahoo.com, chro@hudco.org

#### Chennai

Vth Floor, CMDA Tower I, No.1, Gandhi Irwin Road,  
Egmore, Chennai-600 008 (Tamil Nadu)  
Tel : 044 -28412711, 3282-83, 3285, 28529500  
Fax : 044 -28589746  
Email : hudcoro@vsnl.com, cro@hudco.org

#### Dehradun

74/1, GMVN Building, First Floor, Rajpur Road,  
Dehradun-248 001 (Uttarakhand)  
Tel : 0135 -2748405  
Fax: 0135 -2748290  
Email : hudcodhro@yahoo.co.in

#### Guwahati

Housefed Complex Rukminigaon,  
G.S Road Guwahati-781 005 (Assam)  
Tel : 0361-2339148, 2339018  
Fax: 0361-2330397, 2330098  
Email : hudco.gro@gmail.com, gro@hudco.org

#### Delhi (NCR)

HUDCO House, 5<sup>th</sup> Floor,  
Lodhi Road, New Delhi -110 003  
Tel : 011 - 24308650  
Fax: 24308667  
Email : ncr@hudco.org, roncrhudco@gmail.com

#### Hyderabad

5-10-193, 1<sup>st</sup> Floor HACA Bhawan,  
Opp. Assembly, Hyderabad-500 004 (Telangana)  
Tel: 040-23232572, 23235763, 23210804  
Fax: 040 - 23243938  
Email : hro@hudco.org

#### Jaipur

Vidhyut Marg, Jyoti Nagar  
Jaipur- 302 005 (Rajasthan)  
Tel : 0141- 2740863, 2740874, 2740158  
Telefax : 0141-2740702, 2744883  
Email: jro@hudco.org

#### Jammu

HUDCO Bhawan, OB-08,  
Railhead Complex, Jammu-180 012 (J&K)  
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Fax : 0191-2473640  
Email: jmro@hudco.org

**Kolkata**

Hudco Bhawan, Plot No.11, DJ - Block, Sector - 11,  
Bidhan Nagar, Karunamoyee, Salt Lake,  
Kolkata -700 091 (W.B.)  
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Fax: 033 - 23585514  
Email : kro@hudco.org, hudcokro@gmail.com

**Kohima**

Old Secretariat Complex  
Kohima-797 001 (Nagaland)  
Tel : 0370 - 2291145, 2291146  
Fax : 0370 - 2291144  
Email: rohudco\_kohima@yahoo.com

**Lucknow**

B-1, North East Block, Second Floor  
PICUP Building, Vibhuti Khand  
Gomti Nagar, Lucknow-226 010 (U.P.)  
Tel : 0522 - 2720731, 2720804, 2720744  
Fax : 0522 -2720841  
Email: lro@hudco.org

**Mumbai**

Shreyas Chambers, 2<sup>nd</sup> Floor,  
175, Dr. D N Road,  
Fort Mumbai-400 001 (Maharashtra)  
Tel : 022 - 22690080, 22690081, 22690082  
Fax : 022- 22690086  
Email : wzo@hudco.org, hudcomro@gmail.com

**Patna**

Mauryalok Complex, Block B2, 2<sup>nd</sup> Floor  
Dak Bunglow Road, Patna-800 001(Bihar)  
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**Raipur**

1-B, Surya Apartments, Katora Talab  
Raipur - 492 001 (Chhastisgarh)  
Tel: 0771-2427796, 2425517, 4053738  
Fax: 0771-2422023  
Email: raipurro@hudco.org, rcraipur@gmail.com

**Ranchi**

TACD Building, Shyamali, Doranda  
Ranchi-834 002 (Jharkhand)  
Tel : 0651-2411526, 2410523  
Fax : 0651-2411236  
Email: ranchi@hudco.org

**Thiruvananthapuram**

3<sup>rd</sup> Floor, "SAPHALYAM" Complex,  
Palayam University P.O.,  
Thiruvananthapuram - 695 034 (Kerala)  
Tel : 0471-2339742-47  
Fax: 0471-2329006  
Email: tro@hudco.org, hudcotro@eth.net

**Vijayawada**

36-14-1, Veeramachineni Complex,  
Jammichettu Mogalrajpuram,  
Vijayawada - 520 010 (A.P.)  
Tel: 0866 - 2493306 - 07  
Fax: 0866 -2493308  
Email: vro@hro.org

**DEVELOPMENT OFFICES****Agartala**

3/1, Officers Quarters Lane  
Krishna Nagar, Agartala-799 001 (Tripura)  
Telefax No : 0381-2305701

**Aizawal**

H.No.B-6, Chanmari Kawn  
Aizawl-796 007 (Mizoram)  
Telefax No: 0389-2342289

**Goa**

EDC House, Dr. Atmaram Borker Road  
Panaji-403 001 (Goa)  
Email: danielmtmc@gmail.com  
Telefax No: 0832-2420790

**Gangtok**

Gangtok Municipal Corporation Building  
IInd Floor Deorali, Gangtok- 737102 (Sikkim)  
Tel : 03592 - 281107

**Imphal**

PDA Office Building North AOC  
Imphal-795 001 (Manipur)  
Telefax No: 0385-2421708

**Itanagar**

Second Floor, Tadar Trade Centre  
Bank Tin-ali, Itanagar-791 111 (Arunachal Pradesh)  
Tele Fax No: 0360 -2216980  
Tele : 0360: 2216867

**Kokrajhar**

Boro Bhatarmari Near IOC Petrol Pump  
Near Ganga Cinema Hall, Kokrajhar-783 370 (Assam)  
Telefax No: 03661 - 275770

**Puducherry**

No.11- 13, LIC Building, Ground Floor  
Kamaraj Salai, New Saram  
Puducherry-605 013  
Email: hudcopondy@sify.com  
Telefax No : 0413-2244214, 2244216

**Port Blair**

Post Bag No.5, Aberdeen Bazaar  
Port Blair-744 101 (Andaman & Nicobar Islands)  
Telefax No: 03192-231544

**Shillong**

Nangkyrshai (Behind Bata Shoes)  
Laitumkhrah, Shillong-793 003 (Meghalaya)  
Telefax No: 0364-2502320

**Shimla**

House Number 04, Shakuntla Niwas  
Opp.Himachal Pradesh Secretariat  
Chota Shimla, Shimla- 171 002 (Himachal Pradesh)  
Telefax No: 0177-2628449

## Details of Auditors and Bankers.

### STATUTORY AUDITORS

#### M/s Dhawan & Co.

Chartered Accountants,  
312, Wegmans House, 21,  
Veer Savarkar Block, Vikas Marg,  
Shakarpur, New Delhi-110092

### BANKERS NAME AS ON 31.03.2015

#### S. Name of Bank & Address No.

- 1 **Reserve Bank of India**  
A/c No. 8690986  
Deposit Account Deptt., Account Section  
Parliament Street, New Delhi-110001  
Fax No. 3355185, Ph No. 23452052
- 2 **Corporation Bank**  
A/c No. 01001436  
M-3 & 4, Shopping Centre,  
Greater Kailash-II, New Delhi-110048  
Fax No. 29212059  
Ph No. 29210667/29223701
- 3 **Canara Bank**  
A/c No. 0307201004011  
74, Janpath, New Delhi-110001  
Ph No. 23387243
- 4 **Vijaya Bank**  
A/c No. 601500300001535  
D-65, Hauz Khas, New Delhi-110016  
Fax No. 26961524, Ph No. 26963242
- 5 **Syndicate Bank**  
A/c No. 90433050000011  
Khan Market Branch, New Delhi-110003  
Ph No. 24616694/24611872
- 6 **State Bank of Hyderabad**  
A/c No. 52142903403  
India Habitat Centre, Lodhi Road,  
New Delhi-110003  
Ph No. 24656721
- 7 **Union Bank of India**  
A/c No. 468301010018045  
Moti Bagh Branch, Palika Bhawan,  
Opp. Hyatt Regency, Sector-13,  
R. K. Puram, New Delhi-110066  
Fax No. 24676843  
Ph No. 24676843/24100083 /26872621
- 8 **Axis Bank Limited**  
A/c No. 00701020012245  
Statesman House, Barakhamba Road,  
New Delhi-110001  
Fax No. 23311054/ 47396611
- 9 **IDBI Bank Ltd.**  
A/c No. 011103000001120  
3<sup>rd</sup> Floor, Indian Red Cross Society Building,1  
Red Cross Road New Delhi  
Fax No. 23730715, Ph No. 66281108

#### S. Name of Bank & Address No.

- 10 **ICICI Bank Ltd.**  
A/c No. 705007308  
A-30, Connaught Place, New Delhi-110001  
Fax No. 66310410
- 11 **Punjab National Bank**  
A/c No. 1120002100000669  
ECE House, 28-A, K.G. Marg,  
Connaught Place, New Delhi-110001  
Fax No. 23710118, Ph No. 23739131/23711324
- 12 **Indusind Bank**  
A/c No. 200000310318  
Dr. Gopal Das Bhawan  
28, Barakhamba Road, New Delhi-110001  
Ph No. (0115) 46032442
- 13 **Yes Bank Ltd.**  
A/c No. 000385700000183  
Plot No. 11/48, Shopping Centre Diplomatic  
Enclave, Malcha Market Chanakya Puri,  
New Delhi 110021
- 14 **Union Bank of India**  
A/c No. 468301010130092  
Moti Bagh Branch, Palika Bhawan,  
Opp. Hyatt Regency, Sector-13, R. K. Puram,  
New Delhi-110066  
Fax No. 24676843, Ph No. 24676843/  
24100083/26872621
- 15 **Corporation Bank**  
A/c No. CBCA/01/006180  
M-3 & 4, Shopping Centre, Greater Kailash-II,  
New Delhi-110048  
Fax No. 29212059, Ph No. 29210667/29223701
- 16 **State Bank of India**  
A/c No. 34373192682  
M-2, South Extension, Part – II,  
New Delhi – 110049
- 17 **Kotak Mahindra Bank**  
A/c No. 8311359565  
Kotak Aerocity I Asset Area 91 2<sup>nd</sup> Floor  
1 IBIS Commercial Block Hospitality District 1  
IGI Airport, New Delhi – 110037

## BEST PRACTICE AWARD



# HUDCO DESIGN AWARD





## Housing and Urban Development Corporation Limited

(A Government of India Enterprise)

HUDCO Bhawan, Core-7A, India Habitat Centre, Lodhi Road, New Delhi - 110 003  
Tel: (EPABX) 24649610-23, 24627113-15, 24620216, 24648178 Fax: 011-24625308  
Website : [www.hudco.org](http://www.hudco.org)