



HUDCO/CS/50th AGM/SE/2020

8th September, 2020

Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Scrip Code- 540530 Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051
NSE Symbol- HUDCO

Sub: Notice of 50th Annual General meeting and Annual Report for the financial year 2019-20.

Dear Sir/ Ma'am

This is to inform you that 50th Annual General Meeting (AGM) of Housing and Urban Development Corporation Limited (HUDCO) is scheduled to be held on Wednesday, the 30th September, 2020 at 3:00 p.m. IST through Video Conferencing (VC)/Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs, Government of India and Securities and Exchange Board of India.

Pursuant to Regulation 30 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Notice of the 50th AGM and Annual Report of the Company for the financial year 2019-20.

Further, in compliance of relevant circulars, the Annual Report for the financial year 2019-20 comprising of Notice of 50th AGM is being sent to all the members of the Company electronically whose email addresses are registered with their Depository Participant/ RTA.

The copy of AGM Notice and the Annual Report are also available on the website of the Company at www.hudco.org.

This is for information and dissemination.

Thanking you,

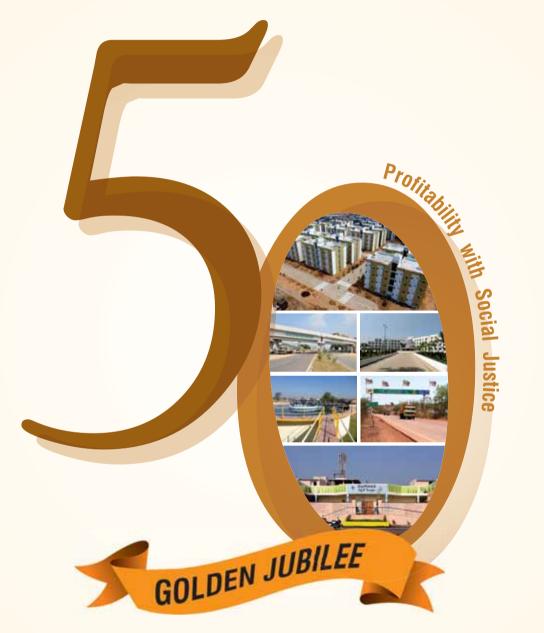
Yours faithfully

फॉर हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरशन लिमिटेड

हरीश कुमार शर्मा

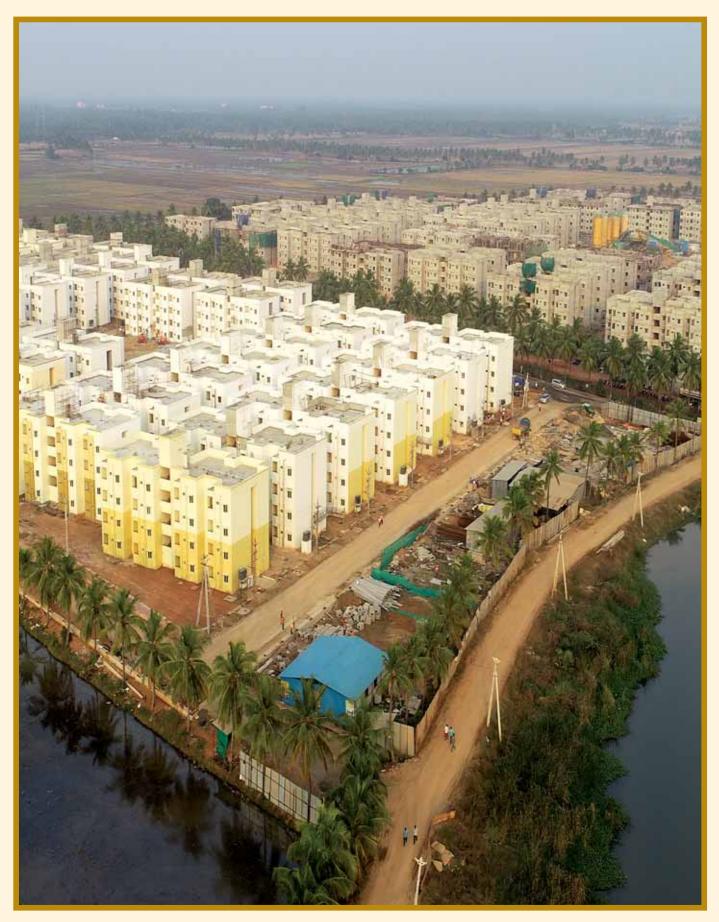
कंपनी सेक्रेटरी एंड कंप्लायंस ऑफिसर

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड (भारत सरकार का उपक्रम)कोर 7 ए, हडको भवन, भारत पर्यावास केन्द्र, लोधी रोड, नई दिल्ली-110003 दूरभाष : 011-24649610-23 फैक्सः (011) 24625308, आई एस ओ 9001:2015 प्रमाणित कम्पनी वेबसाइट : www.hudco.org सी आई एन : L74899DL1970GOI005276, GST : 07AAACH0632A1ZF ANNUAL REPORT 2019-2020





Housing and Urban Development Corporation Limited (A Government of India Enterprise)



EWS Housing Scheme Under PMAY-HFA (Urban) - Bhimavaram, Andhra Pradesh

50th Annual Report 2019-20



HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

AN ISO 9001:2015 CERTIFIED COMPANY CIN: L74899DL1970G0I005276

VISION

To be a leading techno-financial institution promoting sustainable habitat development for transforming the lives of people.

MISSION

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

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ANNUAL GENERAL MEETING

Date: 30th September, 2020 Time: 3:00 p.m.

23.09.2020 27.09.2020 9:00 a.m. (IST)

29.09.2020 5:00 p.m. (IST)



FINANCIAL HIGHLINGHTS

(₹ in crore)

	As per IGAAP				As per Ind AS	
PARTICULARS	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue from Operations	3,346.55	3,204.81	3,498.85	4,171.36	5,547.64	7,532.12
Gross Income	3,427.77	3,302.20	3,584.84	4,234.14	5,591.22	7,571.64
Profit Before Tax (excluding other income, Extraordinary and Exceptional Items)	1,089.30	975.19	1,039.77	1,345.85	1,819.63	2,174.53
Profit After Tax	777.63	783.79	841.81	1,010.18	1,180.15	1,708.42
Share Capital - Equity	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90
Reserves & Surplus	5,779.27	6,443.91	7,165.35	7,941.09	8,953.87	10,341.59
Shareholder's Fund	7,781.17	8,445.81	9,167.25	9,942.99	10,955.77	12,343.49
Net Worth (Average)	7,452.25	8,113.49	8,806.53	9,555.12	10,449.38	11,649.63
Total Borrowings	23,467.65	25,608.96	28,432.43	37,492.89	59,847.96	61,436.61
Loan Outstanding	32,464.86	35,394.94	39,390.97	49,530.27	73,325.49	76,565.44
Total Borrowings/Net Worth (%)	314.91	315.63	322.86	392.39	572.74	497.72
PAT/Average Net Worth (%)	10.43	9.66	9.56	10.57	11.29	14.67
Dividend	100.01	100.01	110.02	135.13	165.16	620.59
Dividend/PAT (%)* @	12.86	12.76	13.07	13.38	13.99	36.33
Dividend/Net Worth (%)*	1.34	1.23	1.25	1.41	1.58	5.33
Earning per share (₹) (Face value of ₹ 10/- per share)**	3.88	3.92	4.21	5.05	5.90	8.53

Including final dividend of ₹ 10.01 crore aproved by the shareholders in the Annual General Meeting therby making the total dividend for the financial year 2016-2017 to ₹ 110.02 crore and Including final dividend of ₹ 30.03 crore aproved by the shareholders in the Annual General Meeting therby making the total dividend for the financial year 2018-2019 to ₹ 165.16 crore. Dividend for the year 2019-20, includes interim dividend of ₹ 150.14 crore and final dividend of ₹ 470.45 crore to be approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2019-20 to ₹ 620.59 crore.

OPERATIONAL HIGHLIGHTS

PARTICULARS	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
No. of Schemes Sanctioned	162	202	178	116	77	50
Loan Sanctioned (₹ In crore)	21096	30774	31861.97	38648	34452	19942
Amount Released (₹ In crore)	8101	8250	9145	16565	31009	10122
Dwelling Units						
- Total	484128	457879	271498	1548602	2068151	307277
- % of EWS & LIG	82.95	93.68	96	99.93	94.42	99.91
Sanitation Units	0	0	0	0	0	0
Urban Infrastructure Projects	121	170	149	92	55	40
UI Loan Sanctioned (₹ In crore)	13426	11984	24290.71	22878	7195.55	16123.89

^{**} The Face value of Equity Shares of company has been sub- divided from ₹ 1000/- to ₹ 10/- in the Extraordinary General Meeting held on 28th March, 2016. Accordingly, Paid up Equtiy Shares of the company stands changed from 2,00,19,000 shares of ₹ 1000/- each to 2,00,19,000 shares of 10 each.



BOARD OF DIRECTORS



Shri M. Nagaraj Chairman & Managing Director (Additional Charge) and Director (Corporate Planning)



Shri D. Guhan Director (Finance) (w.e.f. 31.12.2019)



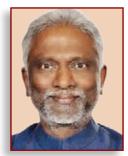
Shri Amrit Abhijat, IAS Govt. Nominee Director and JS(HFA), MoHUA



Shri Shyam S. Dubey, ICAS Govt. Nominee Director and JS&FA, MoHUA



Shri Shiv Das Meena, IAS Chairman & Managing Director (Additional Charge) (from 21.04.2020 to 18.05.2020)



Dr. M. Ravi Kanth Chairman & Managing Director (upto 20.12.2019)



Shri Rakesh Kumar Arora Director (Finance) (upto 30.11.2019)



Smt. Partima Dayal
Part time Non-official Independent Director
(upto 17.04.2020)



Dr. Sudip Kumar Nanda Part-time Non-official Independent Director (upto 17.04.2020)



CHAIRMAN'S MESSAGE



Mr. M. Nagaraj
Chairman & Managing Director (Additional Charge)
& Director (Corporate Planning)

Dear Shareholders, Ladies & Gentlemen,

On behalf of the Board of Directors and on my personal behalf, it gives me immense pleasure to welcome you all on the occasion of the 50th Annual General Meeting (AGM) of HUDCO. The Annual Report for the financial year ending 31st March, 2020, together with the Director's Report, Audited Financial Statements and the Auditor's Report of your Company have already been circulated.

It is indeed a proud privilege to share that your Company has completed 50 successful and glorious years of business operations. I am happy to inform that your Company has demonstrated yet another year of outstanding performance. During the year 2019-20, your Company has achieved disbursement of ₹ 10,122 crore and sanction of ₹ 19,942 crore and earned the highest ever profit after tax of ₹ 1708.42 crore. The loan outstanding of the company was ₹ 76,565.44 crore in 2019-20 and the net NPA of your Company as on 31st March, 2020 was 0.19% of the net loan outstanding, which is among the lowest in the sector.

HUDCO's operational performance during the year clearly depicts that your Company is on the path of consistent growth. I would like to share the highlights of HUDCO's performance during 2019-20 vis-a-vis the economic environment, challenges faced and future outlook of the Company.

1. Economic Environment

Indian economy registered a GDP growth rate of 3.1% in Q4-FY 2019-20, the lowest growth rate seen under the new GDP series with base year 2011-12, reflecting the impact of the COVID-19 led lockdown. The overall pace of growth weakened across key sectors in Q4 FY 2019-20. As per the provisional estimates (PE) for financial year 2019-20, the real GDP growth has been revised downward to 4.2% as against a growth rate of 5% estimated earlier. Investment rate of the economy too fell to 26.9% in financial year 2019-20 (PE), the lowest since 2011-12. Earlier there were some signs of upward momentum in growth, prior to the outbreak of COVID-19 pandemic in India. On account of the spread of the COVID-19 pandemic and consequent national lockdown in the Indian economy, India's GDP growth in financial year 2020-21 is likely to be impacted. Also, the global recessionary concerns arising out of the supply chain disturbances might put further pressure on India's growth. As per the IMF's World Economic Outlook, April 2020, the global economy is projected to contract sharply by (–)3% in 2020-21, due to the pandemic. (Source: Monthly economic report DEA & CARE Macro Bulletin May 2020)

2. Sectoral Overview and Government Policy Initiatives

In order to support the realty sector and incentivising the consumers to buy houses, the Government has announced a series of measures during 2019-20 to revitalise the sector. These measures include establishment of a 'Special Window' fund to provide priority debt financing for the completion of stalled housing projects that are in the 'Affordable and Middle-Income' Housing segment. For the purpose of this fund, government shall act as the Sponsor and the total commitment to be infused by the government would be upto ₹ 10,000 crore. The fund would generate matching contributions from banks, LIC and other HFCs/NBFCs to generate a total corpus of around ₹ 25,000 crore. Secondly, eligible beneficiaries of PMAY (Gramin) are to be provided 1.95 crore houses with amenities like toilets, electricity and LPG connections during its second phase (2019-20 to 2021-22). Thirdly, in consultation with RBI, the External Commercial Borrowings (ECB) guidelines has been relaxed for facilitating financing of home buyers eligible under the PMAY. Fourthly, it was announced that the interest rate on House Building Advance shall be lowered and linked with the 10 Year G-Sec Yields. Fifthly, in order to boost housing demand, additional deduction up to ₹ 1.5 lakh allowed for interest paid on housing loans borrowed up to 31st March, 2020 for houses valued up to ₹ 45 lakh. Also, the additional liquidity support to HFCs to the tune of ₹ 20,000 crore by the National Housing Bank (NHB) is envisaged, thereby increasing the total amount to ₹ 30,000 crore. (Source: Economic Survey 2019-20).



3. Emerging Issues in Housing and Urban Infrastructure

COVID-19 Pandemic started spreading all over the world since January 2020. Due to its swift spread, the pandemic has now threatened the economic performances worldwide. The Indian economy is also to be impacted in a major way due to the pandemic. Estimates by various agencies point towards a sharp contraction of GDP growth of India during 2020-21, which will have a cascading effect on the housing and infrastructure sectors as well. However, the underlying key growth drivers such as rapid pace of urbanization, population growth, huge housing shortage and inadequate infrastructure for the housing and urban infrastructure sectors in India, remains intact. Thus, there remains considerable scope for business expansion for HUDCO. Government of India has already announced a slew of economic measures to mitigate the stress on the economy. In order to boost credit off-take, RBI has reduced the policy rate, which has led to a fall in the interest rates in general including the home loan rates. The low interest rates are expected to support the economy and various sectors in overcoming the crisis situation.

4. Operational and Financial Performance

HUDCO, since inception, i.e., April, 1970 upto March 2020, has sanctioned a total of 17,284 housing and urban infrastructure projects, with a total loan component of ₹2,08,039 crore and has made a cumulative disbursement of ₹1,71,216 crore. HUDCO has sanctioned more than 19.23 million houses in the country, in both rural and urban areas so far.

- a) In respect of housing, during the year 2019-20, Your Company has sanctioned projects, with a loan amount of ₹ 3,790 crore.
- b) During the year 2019-20, Your Company has sanctioned urban infrastructure projects with a total loan amount of ₹ 16,124 crore.
- c) Your Company has posted Profit After Tax (PAT) of ₹ 1,708.42 crore during the year 2019-20, a growth of about 45% over 2018-19.
- d) The total Net Worth of the company has grown by about 13% to ₹ 12,343 crore as on March 31, 2020 as against ₹ 10,956 crore for the previous year.
- e) Total dividend pay-out for the financial year 2019-20 is ₹ 620.59 crore, excluding dividend distribution tax of ₹ 30.86 crore.
- f) At the end of the financial year 2019-20, Your Company reported Gross NPA of ₹ 2,927.65, which constituted 3.82% of total loan portfolio. The Net NPA was ₹ 140.87 crore, which was only 0.19% of net loan outstanding, and an amount of ₹ 542.16 crore was recovered from NPA accounts.

5. Social Orientation of HUDCO's business

Social Housing is an important Mission programme and has been a priority area in HUDCO's operations. A significant emphasis is given particularly to housing requirements of weaker sections of the society. During the current year, HUDCO has sanctioned projects with financial assistance/ loan of ₹ 3,818 crore, including ₹ 28 crore under HUDCO Niwas, thereby facilitating construction of 3,07,277 dwelling units with specific emphasis on Economically Weaker Section (EWS) / Lower Income Group (LIG) segment(s) of the society.

6. Credit Rating of HUDCO

The domestic debt instrument(s) and Banking Sector Loan(s) / facilities of the Company continued to enjoy highest rating of 'AAA-Stable' (Long-term) and 'A1+' (Short-term) from three credit rating agencies, namely, M/s India Ratings and Research Private Ltd., M/s CARE Ratings and ICRA Ratings.

As on 31st March, 2020, HUDCO for its International Borrowing Programme continued to enjoy International Credit Rating of 'Baa2' with negative outlook and 'BBB-' with stable outlook, respectively, from Moody's and FITCH, International Credit Rating Agencies.

Moody's Investors Service, vide its press release dated 1st June, 2020, has revised India's Sovereign rating of 'Baa2' to 'Baa3' with Negative outlook. In line with India's 'Baa3' Sovereign Rating, Moody's Investors Service, vide its press release dated 2nd June, 2020, has revised the ratings of HUDCO to 'Baa3' from 'Baa2' level with Negative outlook.

Further, Fitch Ratings vide its press release dated 24th June, 2020 has revised the outlook of HUDCO 'BBB-' rating to 'Negative' from 'Stable'. The rating action follows the change in the outlook on Government of India's rating to 'Negative' from 'Stable' on 18th June, 2020.

Both the assigned ratings are at the Sovereign ceiling and equivalent as that of Republic of India.



7. HUDCO's Role in Implementation of Government of India flagship programmes - for promoting "Pradhan Mantri Awas Yojana (Urban) - Housing for All"

HUDCO plays an integral role in implementation of various flagship programmes of the Government of India to address the housing requirements of the urban poor including the slum dwellers as envisaged in 'Housing for All'.

Further, Pradhan Mantri Awas Yojana - (Urban), PMAY-(U) also provides business opportunity to HUDCO in the form of viability-gap funding, wherein, HUDCO offers loan assistance to State Governments/State Implementing Institutions/Urban Local Bodies to provide their share in the total cost of the project. During the year, HUDCO has sanctioned 2 viability-gap funding projects under PMAY(U) with a loan amount of ₹ 2,133.05 crore in the State of Telangana and Karnataka, facilitating construction of 63,655 dwelling/housing units (DUs).

Cumulatively, under PMAY-(U), upto 31st March, 2020, HUDCO has conducted site and desk scrutiny for 457 projects towards construction/ enhancement of 9.14 lakh DUs (including 9.06 lakh EWS DUs) in 349 towns / cities, having project cost of ₹ 43,980.67 crore and central share of ₹ 13,437.10 crore. The 457 projects undertaken include 43 AHP projects, 395 BLC (New Construction/ Enhancement) projects and 19 ISSR-AHP projects.

8. Human Settlement Management Institute (HSMI)

Human Settlement Management Institute (HSMI), HUDCO's Research & Training Wing, has established itself as an eminent institution to focus on contemporary issues of Housing and Urban Development. A total of 25 Training Programmes, including 3 international programmes fully sponsored by the Ministry of External Affairs under its ITEC programme, have been conducted during the year 2019-20, imparting capacity building training to more than 602 professionals.

During the year 2019-20, a one-week, in-service training programme of Department of Training & Personnel (DoPT) for All India Service Officers on 'Financing Urban Infrastructure and Services in India' was organised from 16th - 20th December 2019 at New Delhi, which was attended by 13 officers comprising of 12 IAS and 1 IFS officers. In addition to this, 9 fee-based training programmes on the topics - IBC, NPA Management, Ind-AS, GST, Solid waste Management, Affordable Housing, Empowering women Professionals, Team Building and Digital Payments, conducted at New Delhi, Goa and Indore, were attended by 267 professional (109 fee based and 158 HUDCO Officials) from Banks, Financial Institutions, CPSUs, State and local Government officials along with HUDCO Officials covering 693 man-days.

9. Human Resources Management

Human Resource is a fundamental part of every successful organization. HUDCO has a multi-disciplinary talent pool of professionals from various disciplines. Capacity building programmes are organised for its employees for various functional areas. A total of 366 employees with a total of 1364 man-days were imparted training during the year in different professional spheres, relevant to company's activities. Also, as part of Memorandum of Understanding (MoU) for the year 2019-20, various women-oriented initiatives, viz. Women Development Programmes focusing on work-life balance, which included specially designed yoga programmes, self-defence training, outbound team development programmes were organised at Corporate Office and Regional Offices.

The development and the launch of the HR Modules in the upcoming Enterprise Resource Planning (ERP) in HUDCO, has gained momentum, with the first phase roll out of basic functionalities. These HR Functional Modules will help in improving productivity, reporting & planning, reduce costs and streamline processes. Further, this will also bring in more professionalism and transparency, which will further enhance overall performance of HUDCO.

10. Corporate Social Responsibility (CSR)

During the year under review, your Company has contributed ₹ 50 crore in the PM's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to support the government in the country's distress situation, posed by the COVID-19 pandemic, and also to provide help to the poor and needy. Further, during the year, HUDCO has released a total grant amount of ₹ 58.26 crore for CSR activities, however, based on utilization certificates received from the agencies, an amount of ₹ 56.93 crore has been booked in the financial statements, as an amount utilized during the year 2019-20.

11. Corporate Governance

HUDCO is fully committed to promoting and establishing a fair, transparent and ethical system of Corporate Governance. HUDCO ensures transparency in all its operations with special emphasis on financial prudence, accountability and ensuring customer's/stake-holder's satisfaction. As per requirements of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance, a report on Corporate Governance is made part of the Directors' Report.



12. Future Outlook

Government of India has laid special focus on Affordable Housing and Infrastructure Sectors in recent years. Government of India is also committed for implementation of Sustainable Development Goals (SDGs) envisioned by the United Nations, which is essential to Ministry of Housing and Urban Affairs (MoHUA).

Investment in Infrastructure is necessary for growth of the economy. The National Infrastructure Pipeline (NIP) captures the infrastructure vision of the country for the financial year 2019-20 to financial year 2024-25. The infrastructure projects of NIP will create additional jobs, improve ease of living and provide equitable access to infrastructure for all, thereby making growth more inclusive. HUDCO has potential to participate in the development programmes by providing finance as well as fee-based consultancy.

Indian economy is also likely to be impacted by the COVID-19 pandemic. The economic slowdown will impact all sectors in the economy including the Housing and Urban Infrastructure sectors. The Rating Agencies have already started downgrading many Companies world over. The scenario is still unfolding and hence the full impact of the pandemic is difficult to ascertain now.

13. Acknowledgements

On behalf of the Board of Directors, I am indeed grateful for the co-operation, guidance and support extended by the Government of India, particularly Ministry of Housing and Urban Affairs, Ministry of Rural Development, Department of Public Enterprises (DPE), Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs.

I also wish to thank our investors, lenders and borrowers; specially the State Governments, Housing Boards, Development Authorities, Municipal/ Local Bodies and other parastatal institutions for reposing their continued support. I also place on record my special thanks to all the stakeholders of the company for extending their valuable support and cooperation.

I am also thankful to all the employees of the Company at all levels for their dedication and commitment to achieve the excellent performance year-after-year and wish for their continued support in future as well.

Thank you for your kind support.

Sd/-M. Nagaraj Chairman & Managing Director



NOTICE

Notice is hereby given that the 50th Annual General Meeting of Housing and Urban Development Corporation Limited (HUDCO) will be held on Wednesday, the 30th September, 2020 at 3:00 p.m. (I.S.T.) at HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi – 110003 through the Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facility to transact the following businesses:

AS ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2020, along with Directors' Report, Independent Auditor's Report and comments thereupon of the Comptroller and Auditor General of India.
- 2. To declare final dividend @ 23.5% (₹ 2.35/- per equity share) on the paid-up equity share capital of the Company for the financial year ended 31st March, 2020 as recommended by the Board and to confirm the payment of interim dividend @ 7.50% (₹ 0.75/- per equity share) already paid in the month of March, 2020.
- To appoint a Director in place of Shri Amrit Abhijat (DIN: 03022727), Part-time Official (Government Nominee) Director who retires by rotation at this Annual General Meeting, on the same terms and conditions as earlier approved by the President of India and is eligible for reappointment.
- 4. To fix the remuneration of the Statutory Auditors of the Company for the financial year 2020-21.

AS SPECIAL BUSINESS

5. 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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and Articles of Association of the Company, Shri D. Guhan (DIN:06757569), who was appointed as Director (Finance) by the President of India through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India vide order no. A-42012(12)/1/2019-AA-UD(E-9059070) dated 31st December, 2019 with effect from 31st December, 2019, being the date of assumption of charge of the post of Director (Finance) as per terms of appointment and subsequently appointed as an Additional Director in compliance of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, and the Company has received a notice in writing from a shareholder proposing the candidature of Shri D. Guhan for the office of Director (Finance) of the Company be and is hereby appointed as Director (Finance) of the Company liable to retire by rotation on the same terms & conditions as earlier approved by the President of India."

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

"RESOLVED THAT

- (i) In accordance with the provisions of Section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), enabling notification(s), if any, Housing Finance Companies Issuance of Non-convertible debentures on private placement basis (NHB) Directions, 2014 (as amended) and any other guidelines issued by any other regulatory authority, as may be amended from time to time, consent of the Company be and is hereby accorded to raise funds upto a maximum of ₹ 28,000 crore during a period of one year from the date of passing of this special resolution (subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders u/s 180(1)(c) of the Companies Act, 2013 through a special resolution) by way of issue of unsecured/ secured non-convertible bonds/ debentures of the Company on private placement basis, in domestic and/ or international markets, in one or more tranches/ combinations and including the exercise of a green-shoe option (within the overall limit of ₹ 28,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.
- (ii) For the purpose of giving effect to any Private Placement of unsecured/secured non-convertible bonds/debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to do all such acts, deeds and things, as may be deemed



necessary, including but not limited to determining the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price, listing, issuing any declaration/undertaking or any terms and conditions of issue of Bonds, etc., required to be included in the Private Placement Offer Letter/Offer Document/Offering Circular and any other regulatory requirement for the time being in force.

(iii) The consent of the Company be and is hereby accorded under the provisions of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to the Board of Directors of HUDCO to issue any other securities (both long term and short term) from time to time upto the limits as may be approved under the annual borrowing program of the company, subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders u/s 180(1)(c) of the Companies Act, 2013 through a special resolution."

For and on behalf of the Board of Directors

-/Sd umar Sharma

Harish Kumar Sharma Company Secretary

Dated: 7th September, 2020

New Delhi

NOTES

Place

- 1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business as set out at item nos. 5 to 6 of the agenda is annexed hereto;
- 2. In view of the continuing restrictions on the movement of persons due to the pandemic caused by COVID-19 prevailing in the Country requiring social distancing by the stakeholders and pursuant to Ministry of Corporate Affairs, Government of India, General Circular no. 20/2020 dated 5th May, 2020 read with General circular No(s) 14/2020 and 17/2020 dated 8th April, 2020 and dated 13th April, 2020 respectively, the Companies have been allowed to conduct their Annual General Meeting through the Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility during the calendar year 2020. Accordingly, the 50th Annual General Meeting of the Company will be held through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with above circulars:
- 3. As the physical attendance of members at the 50th AGM is not required, hence members are requested to attend and participate the meeting through VC/OAVM. Further, the facility of appointment of proxies by members has also been dispensed with.
 - However, pursuant to Section 112 and Section 113 of the Companies Act, 2013, the President of India, Body Corporate(s) may appoint their representative to attend and participate at the Annual General Meeting through the VC/OAVM facility and to cast their votes through e-voting;
- 4. Electronic copy of the Annual Report for the year 2019-20 along with copy of the notice of 50th Annual General Meeting inter-alia indicating the process and manner of remote e-voting, instruction for members for e-voting on the day of the AGM, instructions for members for attending the AGM through VC/OAVM are being sent to all the members whose email addresses are registered with their Depository Participants(s) and Registrar & Transfer Agents (RTA) for communication purposes.

Members who have not registered their email addresses or there is any change in their email address are requested to immediately notify their email address/ change in their email address to their Depository Participant in case the shares are held in dematerialized form and to the RTA, in case the shares are held in physical form by providing necessary details.

To support the 'Green Initiatives', the members who have not registered their email address are requested to register the same with the Company's RTA/ DP for receiving all communication including Audited Financial Statements, Notices, Circulars, etc., from the Company electronically;

- 5. Members attending the meeting through VC/ OAVM may note that:
 - The facility for joining the meeting shall be kept open at least 15 minutes before and after the scheduled time of commencement/ start of meeting by following the procedure as mentioned in the notice of the meeting;



- b) Attendance of the members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013;
- c) The facility of participation at the Annual General Meeting through VC/OAVM will be made available for at least 1000 members on a first-come-first served basis. The large shareholders, i.e., shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., are allowed to attend the meeting without restriction on account of first-come-first served principle;
- d) Members who would like ask questions during the AGM, may send their questions or may register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number and mobile number to investors.agm@hudco.org, not later than 5:00 p.m., Friday, 25th September, 2020. Members may also post their questions on the chat feature during the AGM. The Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.
 - Further, the members desirous of seeking any information/ clarification on any item(s) of business to be transacted at the meeting are requested to send their queries at investors.agm@hudco.org at least ten days prior to the date of the Annual General Meeting, so that the information required/ clarification sought can be made readily available at the time of Annual General Meeting; and
- e) Only those members, who are present at the AGM through VC/OAVM and have not casted their vote on resolutions through remote e-voting and are otherwise not barred from doing so, shall be allowed to vote through e-voting system on proposed resolutions.
- 6. In terms of Dividend Distribution Policy and DPE Guidelines, the Board of Directors in its meeting held on June 26, 2020 recommended a final dividend @ ₹ 2.35/- (23.5 %) per equity share of face value of ₹ 10/- each. The dividend, subject to the provisions of Section 126 of the Companies Act, 2013, if declared at the Annual General Meeting, will be paid within 30 days of the Annual General Meeting to the eligible shareholders:
 - a) whose names appear as beneficial owners as at the end of the business hours on Saturday, 12th September, 2020 in the list of beneficial owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic mode; and
 - b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transmission/ transposition in physical form lodged with the Company on or before Saturday, 12th September, 2020.

Your Company has already paid an interim dividend of ₹ 0.75 per equity share having face value of ₹ 10/- each, totaling to ₹ 150.14 crore (excluding dividend distribution tax of ₹ 30.86 crore) for the financial year 2019-20, which was approved by the Board in its meeting held on 18th March, 2020.

Accordingly, the total dividend for the financial year 2019-20 will be 31%, i.e., ₹ 3.10/- per equity share with total dividend payout of ₹ 620.59 crore excluding dividend distribution tax of ₹ 30.86 crore.

- 7. Members may further note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.
 - a. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN	7.5% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed ₹ 5,000 and also in cases where members provide Form 15G/ Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may



also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

- b. For non-resident shareholders, taxes are required to be deducted in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The TDS shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:
 - Copy of the valid PAN card allotted by the Indian Income Tax authorities duly attested by the member.
 - Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member.
 - Self-declaration in prescribed Form 10F.
 - Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty.
 - Self-declaration of beneficial ownership by the non-resident shareholder.
 - Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted by shareholders at dividend.tax@hudco.org only, on or before Sunday, 20th September, 2020. We request you to visit www.hudco.org for more instructions and information in this regard.

No communication on tax determination/ deduction shall be entertained after 20th September, 2020;

- 8. In terms of Section 152 of the Companies Act, 2013 Shri Amrit Abhijat (DIN: 03022727), Part-time Official (Government Nominee) Director, retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
 - Details of Director seeking appointment or re-appointment as required to be provided pursuant to the provisions of (i) Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., SEBI (LODR) and (ii) para 1.2.5 of the Secretarial Standard on General Meetings (SS-2), issued by The Institute of Company Secretaries of India, is given under "Brief profile of Directors" under the chapter 'Corporate Governance' in Annual Report;
- 9. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are appointed/re-appointed by the Comptroller and Auditor General of India (CAG) and in terms of Section 142 of the Companies Act, 2013, remuneration of the Statutory Auditors shall be fixed by the company in a General Meeting or in such manner as the company in a General Meeting may determine.
 - Accordingly, it is proposed that the members may authorize the Board of Directors of the Company to fix the remuneration and reimbursement of travelling and out of pocket expenses of the Statutory Auditors appointed by the Comptroller and Auditor General of India for the financial year 2020-21;
- 10. As per SEBI Guidelines, it has been made mandatory for all companies to use the bank account details furnished by the depositories for distributing dividends and other cash benefits, etc., through Electronic Clearing Service to the investors wherever ECS and bank details are available.
 - Members may note that their Bank Account details, as available with the records of the Depository Participant (DP) shall be used for the purpose of remittance of dividend and other cash benefits, etc., through National Electronic Clearing Service (NECS), wherever applicable. Members should ensure that correct bank details are noted in the records of the DPs so that no NECS rejection takes place. Further, members are requested to notify, changes in their Bank Particulars, if any, with the Depository Participants immediately.



Members, holding shares in physical form, who have not furnished their bank details, are requested to submit the same to the Registrar & Transfer Agents enabling company for speedy remittance of dividend and other cash benefits, if any, etc., through electronic mode. Further, in case of any change in the bank details furnished to the depository's participant/ RTA, members are requested to update the same immediately.

11. Members are requested to note:

- a) SEBI has made it mandatory for submission of Permanent Account Number (PAN) by every participant in securities market. Accordingly, members holding shares in electronic form are, therefore requested to submit PAN to their DP with whom they are maintaining their demat account. Members holding share in physical form are requested to submit their PAN to the RTA;
- b) Non-Resident Indian shareholder(s) are requested to inform RTA, immediately in respect of change in their residential status on return to India for permanent settlement and particulars of their bank account maintained in India with complete name, branch, account type and number and address of the Bank with PIN Code, if not furnished earlier;
- In terms of the SEBI (LODR) Regulations, 2015, securities of listed companies can only be transferred in demat form w.e.f. April c) 1, 2019. In view of the above, Members are advised to dematerialize the shares held in physical form;
- d) Members holding more than one share certificate in the same name or joint names in same order but under different ledger folios, are requested to apply for consolidation of such folios and send the relevant share certificates to the Registrar and Transfer Agents to enable them to consolidate all such holdings into one folio. A consolidated share certificate will be issued after making requisite changes; and
- In terms of Section 72 of the Companies Act, 2013, Members, holding shares in physical form, may avail the facility of e) nomination by making nomination in Form No. SH-13 as prescribed in the Companies (Central Government's) General Rules and Forms, 2013. For cancellation or variation of Nomination, Form SH-14 can be used. The Form SH-13/ SH-14 duly filled in and completed in all respect is required to be submitted to the Registrar and Transfer Agents. Blank nomination form(s) are available on the company's website i.e. www.hudco.org. In case of shares held in dematerialized form, the nomination/ change of address has to be lodged with the respective Depository Participant (DP).
- 12. Annual Report and notice of the 50th Annual General Meeting will be available on the Company's website, i.e., www.hudco.org and websites of BSE Limited, National Stock Exchange of India Limited, Central Depository Services (India) Limited, the agency appointed for providing the remote e-voting facility and can be downloaded from there;
- 13. The Register of Directors, Key Managerial Personnel, their shareholding, Register of contracts or arrangements in which Directors are interested and other documents referred in the accompanying notice and explanatory statement thereto are available electronically for inspection by members, during the time of AGM;
- 14. M/s Alankit Assignments Limited are acting as the Registrar and Transfer Agents (RTA) for carrying out the Company's entire share related activities, i.e., Transmission/ transposition/ dematerialization/ Rematerialization/ split/ consolidation of shares, change of address, bank mandate, filing of nomination, dividend payment and allied activities, etc.

Members are requested to make all future correspondence related to share and allied activities, etc., with RTA at the following address:

M/s Alankit Assignments Limited, Registrar and Share Transfer Agents (RTA),

Alankit Heights, 4E/2, Jhandewalan Extension. New Delhi - 110 055, Email-id: rta@alankit.com.

Ph. no: 011-42541234/ 23541234,

Fax: 011-42541201 Website: www.alankit.com



15. Process and manner:

A. AGM through VC/OAVM:

- Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 50th Annual General Meeting by electronic means to be held on Wednesday, the 30th September, 2020 at 3:00 p.m. through the Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facility. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- 2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
- 3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- 5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.hudco.org. The Notice can also be accessed from the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia. com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

B. Instructions for shareholders attending the AGM through VC/OAVM are as under:

- Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system.
 Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- 2. Shareholders are encouraged to join the meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

C. Instructions for shareholders for remote e-voting are as under:

- (i) The voting period begins on Sunday, the 27th September, 2020 (9:00 a.m. IST) and ends on Tuesday, the 29th September, 2020 (5:00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Wednesday, the 23rd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.



- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders / Members module
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at https://www.cdslindia. com from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form				
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applie for both demat shareholders as well as physical shareholders)				
	 Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. 				
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in				
OR	your demat account or in the company records in order to login.				
Date of Birth (DOB)	 If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). 				

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

D. Process for those shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of valid PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- For Demat shareholders, please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16-digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of valid PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

E. Instructions for shareholders for e-voting during the AGM are as under:

- 1. The procedure for e-voting on the day of the AGM is same as per the instructions mentioned above for remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- 3. If any votes cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

F. Note for Non - Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI, etc.,) and Custodian are required to log on to www. evotingindia.com and register themselves as Corporates module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.
 evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the
 accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian,
 if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter, etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors.agm@hudco.org, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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 All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

16. OTHER INFORMATION:

- a) Members may also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- b) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Wednesday, the 23rd September, 2020.
- c) Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e., on Wednesday, the 23rd September, 2020 may follow the process as stated above.
- d) Mr. Hemant Kumar Singh, Company Secretary (Membership No. FCS: 6033) failing him Mr. Rajesh Kumar Jha, Member Ship No. FCS: 9944, Partner(s) M/s. Hemant Singh & Associates, Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- e) The Chairman, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of e-voting for all those members who are present at the AGM through VC/OAVM but have not casted their votes by availing the remote e-voting facility.
- f) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at venue voting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- g) The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. www.hudco.org and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- h) The resolutions listed in the Notice of the 50th AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.



EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS IN RESPECT OF ITEM NOS. 5 AND 6.

Item No. 5

Shri D. Guhan, was appointed as Director (Finance) by the President of India through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India vide order no. A-42012(12)/1/2019-AA-UD(E-9059070) dated 31st December, 2019 with effect from 31st December, 2019, being the date of assumption of charge of the post of Director (Finance) as per terms of appointment and subsequently appointed as an Additional Director in compliance of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. As per section 161 of the Act, an additional director shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

The Company is required to receive a Notice in writing from the candidate himself or from a shareholder along with security deposit, not less than fourteen days before the meeting, proposing the candidature of Shri Guhan for the office of Director (Finance) of the Company on the same terms and conditions as earlier approved by the President of India. Shri Guhan, if appointed, will be liable to retire by rotation.

Shri D. Guhan, aged 56 years, has over 32 years of varied experience. He is a fellow member of the Institute of Cost Accountants of India. He also holds Bachelor's degree in Commerce (Honours) from Delhi University, Master's in Commerce from University of Rajasthan and Post Graduate Diploma in Housing, Planning and Building from Institute of Housing and Urban Development Studies, Rotterdam, Netherlands. He was conferred Honours Diploma in Network Centred Computing, with Excellent Performance evaluation from National Institute of Information Technology.

Shri Guhan has been associated with the company since May, 1987 in various capacities both at Corporate and Regional Office(s) in the Accounts, Finance and as head of the Regional Office. He has vast experience in credit appraisal of Project Finance pertaining to Housing and Infrastructure. The working experience also includes overseeing functions of Finance and Accounts discipline comprising of Corporate Finance & Taxation, Resource Mobilization, Loan Accounting, Treasury management, Audit of Financial Statements, Investor Relations and IPO Management. He has been associated with the computerization of the financial and loan accounting functions.

The Board recommends the resolution as set out at item no. 5 of the notice for approval of the members.

Shri Guhan is not holding directorship/ membership of Committees of the Board in other Companies. Further, he has no inter-se relationship with the other directors in HUDCO.

None of the Directors/ Key Managerial Personnel of the Company/ their relative is in any way concerned or interested financially or otherwise in the proposed resolution except Shri Guhan.

Item No.6

In order to meet the resource/funds requirements during one year from the date of passing of this special resolution, the Board of Directors have proposed issue of unsecured/ secured non-convertible bonds/ debentures on private placement basis upto a maximum of ₹ 28,000 crore in accordance with the enabling notification(s), provisions of section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014, other applicable provisions/ sections, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Housing Finance Companies Issuance of Non-Convertible debentures on private placement basis (NHB) Directions, 2014 (as amended) and guidelines issued by any other regulatory authority, as may be amended from time to time.

As per Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by way of Special Resolution for each of the offers or invitations. However, in case of offer or invitation for 'non-convertible debentures/bonds', it shall be sufficient, if the company passes a special resolution only once in a year for all the offers or invitations for such debentures/bonds during the year.

Accordingly, it is proposed to pass a special resolution to enable the company to raise funds upto a maximum of ₹ 28,000 crore during a period of one year from the date of passing of this resolution, by way of issue of unsecured/ secured non-convertible bonds/ debentures on private placement basis in domestic and/or international markets, in one or more tranches/ combinations and including the exercise of a green-shoe



option within the overall limit of ₹ 28,000 crore as may be approved by the Board of Directors of the Company, from time to time and subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders under section 180(1)(c) of the Companies Act, 2013.

Further, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board shall be authorized to do all such acts, deeds and things as may be deemed necessary, including but not limited to determining the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price, listing, issuing any declaration/ undertaking, etc., required to be included in the Private Placement Offer Letter/ offer document/offering circular and any other regulatory requirement for the time being in force.

None of the Directors/ Key Managerial Personnel of the Company/ their relative are in any way concerned or interested financially or otherwise in the proposed resolution.

Your Directors recommend the special resolution as set out at item no. 6 of the notice for approval of the members.

For and on behalf of the Board of Directors

Sd/-

Place : New Delhi

Harish Kumar Sharma
Company Secretary

Dated: 7th September, 2020



DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company are pleased to present the 50th Annual Report on the performance of the Company alongwith Company's Audited Financial Statements both standalone and consolidated, Auditors Report and comments of the Comptroller & Auditor General of India for the financial year ended on March, 2020.

1. FINANCIAL PERFORMANCE AND HIGHLIGHTS

The important financial highlights for the year ended 31st March, 2020 are tabulated as under:

(₹ in crore)

Particulars	2019-20	2018-19
Revenue from Operations	7532.12	5547.64
Other Income	39.52	43.58
Total Income	7571.64	5591.22
Finance cost	4847.81	3070.51
Impairment on Financial instruments	155.76	327.27
Other Expenses including Employee Benefit Exp.	393.54	330.23
Total expenditure	5397.11	3728.01
Profit before tax	2174.53	1863.21
Less:		
Current Tax	453.00	584.90
Deferred tax	14.91	98.78
Adjustment of tax of earlier years (Net)	(1.80)	(0.62)
Profit after tax	1708.42	1180.15
Other Comprehensive Income	(16.64)	(4.46)
Total Comprehensive Income	1691.78	1175.69
Balance surplus of previous year	0.04	0.15
Amount available for Appropriation	1691.82	1175.84
Less: Appropriation		
Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 and u/s 29C of NHB Act, 1987	500.00	450.00
Transfer to Debenture Redemption Reserve	439.83	439.83
Transfer to Reserve for Bad & Doubtful Debt	93.08	86.86
Interim Dividend	150.14	135.13
Tax on Interim dividend	30.86	27.78
Net surplus after appropriations	477.91	36.24
Proposed final dividend	470.45	30.03
Tax on final dividend	-	6.17
Surplus available after final Dividend	7.46	0.04
EPS (Basic/Diluted) (in ₹)	8.53	5.90



During the period under review, despite of slowdown in economic activities in the wake of outbreak of COVID-19 pandemic during the last quarter of the year, your Company has been able to maintain robust growth of 44.76% in its Net Profits, that has touched an all-time high of ₹ 1708.42 crore from ₹ 1180.15 crore in 2018-19. The Revenue from operations has increased to ₹ 7532.12 crore from ₹ 5547.64 crore in 2018-19 registering a growth of 35.77%. All these has resulted in growth of 12.67% in its net worth to ₹ 12343.49 crore from ₹ 10955.77 crore in the previous year 2018-19.

The Novel Corona Virus (COVID-19) continues to spread across the globe including India, which has resulted in a significant decline & volatility in global and Indian financial markets. The COVID-19 outbreak was declared a global pandemic by WHO. The situation has been under close watch. HUDCO shall take prompt actions for continuity of business operations in an optimised manner depending on future economic conditions in subsequent periods. However, since, HUDCO primarily operates in the space of providing financial assistance for Housing and Urban Development Projects of Government and Government agencies, we believe, we hold a much stable asset class which can withstand the pandemic relatively better compared with other asset class.

HUDCO continues to have robust liquidity and funding profile. The company continues to maintain adequate liquidity to meet the repayment/redemption obligations as well as operational requirements. The company also continues to maintain its impeccable track record of servicing its debt/liabilities in time without there being any instance of delay/default, till date. In accordance with the RBI notification dated 27th March, 2020 and 17th April, 2020, the Company has granted a moratorium on the payment of installments falling due between 1st March, 2020 and 31st May, 2020 to eligible borrowers whose account is standard and not in default.

Based on the current indications of future economic conditions, the company has maintained an incremental ECL provision of ₹ 87.35 crore for COVID-19 in additions to the normal ECL provision and with this inclusion the company believes the ECL provision is adequate.

Pursuant to Section 136 of the Companies Act, 2013, the Audited Financial Statements and all other documents required to be attached thereto are available on the company's website, www.hudco.org and are also be available for inspection till the date of the ensuing Annual General Meeting during business hours on all working days at the Registered Office of the Company.

2. DIVIDEND

In compliance with regulation 43-A of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015, your Company has formulated a 'Dividend Distribution Policy', focusing on various aspects/factors for determining payment of dividend like profits earned during the year, capital to risk-weighted asset ratio, net worth of the Company, existing borrowings, capacity to further borrow and cost of borrowings, tax on profits including dividend tax rate and outgo, transfer to statutory/ other reserves and provisions created for meeting future liabilities, subject to the guidelines as applicable from time to time. The Dividend Distribution Policy may be accessed at https://hudco.org//writereaddata/DDP.pdf on Company's website.

As per guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, Company is required to pay a minimum annual dividend of 30% of Profit after Tax (PAT) or 5% of the net-worth, whichever is higher.

During the year under report, the Board of Directors of your Company has declared an interim dividend of 7.50%, i.e., ₹ 0.75 per equity share having face value of ₹ 10/- each totalling to ₹ 150.14 crore (excluding dividend distribution tax of ₹ 30.86 crore) for the financial year 2019-20, and the same was paid to the shareholders.

Further, the Board of Directors have also recommended payment of final dividend @ 23.50%, i.e., ₹ 2.35 per equity shares of ₹ 10/each for the financial year 2019-20, subject to approval of the shareholders at the ensuing 50th Annual General Meeting.

Accordingly, the total dividend for the financial year 2019-20 will be 31%, i.e., ₹ 3.10 per equity shares with total dividend payout of ₹ 620.59 crore excluding dividend distribution tax of ₹ 30.86 crore.

3. SHARE CAPITAL

As on 31st March, 2020:

- a) the authorized share capital of the Company was ₹ 2500 crore divided into 2,500,000,000 number of equity shares of ₹ 10/-each. The issued, subscribed and paid up share capital of the Company was ₹ 2001.90 crore divided into 2,001,900,000 number of equity shares of ₹10/- each; and
- b) 89.81% of the total shareholding in HUDCO is held by the President of India through the Ministry of Housing and Urban Affairs (MoHUA) - 69.08% and Ministry of Rural Development (MoRD) - 20.73% respectively and the balance of 10.19% is held by the Public.



Further, there is no change in the authorized, issued, subscribed and paid up equity share capital of the Company during the year. The Company has neither issued any shares with differential voting rights nor sweat equity shares during the year under report. There are no shares in the demat suspense account or unclaimed suspense account.

The Government of India plans further divestment of its shareholding in HUDCO to the extent of 10% of the total paid up capital with an option to retain oversubscription to the extent of 5% under green shoe option, through an Offer for Sale(OFS) of shares, for which DIPAM has initiated various measures including appointment of various intermediaries.

Listing of Shares and Payment of Listing Fee

The Equity Shares and Bonds of your Company are listed on BSE Limited and National Stock Exchange of India Limited and the Company has paid annual listing fee for the financial year 2020-21 to the Stock Exchange(s).

Transfer of unclaimed Dividend and Shares to Investor Education & Protection Fund

There is no amount of dividend remained unpaid or unclaimed for a period of 7 years or more from the date it became due for payment, hence, no amount is required to be transferred to Investor Education & Protection Fund (IEPF) as per provisions of Section 124 and 125 of the Companies Act, 2013. Further, there are no shares required to be transferred to IEPF account.

4. MEMORANDUM OF UNDERSTANDING (MoU)

Your Company has entered into tripartite Memorandum of Understanding (MOU) with its Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MoHUA) and Department of Public Enterprises (DPE), Government of India for the financial year 2019-20, demarcating key performance parameters for the Company, which are evaluated by the Department of Public Enterprises vis-à-vis MOU entered into with the Government of India.

Your Company has achieved an 'Excellent' MoU rating for the financial year 2018-19 for the eighth year in a row.

Further, with the proactive approach of management and untiring support & encouragement extended by the Administrative Ministry, your Company has been able to showcase its robust performance, both on operational and financial front, expecting it to retain 'Excellent' rating for the ninth consecutive year in a row. The evaluation of MoU for the financial year 2019-20 is under progress and the final rating is expected to be announced by December, 2020.

5. LENDING ACTIVITIES

During the last quarter of the financial year 2019-20, there has been unprecedented collapse/slowdown in economic activities all over the World, in the wake of outbreak of COVID-19 pandemic. Notwithstanding the challenges posed due to COVID-19, HUDCO with its prudent business policies adopted by the management at all levels, has registered a consistent growth both on operational and financial front by achieving sanctions of ₹ 19,942 crore and disbursement of ₹ 10,122 crore against the previous year sanctions and disbursement of ₹ 34,452 crore and ₹ 31,009 crore respectively which includes sanction/ disbursement amounting to ₹ 20,000 crore raised/ disbursed in the previous year for implementation of PMAY(U) programme as Extra Budgetary Resources. In the current financial year, i.e., 2019-20, no amount has been raised/disbursed on account of Extra Budgetary Resources.

The year 2019-20 being the Golden Jubilee year, HUDCO in its glorious journey of 50 years, since its inception in 1970, has cumulatively sanctioned a total of 17,284 housing and urban infrastructure projects with a total loan of $\stackrel{?}{_{\sim}}$ 2,08,039 crore and disbursements of $\stackrel{?}{_{\sim}}$ 1,71,216 crore.

Further, your Company has sanctioned financial assistance to more than 192.33 lakh housing/dwelling units both in rural and urban areas in the Country. In HUDCO Niwas, a retail lending window, your company has sanctioned financial assistance of ₹ 6,825 crore to 3.86 lakh individuals and released an amount of ₹ 5,148 crore.

Housing Operations

On Housing front, during the year under review, HUDCO has sanctioned projects with financial assistance/ loan of ₹ 3818 crore, inclusive of ₹ 28 crore under HUDCO Niwas, thereby facilitating construction of 3,07,277 dwelling units with specific emphasis on Economically Weaker Section (EWS) / Lower Income Group (LIG), segment(s) of the society, for whom 3,07,016 dwelling units constituting 99.92% of the total dwelling units have been financed. Against the above, an amount of ₹ 5,000 crore from current year and previous year sanctions (inclusive of ₹ 16 crore under the HUDCO Niwas) has been released.



Urban Infrastructure Lending

On Urban Infrastructure front, during the year, HUDCO has sanctioned projects worth ₹ 16,124 crore as financial assistance/ loan for funding 40 projects focusing on various sectors like Water Supply, Metro, Power Sector, Social Infrastructure, Commercial Infrastructure, Road & Transport etc. Against, the above, an amount of ₹ 5,122 crore has been released from current and previous year sanctions.

Support to Government of India Flagship Programs

Pradhan Mantri Awas Yojana (Urban)- Housing for All-PMAY-HFA (URBAN)

HUDCO, being the technical arm of the Ministry of Housing and Urban Affairs, (MoHUA), plays an integral role towards implementation of various flagship programmes of the Government of India to address the housing requirement of the urban poor including the slum dwellers as envisaged in the 4 verticals, namely:

- a) In-situ Slum Redevelopment (ISSR) (using land as a resource);
- b) Credit Linked Subsidy Scheme (CLSS);
- c) Affordable Housing in Partnership (AHP); and
- d) Beneficiary Led Construction (BLC) New Construction & Enhancement Projects.

HUDCO is assisting the MoHUA in conducting scrutiny of PMAY(U) projects in respect of its three verticals namely ISSR, AHP and BLC – New/Enhancement. It is one of the Central Nodal Agencies (CNA) under the CLSS vertical.

Further, PMAY also provides business opportunity to HUDCO in the form of viability-gap funding, wherein, HUDCO offers loan assistance to State Governments/State Implementing Institutions / Urban Local Bodies to meet their share in the total project cost. During the year, HUDCO has sanctioned 2 viability-gap funding projects under PMAY(U) with a loan amount of ₹ 2,133.05 crore in the State of Telangana and Karnataka covering construction of 63,655 dwelling/housing units wherein State Government share has been taken as HUDCO loan.

HUDCO has also extended support for the awareness workshops/ seminars/ training programs carried out for dissemination of information on the various verticals of PMAY-Urban as well as the implementation methodology at the National / Zonal / State levels.

Cumulatively, under Pradhan Mantri Awas Yojana (PMAY) - (Urban), upto March 31st, 2020, HUDCO has conducted site and desk scrutiny for 457 projects towards construction/ enhancement of 9.14 lakh DUs (including 9.06 lakh EWS DUs) in 349 town / cities under 34 States / UTs of India having project cost of ₹ 43980.67 crore and central share of ₹ 13437.10 crore. The mentioned 457 projects undertaken include 43 AHP projects, 395 BLC (New Construction / Enhancement) projects and 19 ISSR projects (inclusive of 1 ISSR – AHP project).

Sectoral Overview and Government Initiative

Support to Economically Weaker Sections - HUDCO has made concerted efforts to reach the unreached as well as support the flagship programmes of the Government of India. HUDCO continues to address the housing requirements of weaker sections of the society by offering financial assistance/loan to the Economically Weaker Sections (EWS) and Low-Income Groups (LIG) segment of the society at a comparatively lower rate of interest. During the year, HUDCO loan has provided financial assistance for 3,07,227 Dwelling Units (DUs), out of which 3,07,016 DUs (approx. 99.92%) pertain to EWS / LIG categories.

HUDCO's support for projects in the North-Eastern Region - During the year, HUDCO has supported projects in the North-Eastern Region, and sanctioned 24 housing and urban infrastructure schemes with a loan amount of ₹ 241.99 in the States of Assam, Meghalaya and Nagaland.

Consultancy Initiatives

In line with its objectives, HUDCO provides consultancy services in the area(s) of Architectural Design & Development; Urban & Regional Planning; Appraisal Scrutiny & Monitoring of Government Projects and Environmental Engineering through a dedicated team of qualified and experienced professional from diverse background such as Architects, Planners, Landscape Experts, Geographers, Engineers, Valuers, GIS Expert and other allied professionals that form the core team. HUDCO has successfully handled more than 300 projects since its inception.



A notable project currently being handled by HUDCO in the area of Urban and Regional Planning is the Integrated Master Plan for Rajgir Regional Planning Area and Nalanda Mahavihara World Heritage Site in the State of Bihar. In the area of Architectural Design services, the projects include the Vertical Housing Colony - Shehjar Apartments at Bemina, Srinagar and the Shopping Complex at BT road, Imphal Manipur. With the aim to rehabilitate 550 women shopkeepers selling different products under temporary shacks, HUDCO has been engaged by Housing & Urban Development (MAHUD), Govt. of Manipur for preparation of 'Detailed Project Report' for construction of this shopping complex at the heart of Imphal. This would be the world's only market to be run entirely by women. Besides, HUDCO is also engaged in a landmark project of Interior Designing for the Coalition for Disaster Resilient Infrastructure (CDRI) an International coalition of countries, United Nations (UN) agencies, multilateral development banks, the private sector and academic institutions that aims to promote disaster-resilient infrastructure.

Further, HUDCO has appraised four projects awarded by Delhi Police. HUDCO is also providing consultancy services to the State Government of Karnataka in preparation of the Housing for All Plan of Action (HFAPOA).

HUDCO, during the year, under its Environmental Engineering Consultancy undertook a prestigious technical consultancy assignment as Third-Party Assessment Agency for Evaluation of Central Sector Schemes of Ministry of Environment Forest and Climate Change in Environmental Protection Group.

HUDCO Design Awards

HUDCO Design Award was instituted to appreciate and encourage professionals who have demonstrated plausible alternatives to complex problems of urban development, viz; in the field of Housing, Heritage Conservation, Landscape, Eco-cities, Green Buildings and Disaster Resistance Technology, etc. For the year 2019-20, entries were invited under five categories namely Cost Effective Rural/Urban Housing deploying Innovative/ Emerging & Disaster Resistant Technology; New & Innovative Town Design Solutions/ Eco-Cities; Conservation of Heritage; Green Building, and Landscape Planning & Design.

In the Golden Jubilee year of the Company, as a mark of respect and tribute to Late Shri S. K. Sharma, former Chairman & Managing Director, HUDCO (1985 to 1991), the HUDCO Design Awards was named "S. K. Sharma HUDCO Design Awards 2019-20". Mr. Sharma is remembered for his passion for innovative architecture and design and his contribution in shaping India Habitat Centre, one of the most important urban landmarks in Delhi.

Another, unique design completion, the HUDCO NASA DESIGN TROPHY with the aim to engage and sensitize the students of Architecture on contemporary issues and challenges was organized through National Association of Students of Architecture (NASA). Recognising the rights of senior citizens and retirees the theme for the year 2020 was 'Senior Citizens' Habitat'.

6. FINANCIAL REVIEW

(i) Accounting Policies

During the year under report, your company has made certain modification/ additions in the existing accounting policies on account of implementation of Ind-AS-116 'Leases' in the Company effective from 1st April, 2019. The above modification/ additions in the accounting policies have no financial impact on the financial statements of the Company.

(ii) Income from Operations and Profitability

Your Company has reported total income for the financial year 2019-20 at ₹ 7,571.64 crore (previous year ₹ 5,591.22 crore) inclusive of other income of ₹ 39.52 crore (previous year ₹ 43.58 crore). Further, the Profit before Tax (PBT) for the year was ₹ 2,174.53 crore (previous year ₹ 1,863.21 crore) and Profit after Tax (PAT) was ₹ 1,708.42 crore (previous year ₹ 1,180.15 crore). Total comprehensive income for the year was reported at ₹ 1,691.78 crore (previous year ₹ 1,175.39 crore).

(iii) Non-Performing Assets

The Default and NPA position of your Company is regularly monitored to keep a check on any fresh addition to NPAs and for resolution of old & chronic defaults, in compliance with the prudential guidelines for Non-Performing Assets (NPAs) under the Housing Finance Companies (NHB) Directions, 2010, as amended from time to time.

The default and NPA position of all Regional Offices is regularly monitored at Regional and Head Office level through various Committees. In addition, the overall default & NPA position is reviewed by Default Monitoring & Resolution Committee (DMRC),



Committee for Review of NPAs (a Board level Committee) and by the Board of Directors.

As at 31st March, 2020, HUDCO reported Gross NPA of ₹ 2,927.65 crore, constituting 3.82% of total loan portfolio. The Net NPA as on 31st March 2020 is ₹ 140.87 crore which constitutes 0.19% to net loan outstanding as against MoU target of 0.44%. During the year 2019-20, an amount of ₹ 542.16 crore was recovered from NPA accounts. As on 31st March, 2020, Loan Overdue to Net Loan Assets ratio is 8.90% as against MoU target of 9.15%.

The Company has made a total provision on loans (Impairment) as per ECL Approach of ₹ 2,939.67 crore. Out of the above, the provision on account of loans (Impairment) against NPA (Stage - III) loans is ₹ 2,786.78 crore.

As on 31st March, 2020 out of HUDCO's total loan book pertaining to Project loans of ₹76,259.33 crore, Government Agencies constitute 96.43% whereas Private Sector constitutes 3.57% of the above loan. In the case of loans to Government Sector (Project loans), the Gross NPA is ₹190.07 crore against loan portfolio of ₹73,540.24 crore and provision of ₹81.35 crore has been made towards NPA. Whereas, in Private Sector (Project loans), the Gross NPA is ₹2,718.54 crore against loan portfolio of ₹2,719.09 crore and a provision of ₹2,686.40 crore has been made towards NPA. Further, HUDCO is not making any fresh sanctions to the private sector, since March 2013.

During the financial year 2019-20, with continuing proactive approach and prudent policies, the management has reduced Project Loan default by ₹ 1,376.67 crore, i.e., 20.58% from the level of ₹ 6,688.02 crore as on 31st March, 2019.

(iv) Resource Mobilization

During the financial year 2019-20, the Company mobilized long-term resources aggregating to ₹ 9,989 crore from domestic market through diversified sources (₹ 7,695 crore through Taxable Bonds on private placement mode and ₹ 2,294 crore through Refinance Assistance from NHB / IIFCL).

As on 31st March, 2020, the Company also had approved Cash Credit / Working Capital Demand Loan limits amounting to ₹ 8,640 crore from various scheduled commercial banks, for bridging any liquidity mismatches and meeting interim operational requirements. Against these limits, the Cash Credit Facilities/Working Capital demand loan(s) availed and outstanding as on 31st March, 2020 was ₹ 2,820 crore, excluding the facilities/loans raised and repaid during the year. The said facilities were available with the Company without any commitment charges towards unutilized amounts.

Further, in addition to the above, an amount of ₹ 5,275 crore was also raised through issue of Commercial Paper(s) during the year. As on 31st March, 2020, an amount of ₹ 1,200 crore was outstanding against Commercial Paper(s), which have since been redeemed on the respective due date, as per the terms of borrowings. With this, funds raised through Short term sources and outstanding as on 31st March, 2020, aggregated to ₹ 4,020 crore (excluding funds raised and repaid during the year), which comprised of Commercial paper(s) of ₹ 1,200 crore & Working capital facilities of ₹ 2,820 crore. As a part of prudent policy, the short-term resources are suitably replaced at an opportune time with longer tenor alternate resources depending upon prevalent market conditions, internal liquidity position and actual operational requirements.

Accordingly, total funds mobilized during the financial year 2019-20 from various sources amounted to ₹ 14,011.81 crore, which included ₹ 9,991.81 crore through long term sources (including HUDCO's Public deposit scheme, which has since been discontinued w.e.f. 1st July, 2019) and ₹ 4,020 crore through short-term sources.

As on 31st March, 2020, HUDCO's overall borrowings stood at ₹ 61,498.66 crore, which comprised of long-term borrowings of ₹ 57,478.66 crore and short-term borrowings of ₹ 4,020 crore. Further, as on 31st March, 2020, the long-term borrowings to Net owned funds, stood at 4.57 times, as against 5.21 times as on 31st March, 2019.

(v) Credit Rating

Domestic Rating

The domestic debt instrument(s) and Banking Sector Loan(s) / facilities of the Company continued to enjoy highest rating of 'AAA-Stable' (Long-term) and 'A1+' (Short-term) from three credit rating agencies, namely, M/s India Ratings and Research Private Ltd, M/s CARE Ratings and ICRA Ratings.



SI. No.	Rating Agency	Long Term Rating	Short Term Rating
1	IRRPL	AAA-Stable	A1+
2	ICRA	AAA-Stable	A1+
3	CARE	AAA- Stable	A1+

International Rating

As on 31st March, 2020, HUDCO for its International Borrowing Programme continued to enjoy International Credit Rating of 'Baa2' with negative outlook and 'BBB-' with stable outlook, respectively, from Moody's and FITCH, International Credit Rating Agencies.

Moody's Investors Service, vide its press release dated June 1, 2020, has revised India's Sovereign rating of 'Baa2' to 'Baa3' with Negative outlook. In line with India's 'Baa3' Sovereign Rating, Moody's Investors Service, vide its press release dated June 2, 2020, has revised the ratings of HUDCO to 'Baa3' from 'Baa2' level with Negative outlook.

Further, Fitch Ratings vide its press release dated 24th June 2020 has revised the outlook of HUDCO 'BBB-' rating to 'Negative' from 'Stable'. The rating action follows the change in the outlook on Government of India's rating to 'Negative' from 'Stable' on 18th June, 2020.

Both the assigned ratings are at the Sovereign ceiling and equivalent as that of Republic of India.

(vi) Medium Term Note (MTN) Programme for HUDCO's maiden debt offering in the Overseas Market

In its endeavour towards further diversification of its borrowing profile, the Company had established MTN Programme of upto US\$ 750 million on Singapore Exchange Securities Trading Limited and Global Securities Market Segment of India-INX (India's first International Exchange) on 19th March, 2020 for issuance of unsecured Bonds or any other similar instruments, whether denominated in Indian Rupee and/or Foreign Currency, to be issued in one or more tranches, in the Overseas market, under the ECB route. Though the validity of MTN programme was for a period of one year, i.e., upto 18th March, 2020, draw down under the programme were dependent on market competitiveness, global investment appetite and stability in the domestic and global political environment, etc. As the domestic markets had been conducive / competitive, the entire operational requirements during the year were met through domestic markets itself. Although, raising of resources in overseas market would be dependent on market conditions, yet revalidating MTN programme, would give the Company an opportunity to tap overseas market within shortest possible time, for which requisite approvals have been accorded by the Board.

(vii) Cost of Borrowings

The overall weighted average cost of resources raised during the financial year 2019-20 was 6.81% p.a. and for borrowings outstanding as on March 31, 2020 is 7.80% (as compared to 8.04% as on March 31, 2019). The weighted average incremental cost of borrowing through taxable bonds, worked out to 1 (one) bps lower than the Benchmark Yield of 'AAA' Rated CPSEs of equivalent tenor prevailing at different points in time when the borrowings were made during the course of the year, thereby enabling achievement of Excellent category MoU target for cost of borrowings. As a result, the Company was able to deliver debt financing for various Housing & Infrastructure projects, spread across the Country, at competitive rates.

(viii) Redemption of debt securities and repayment of loans (excluding the borrowings availed and repaid during the same financial year)

The Directors are pleased to report that during the year under review, the Company successfully redeemed bonds and discharged its other debt obligations amounting to ₹ 12,429.42 crore in an efficient manner, without a single instance of delay or default in debt servicing. These included Bonds valued at ₹ 4,342.92 crore, Term Loans/Short-Term loans from Banks and financial institutions worth ₹ 6,089.07 crore, Foreign currency loans availed from Multilateral Agencies aggregating to ₹ 73.61 crore, Commercial Paper(s) of ₹ 1,800 crore and public deposits of ₹ 123.82 crore. The Company is set to honour obligations towards redemption of Bonds, repayment of other debt obligations amounting to around ₹ 7,257 crore during the next fiscal.

The Company's internal generations are adequate to meet the repayment / redemption obligations. Surplus funds, if any, after



meeting the repayment obligations are invested prudently in the form of fixed deposits with banks.

The Company continues to maintain its impeccable track record of servicing its debt in time and there has never been a single instance of default.

(ix) Unclaimed amount under HUDCO Bonds

Bonds aggregating to ₹ 8,30,77,353/- (inclusive of interest amount of ₹ 7,80,77,353) in respect of 2910 bondholders remained unpaid as on 31st March 2020, as the same have yet not been claimed by the investors.

The details of amount remaining unclaimed are as under:

(Amount in INR)

Financial year	Principal		Interest		Total Amount
	Amount	No. of holders	Amount	No. of holders	
2017-18	2,20,00,000	10	4,78,89,541	1925	6,98,89,541
2018-19	1,50,00,000	5	7,29,54,415	2687	8,79,54,415
2019-20	50,00,000	4	7,80,77,353	2910	8,30,77,353

In respect of the above unclaimed Bonds, the bond holder(s) have been requested from time to time through email/ letter, etc., for submission of requisite documents for claiming the amount of Principal/ Interest, as may be due in their respective case(s).

In respect of Bonds, the Company in terms of section 125 of the Companies Act. 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 5th September, 2016 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, after 7 years from the maturity date of the Bonds to Investor Education and Protection Fund(IEPF).

During the financial year 2019-20, an amount of ₹ 2,38,199/- has been transferred to IEPF on account of Bonds, as per the provisions of Companies Act, 2013.

(x) Dematerialization of Bonds

During the financial year 2019-20, HUDCO has issued Unsecured, Taxable Bonds in dematerialized form only. With this, all Taxable Bonds, issued by the Company and outstanding as on 31st March, 2020 are in dematerialized form only. The Company has made necessary arrangement with NSDL and CDSL for issue of bonds in dematerialized form. The company has also appointed Registrar & Transfer Agents (RTA) for maintaining the continuous electronic connectivity with NSDL/CDSL and investors.

Investors can deal in these bonds as per the provisions of Depository Act, 1996, as amended and such deals are cleared & settled in recognised Stock Exchanges subject to conditions specified by SEBI.

(xi) HUDCO Public Deposit Scheme

HUDCO, being a Housing Finance Company registered with National Housing Bank (NHB) is governed by the provisions of Housing Finance Companies (NHB) Directions, 2010 relating to Public Deposits.

During the financial year 2019-20, HUDCO has mobilized deposits of ₹ 2.81 crore (including renewals) from 114 depositors and an amount of ₹ 123.82 crore was matured/paid to 862 depositors. The total amount outstanding under HUDCO Public Deposit Scheme was ₹ 168.61 crore from 1216 depositors as on 31st March, 2020.

(xii) Unclaimed amount under HUDCO Public Deposit Scheme

As on 31st March, 2020, deposit(s) amounting to ₹72,58,580/- (inclusive of Principal and Interest) from 42 depositors remains unclaimed.

In respect of unclaimed Deposits, the Deposit holder(s) have been requested from time to time through email/ letter, etc., for submission of requisite documents for claiming the unclaimed amount.



During the year, an amount of ₹ 1,45,020/- remained unclaimed for more than seven years from the date of maturity, was transferred to the 'Investor Education and Protection Fund' (IEPF), as per the provisions of the Companies Act, 2013 and rules made thereunder.

(xiii) Discontinuing acceptance/renewal of Public Deposit under the 'Public Deposit scheme'

In view of the cost benefit analysis with respect to cost of funds raised through Public Deposit(s) vis-à-vis other sources of mobilization of funds, and the prevailing competitive environment, your company had discontinued accepting/renewing Public Deposit under the Public Deposit Scheme w.e.f. 1st July, 2019. However, redemption of deposits already taken shall be made on due date(s).

(xiv) Deployment of Resources at the close of the year

At the close of the financial year 2019-20, the total resources of your Company stood at ₹ 76,126.99 crore. Out of this, Equity Share Capital amounted to ₹ 2,001.90 crore, Reserves & Surplus stood at ₹ 10,341.59 crore, Loans from Financial Institutions, Commercial Banks, Multilateral Institutions and Market Borrowings through Bonds and Commercial paper accounted for ₹ 61,436.61 crore, Deferred Tax Liabilities (Net) amounted to ₹ 413.55 crore and other liabilities & provisions stood at ₹ 1,933.34 crore. These funds were deployed as Long/Short Term Loan & Advances of ₹ 74,267.92 crore, Fixed Assets (net of depreciation) of ₹ 116.39 crore (including capital work-in-progress), Investments of ₹ 233.51 crore, Cash & Bank Balances of ₹ 422.81 crore and other assets of ₹ 1,086.36 crore.

7. RISK MANAGEMENT IN HUDCO

In compliance with the directions given by National Housing Bank (NHB), HUDCO has in place Risk Management Policy and Operating Manual to identify, monitor, review and control the various risks to which the company is exposed to. The Company has a robust risk assessment program to proactively identify the potential risks and ensures all possible ways and means to review, monitor, control, and mitigate the same. The major risks identified by the company to which it is exposed to, being in lending operations, are credit risk, operational risk, liquidity risk, market risk and foreign currency risk, etc.

As on 31st March, 2020, in compliance with the SEBI (LODR) Regulations, 2015, the Company has in place a 'Risk Management Committee' (RMC), which was headed by Part-time Non-official Independent Director and comprises of Director (Corporate Planning) and Director (Finance) as its members. The Committee review the decisions/ recommendations of the three sub-committees namely Assets & Liabilities Management Committee (ALCO); Credit Risk Management Committee (CRMC) and Operational Risk Management Committee (ORMC).

Assets and Liabilities Management (ALCO) reviews and monitors various risks related to liquidity, interest rates and currency rates. The liquidity risk is being monitored with the help of liquidity gap analysis by drawing resource raising programme in advance based in projected disbursement plan and maturity profile. The interest rate risk is monitored through interest rate sensitivity analysis after reviewing the lending rates, cost of borrowings and the terms of lending and borrowing. The mismatches in assets and liabilities, if any, are managed through mix of various strategies like committed Bank lines, within the permissible limits as per NHB guidelines. During the year, 17 number of ALCO meetings were held.

Credit Risk Management Committee (CRMC) reviews, monitors and ensures that the Credit Policies of the Company are put in place and are consistently applied while appraising the proposal for sanction of loan and for ascertaining the credit worthiness of the applicant/ borrowing agency. During the year, 4 meetings of the CRMC were held.

Operational Risk Management Committee (ORMC) reviews, monitors and ensures mitigation of operational risk both internal as well as external. The Company has identified various operational risks like Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk, etc., and the same are reviewed, monitored and managed through mix of various strategies like establishing & strengthening internal control systems and procedures and by providing adequate training to the employees. During the year, 3 meetings of the ORMC were held.

The Company has identified various risks and has taken steps towards their mitigation, the brief description of which is as under:

Credit Risk

To manage credit risks associated with business, HUDCO has in place a strong and effective Credit Appraisal Mechanism containing



comprehensive appraisal techniques/ guidelines ensuring timely repayments of principal & interest amount.

Operational Risk

To manage, control and mitigate the operational risks to which the company is exposed to like technology risk, employee risk, capital asset risk, external risk, compliance risks, external fraud, legal risk, etc., the company has established a strong reporting and monitoring mechanism through quarterly reports from Regional Offices/ departments which are further reviewed and analysed for mitigation of operational risks.

Liquidity Risk

To manage the liquidity risk, associated with the potential inability of an organization to meet its liabilities as per timeline, the Company has an effective Asset Liability Management System in place. The liquidity risk is being monitored and managed through a mix of strategies like mobilization of funds at competitive rates through various strategies viz., bonds, term loans, etc., based on projected disbursements. The mismatch in the Asset and Liabilities, if any, are managed through the committed Bank lines within the permissible limits as per NHB guidelines.

Market Risk

The Company has a policy to review various market risks associated with fluctuations in interest rates and foreign currency exchange rates. In order to mitigate these risks, the company reviews its lending rates based on cost of funds and market scenario and the same are monitored with the help of Interest Rate Sensitivity Analysis under the Asset Liability Management System.

Foreign Currency Risk

To manage/ mitigate foreign currency risks associated with the exchange rate and interest rates, the company has in place Foreign Currency Risk Management Policy. To mitigate the foreign currency, the Company has entered into hedging transactions. As on 31st March, 2020, the total foreign currency liabilities are USD 35.38 million (INR 252.14 crore) and JPY 1,293.456 million (INR 91.72 crore) and 55.84% of the foreign currency exchange rate risk is covered through hedging instruments.

8. JOINT VENTURE, ASSOCIATE AND SUBSIDIARY COMPANY

As on 31st March, 2020, HUDCO has three Joint Venture Companies(s) namely:

- a) Shristi Urban Infrastructure Development Ltd. (SUIDL);
- b) Pragati Social Infrastructure & Development Ltd. (PSIDL); and
- c) Signa Infrastructure India Ltd. (SIIL).

Further, there is an associate namely Ind Bank Housing Limited. Your Company do not have any Subsidiary Company.

As at 31st March, 2020, the total investment in joint venture companies stood at ₹ 2.14 crore {SUIDL- ₹ 2.00 crore (40%), PSIDL-₹ 0.13 crore (26%), and SIIL-₹ 0.01 crore (26%)}.

In view of non-satisfactory performance of these joint venture companies, your Company in the year 2015-16, has decided to exit from these joint ventures by invoking the exit clauses. The Company has initiated the steps for exiting from these joint ventures. In case of SIIL, HUDCO has terminated the JV agreement and removed its nominee Director from the Board of SIIL and initiated legal action from exiting from the Joint Venture.

In case of an associate Company, namely Ind Bank Housing Limited, your company has made an investment of ₹ 2.50 crore in its equity, being 25% of the paid-up equity share capital. HUDCO has provided for full diminution in the value of investment made in IBHL. IBHL as appointed SBI Caps for scouting further infusion of funds from prospective investors and restart housing finance business and the same would dilute HUDCO stake in IBHL.

9. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013, your Company has prepared Consolidated Financial Statement (CFS) in respect of only one Joint Venture Company namely M/s Shristi Urban Infrastructure Development Limited and appropriate disclosure stating the reasons relating to non-consolidation of accounts of other three companies have been given in the CFS.



Consolidation in respect of other Joint Venture(s) namely Pragati Social Infrastructure Development Limited (PSIDL), Signa Infrastructure India Limited (SIIL) has not been considered during the financial year 2019-20, as your Company has decided to exist from these Joint ventures and has reflected the investment in these companies at the notional value of Re. 1/- only in its annual accounts for the financial year 2019-20 instead of its original cost/ fair value of investment. Further, in case of IBHL (Associate), the Company has provided for full diminution in the value of investment.

Statement containing salient features of Financial Statements of Joint Venture and Associate Companies

Pursuant to Section 129(3) of the Companies Act, 2013, a Statement containing salient features of financial statements of Joint Venture and Associate Companies, has been given in the prescribed format AOC – 1 and is annexed as part of the financial statements.

10. INTERNAL FINANCIAL CONTROL POLICY AND INTERNAL AUDIT

Your company has put in place an adequate Internal Financial Controls (IFC) system for ensuring, the orderly and efficient conduct of its business, adherence with the laid down policies and procedures, safeguard of assets of the Company, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information commensurate with the operations of the Company. This also includes Risk Control Matrices and Process Flow Charts to depict the process to initiate, authorise, process, record and report transactions; the points within the process at which misstatements could occur; and control activities that are designed to prevent or detect such misstatements including providing greater transparency to segregation of duties. The Chartered Accountant firm appointed for Reviewing and Testing of the Operating efficiency of existing Internal Financial Controls has tested the overall controls and found them satisfactory and working effectively during the year. The report of the same was also shared with the Statutory Auditors. Being a continuous process, appropriate steps have been taken for further strengthening the IFC.

Internal Audit

Your Company has a separate Internal Audit Department headed by an Executive Director, who directly reports to the Chairman & Managing Director. During the year under review, Internal Audit of all the Regional Offices and major divisions of Corporate Office were carried out by outsourced Chartered Accountants Firms and by in-house Internal Audit team. Chartered Accountant firms have been appointed at Regional Offices to conduct comprehensive Internal Audit. The significant observations of the Internal Audit were periodically submitted to the Audit Committee and necessary action as directed by the Audit Committee is taken by the Internal Audit Department. Directions have also been issued to all concerned for adherence to the policies, guidelines and procedures and for timely compliance of the Audit Observations.

11. INFORMATION TECHNOLOGY

HUDCO has appointed M/s Intellect Design Arena Limited as System Integrator (SI) for Implementation of Integrated Solution/ERP with the assistance/support of Project Management Consultants (PMC), i.e., M/s. Deloitte Touche Tohmatsu India, LLP engaged for this very purpose. HUDCO formalized the contract with SI on 20th December, 2018. The SI commenced the task of implementation process from 22nd January 2019.

As a part of Govt.'s initiative for 'Making the New India 2022', through changes in technology & processes, HUDCO has embarked on an ambitious Enterprise Resource Planning (ERP) project for enabling faster decision making and improving efficiency & effectiveness, which would be operational soon.

12. HUDCO - AN ISO 9001:2015 CERTIFIED COMPANY

HUDCO is an ISO 9001:2015 certified company from National Accreditation Board for Certification Bodies (NABCB)/United Accreditation Service (UKAS) through M/s United Registrar of Systems (URS) Certification Limited. The certification is valid for its Business activities covering project and Retail Financing services, Resource mobilization for funding, Consultancy and Training, Research & Networking through Human Settlement Management Institute (HSMI). HUDCO is successfully implementing the revised framework of Quality Management System under ISO 9001:2015 certification for optimizing organizational efficiency by introducing elements of robust risk framework and customer focus for continual improvements of system and processes. QMS awareness cum audit training has been provided at Corporate Office, HSMI and various Regional Offices for HUDCO officials.



13. HUMAN SETTLEMENT MANAGEMENT INSTITUTE (HSMI)

During the year, Human Settlement Management Institute (HSMI), a Research & Training department of HUDCO, has organized 25 training programs imparting capacity building training to 602 national & International professionals engaged in housing & urban development domains, including HUDCO's borrowing agencies, Urban Local Bodies (ULBs) and HUDCO own officials from different sectors, with a total of 4456 man-days as per the following details:

- 3 International training programmes attended by 79 professionals from 36 countries covering 2815 man-days, supported by the Ministry of External Affairs, Government of India under its ITEC programme on:
 - a) Formal Solutions to Informal Settlements;
 - b) Planning and Management of Sustainable Cities; and
 - c) Realizing the Right to Adequate Housing in the context of Habitat III & New Urban Agenda.
- One-week, in-service training programme of Department of Training & Personnel (DoPT) for All India Service Officers on 'Financing Urban Infrastructure and Services in India' from 16th - 20th December 2019 at New Delhi, attended by 13 officers comprising of 12 IAS and 1 IFS officers;
- 9 fee-based training programmes on the topics IBC, NPA Management, Ind–AS, GST, Solid waste Management, Affordable Housing, Empowering women Professionals, Team Building, & Digital Payments, conducted at New Delhi, Goa & Indore, were attended by 267 professional (109 fee based and 158 HUDCO Officials) from Banks, Financial Institutions, CPSUs, State and local Government officials along with HUDCO Officials covering 693 man-days;
- Eight In-house training programmes, attended by 160 HUDCO officials from various discipline like Law, Finance, Projects, IT,
 HR, etc., on various topics like Air Pollution, Operational Risk Management, Digital payment, ERP & Finance for Non-Finance;
- One 5 days programme on Appraisal Techniques & Credit Risk was organised at IIM, Indore covering 20 participants and another 5 days programme at NIBM, Pune on Risk Management attended by 30 participants; and
- Two training programmes were organised in association with City Net on Disaster Resilient Challenges and Climate Change covering 28 National & 5 International participants.

Under its collaborative research programme, 6 research studies were completed during the year. With the object to allow completion of pending research and training activities of existing HUDCO Chair institutions, the HUDCO's Board has extended HUDCO Chair Programme for another cycle of 3 years from 2019 to 2022. HUDCO's HSMI also provides technical inputs on a range of issues referred by the Ministry of Housing and Urban Affairs (MoHUA), Government of India.

HSMI's magazine Shelter, on the theme(s) of 'Swachh Bharat Mission' and 'Frontier Technologies as an innovative tool to transform waste to wealth' including articles, theme papers, policy reviews and case studies are being published and released bi-annually on the occasion of HUDCO Annual Day and World Habitat Day celebrations.

Further, to improve the living environment in the habitat sector and for promoting innovative and unique projects on different themes relating to sustainable habitat, HUDCO has given nine 'Best Practices Awards' to the agencies during the year under review.

14. HUMAN RESOURCES

Human Resource is an integral part of every successful organization. Your Company has a multi-disciplinary talent pool of professionals from Projects, Finance, Law, Information Technology, Human Resources, Public Relations, etc. HUDCO, over the decades has evolved as a 'knowledge organisation' and people capability development for its diverse workforce continues to be a priority area.

To sustain in this competitive dynamic market, the company regularly arranges capacity-building programmes, for its employees under various functional areas. A total of 366 employees with a total of 1364 man days were imparted training during the year in different professional spheres, relevant to company's activities. Also, as part of Memorandum of Understanding (MoU) for the year 2019-20, various women-oriented initiatives viz. Women Development Programmes focusing on work-life balance, which included specially designed yoga programmes, self-defence training, outbound team development programmes were organised at Corporate Office and Regional Offices. These women centric initiatives, are a step forward, to address the issues of women empowerment and gender equality and boost their confidence, sharpen professional skills and provide a forum to upgrade decision-making and team building skills.



The development and the launch of the HR Modules in the upcoming Enterprise Resource Planning (ERP) in HUDCO, has gained momentum, with the first phase roll out of basic functionalities. These HR Functional Modules will address the needs of all the stakeholders, in the new scenario, besides improving productivity, reporting & planning, decrease costs and streamlining processes. Further, this will also bring-in more professionalism and transparency and will enhance overall business performance of HUDCO.

As on 31st March, 2020, HUDCO has a strength of 788 employees (comprising of 650 Executives and 138 Non-Executives) including of 2 functional directors, 1 Chief Vigilance Officer and 236 women employees. The women employees constitute 29.95% of the total workforce. Company maintains healthy, cordial and harmonious industrial relations at all levels.

HUDCO has been complying with all the Directives and various guidelines issued by the Government of India regarding reservation for SC/ST/OBC/PwD/Ex-Serviceman/EWS. As on 31st March, 2020, the category wise details along with the percentage is as under:

Total employees	sc	ST	OBC	PwD	Ex. Serviceman
788	136	55	92	16	6
Percentage	17.26%	6.98%	11.68%	2.03%	0.76%

15. VIGILANCE

As per the directions of Central Vigilance Commission (CVC) from time to time, the Corporate Vigilance Department (CVD) of the Company continued to strive for improving the systems and procedures and strengthen the mechanism to ensure pre-emptive actions and advising reformatory measures in the possible areas prone to corruption/ financial irregularities as a part of preventive vigilance such as e-procurements; e-payments; creating general awareness amongst the officials; adoption of Integrity Pact, wherever applicable; digitalization of system/ process to avoid manual intervention, etc.

Vigilance Awareness Week was observed by HUDCO from 28th October to 2nd November, 2019 in the Head Office as well as at all the Regional Offices of the Company. During the week, various programmes were organized not only at the premises of 21 Regional Offices but also in schools and colleges and other prominent places in the city within jurisdiction of Regional Offices throughout the Country. The programmes were the theme centric declared by the CVC, i.e., "Integrity – A way of Life". During the year, specific and regular inspection of selected Regional Offices was conducted.

16. OFFICIAL LANGUAGE

During the year, your company has taken various initiatives for the progressive use of Rajbhasha in the official work. To encourage the use of Official Language, HUDCO celebrated 'Rajbhasha Fortnight' in the month of September, 2019 in its Corporate Office and all Regional Office(s) spread throughout the Country. During this period, various competitions and workshops were organized and prizes were awarded to the winners. Further a two-day Special Hindi Workshop was also organized in HSMI, the Training and Research Institute of HUDCO. Hindi Nodal Officers and Hindi Nodal Assistants, deputed in Corporate Office and Region 'A' Regional offices participated in the training programme.

During the year Parliamentary Committee on Official Language inspected Bhubaneswar Regional Office and expressed its satisfaction with some observations over the implementation of Official Language Policy in this office. Further a team of Hindi Officials of Ministry of Housing and Urban Affairs, Government of India also visited the Mumbai Regional Office and shown its satisfaction upon the progressive use of official language in the office.

It is also referential to mention that our Thiruvananthapuram, Ahmedabad and Chennai Regional Offices have won the first, second and third prizes respectively from their concerned Town Official Language Implementation Committees for the best execution of Official Language Policy in these offices. Further HUDCO has rejuvenated its Hindi Incentive Scheme called Rajbhasha Utkersh Yajna.

During the year under review, Town Official Language Committee (TOLIC/ Narakas), Delhi Upkrm-2 organised various programmes for progressive use of Hindi like Narakas Sammelan, Technical Training Programme/ Seminar(s), Workshop(s), Competition(s) and half yearly meetings for the implementation of Hindi in 49 member offices (PSU's) located at Delhi as per targets set by Department of official Language, Ministry of Home Affairs, Government of India.



17. COMPLIANCES OF VARIOUS ACTS/ GUIDELINES

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance of the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, HUDCO has in place an 'Internal Complaints Committee' for redressal of complaint(s) against sexual harassment of women employees, which is headed by a senior level woman official of the Company. Anti-sexual harassment stance of the Company is also outlined in HUDCO (Conduct, Discipline and Appeal) Rules.

During the year under Report, no complaint was received.

Public Grievance Redressal Mechanism of HUDCO

The Public Grievance(s) received by HUDCO on Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal of Government of India and Grievance Registration & Information Database System (GRIDS) portal of National Housing Bank have been addressed as per laid down guidelines issued by the Government of India/ National Housing Bank from time to time. HUDCO has made available Grievance Redressal Procedure and Escalation Matrix on its website.

Implementation of Micro, Small & Medium Enterprises (MSME) Policy

The guidelines in respect of Public Procurement Policy for Micro and Small Enterprises issued by the Government of India vide Micro and Small Enterprises (MSEs) Order 2012 has been followed in its true sprit by your Company.

During the year, procurement amounting to ₹ 3.95 crore from Micro and Small Enterprises (including MSEs owned by SC/ST entrepreneurs), constituting 46.75% of total annual procurement has been made by your Company. Further, procurement amounting to ₹ 0.1125 crore, constituting 1.33% of the total procurement, has been made from MSEs owned by women entrepreneurs. All the payments due to MSME's has been made within the stipulated time period without any delay.

Right to Information Act

All matters pertaining to Right to Information (RTI) has been dealt by the Company in accordance with the provisions of Right to Information Act, 2005 without any compromise in maintaining transparency and efficiency. HUDCO had secured 'A' Grade in the Transparency Audit of disclosure under Section 4 of the RTI Act, by the Public Authorities conducted by Central Information Commission in 2018 and the Transparency Audit for the year 2019-20 by CIC is underway. The Company as public authority has been responding to all the applications and appeals within the timeframe as prescribed in the RTI Act, 2005.

During the period under report, there has not been any instance of non-compliance by the Company. Consequently, there has been no occasion or instance of penalties or stricture being imposed on the Company by any statutory authority during the year with respect to RTI.

18. DIRECTORS' RESPONSIBILITY STATEMENT

As per requirement of section 134(5) of the Companies Act, 2013, your Directors confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) such accounting policies have been selected and applied consistently (except for changes in accounting policies as disclosed in the Note to Accounts to the Financial Statements) and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions
 of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other
 irregularities;



- d) the annual accounts have been prepared on a 'going concern' basis;
- e) the Company has laid down Internal Financial Controls to be followed and such internal financial controls are adequate and were operating effectively; and
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

19. MANAGEMENT DISCUSSION & ANALYSIS REPORT

As per regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015 and DPE guidelines, Management Discussions & Analysis Report for the year ended 31st March, 2020, is annexed and forms part to this report.

20. CORPORATE GOVERNANCE

As per requirements of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance, a report on Corporate Governance is annexed and forms part of this report. Further, a certificate from Malhotra Arora & Associates, Company Secretaries, regarding compliance of the conditions of Corporate Governance will be made part of this report by way of addendum.

21. BUSINESS RESPONSIBILITY REPORT

As per regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, the 'Business Responsibility Report' for the year ended 31st March, 2020 is annexed and forms part to this report.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

HUDCO, being a Government Company, the power to appoint Chairman & Managing Director, Whole Time Directors, Part-time Official (Government Nominee) Directors and Part-time Non-official (Independent) Directors on its Board is vested with the President of India which is exercised through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India.

During the year under report, following changes took place in the composition of the Board of your Company:

- a) The term of Dr. M. Ravi Kanth (DIN: 01612905) as Chairman & Managing Director was extended for a period of six months with effect from 11th April, 2019 or until further orders whichever is earlier by the Ministry of Housing and Urban Affairs (MoHUA), Government of India vide order dated 28th March, 2019. Further, MoHUA vide orders dated 23rd December, 2019 has conveyed non-extension in tenure of Dr. M Ravi Kanth as Chairman & Managing Director after completion of his extended tenure on 10th October, 2019 and regularization of period beyond 10th October, 2019 and up to 20th December, 2019;
- b) Shri Mukesh M Arya (DIN: 02753885) and Prof. Chetan Vaidya (DIN: 07550281) ceased to be Part-time Non-official (Independent) Directors of the Company on completion of their term with effect from 17th June, 2019 as per terms and conditions of their appointment;
- c) Shri Shyam Sunder Dubey, (DIN: 06601151) Joint Secretary & Financial Advisor, MoHUA has been appointed as Part-time Official (Government Nominee) Director in place of Smt. Jhanja Tripathy (DIN: 06859312) with effect from 8th August, 2019;
- d) Shri Amarishkumar G Patel (DIN: 07591533), ceased to be Part-time Non-official (Independent) Director of the Company on completion of his term with effect from 12th August, 2019 as per terms and conditions of his appointment;
- e) Shri Rakesh Kumar Arora (DIN: 02772248) ceased to be Director (Finance) with effect from 1st December, 2019 on attaining the age of superannuation, as per terms and conditions of his appointment;
- f) Shri D. Guhan (DIN: 06757569), has been appointed as Director (Finance) by the MoHUA, Government of India, vide its order dated 31st December, 2019 from the date of his assumption of charge of the post till the date of his superannuation, i.e., 31st May, 2024 or until further orders, whichever is earlier. Shri Guhan has assumed the charge of the post of Director (Finance)



with effect from 31st December, 2019 (A/N) and was subsequently appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company; and

g) Shri M. Nagaraj (DIN: 05184848), Director (Corporate Planning) HUDCO has been assigned current charge of the post of Chairman & Managing Director, HUDCO by MoHUA for a period of three months with effect from 7th January, 2020 or until further orders whichever is earlier.

As per requirements of section 152 of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, read with the applicable rules, as amended] and Articles of Association of the Company, Shri Amrit Abhijat (DIN: 03022727), Part-time Official (Government Nominee) Director, being longest in office among the Directors since his last appointment, is liable to retire by rotation and is eligible, for reappointment at the ensuing Annual General Meeting on the same terms and conditions as earlier approved by the President of India.

After the closure of the financial year under report, the following changes have been taken place in the composition of the Board of your Company:

- a) The current charge of the post of Chairman & Managing Director, HUDCO assigned to Shri M. Nagaraj, Director (Corporate Planning) has been completed on 6th April, 2020 as per MoHUA order dated 7th January, 2020;
- b) Smt. Pratima Dayal (DIN: 06992866) and Dr. Sudip Kumar Nanda (DIN: 00315376), ceased to be Part-time Non-official (Independent) Directors, with effect from 18th April, 2020 on completion of their tenure as per terms and conditions of their appointment;
- c) Shri Shiv Das Meena (DIN: 01881010), Additional Secretary, Ministry of Housing and Urban Affairs, Government of India, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO for a period of six months with effect from 21st April, 2020 or till appointment of a regular incumbent to the post or until further orders, whichever is the earliest.
 - Further, the MOHUA has conveyed that subsequent to DOP&T's order dated 12th May, 2020 and MoHUA's OM dated 15th May, 2020, Shri Shiv Das Meena, Additional Secretary has been relieved of his duties in the MoHUA, GoI, with effect from 18th May, 2020 (F/N). Accordingly, he is also relieved from the additional charge of CMD, HUDCO w.e.f. 18th May, 2020 (F/N); and
- d) Further, MoHUA vide order dated 27th May, 2020 has again assigned the current charge of the post of Chairman & Managing Director, HUDCO to Shri M. Nagaraj, Director (Corporate Planning) for a period of three months with effect from 27th May, 2020 or until further orders whichever is earlier.

Further, approval of the shareholders is being sought at the 50th Annual General Meeting for confirmation/ approval of appointment of Shri D. Guhan as Director (Finance) on the same terms and conditions as approved by the President of India.

Your Board placed on record its sincere appreciation for the valuable contribution made by Dr. M. Ravi Kanth, Shri Rakesh Kumar Arora, Smt. Jhanja Tripathy, Shri Mukesh M Arya, Prof. Chetan Vaidya, Shri Amarishkumar G Patel, Smt. Pratima Dayal, Dr. S. K. Nanda and Shri Shiv Das Meena during their association with the Company and extended a warm welcome to Shri D. Guhan, as Director (Finance) for being part of HUDCO Board.

The Board also appreciated the contribution made by Shri M. Nagaraj, Director (Corporate Planning) for successfully shouldering the additional responsibilities of the charge of Chairman & Managing Director, HUDCO assigned to him by MoHUA in two spells of three months each, i.e., from 7th January, 2020 to 6th April, 2020 and from 27th May, 2020 onwards.

The Board of Directors of your Company recommended reappointment of Shri Amrit Abhijat and appointment of Shri D. Guhan, as Director (Finance) for approval of the members at the ensuing Annual General Meeting on the same terms and conditions as approved by the President of India.

Pursuant to the provisions of Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI(LODR) Regulations, 2015, all the Part-time Non-official (Independent) Directors have given their declarations as to their Independence.

Based on the confirmation received from Directors, none of them are disqualified for being appointed/ reappointed as directors in terms of Section 164 of the Companies Act, 2013 and other applicable laws, if any and are not related to each other.



Key Managerial Personnel

As on 31st March, 2020, the details of Key Managerial Personnel including changes occurred during the year and as on the date of this report are as under:

SI. No.	Name of Key Managerial Personnel	Designation
1.	Shri Muniappa Nagaraj*	Chairman & Managing Director (Addl. Charge) and Director (Corporate Planning)
2.	Shri D. Guhan (from 31.12.2019 A/N)	Director (Finance) & Chief Financial Officer
3.	Shri Rakesh Kumar Arora (upto 30.11.2019)	Director (Finance) & Chief Financial Officer
4.	Dr. M. Ravi Kanth (upto 20.12.2019)	Chairman & Managing Director
5.	Smt. Arshi Ahmad Ali (from 18.12.2019 to 31.12.2019 F/N)	Executive Director (Finance) & Chief Financial Officer
6.	Shri Harish Kumar Sharma	Company Secretary

* Note:

- 1. Ministry of Housing and Urban Affairs (MoHUA), Government of India, being the Administrative Ministry/appointing authority has assigned current charge of the post of Chairman & Managing Director to Shri M. Nagaraj, Director (Corporate Planning) with effect from 7th January, 2020 for a period of 3 months or until further orders whichever is earlier, vide orders dated 7th January, 2020, which was completed on 6th April, 2020;
- 2. Further, Shri Shiv Das Meena (DIN: 01881010), Additional Secretary, Ministry of Housing and Urban Affairs, Government of India, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO with effect from 21st April, 2020, accordingly, he was Key Managerial Personnel from 21st April, 2020. Further, the MOHUA has conveyed that in pursuance of Department of Personnel and Training order dated 12th May, 2020, Shri Shiv Das Meena, Additional Secretary, has been relieved of his duties in the MoHUA, GoI, with effect from 18th May, 2020 (F/N). Accordingly, he is also relieved from the additional charge of CMD, HUDCO w.e.f. 18th May, 2020 (F/N); and
- Further, MoHUA vide order dated 27th May, 2020 has again assigned the current charge of the post of Chairman & Managing Director, HUDCO to Shri M. Nagaraj, Director (Corporate Planning) for a period of 3 months with effect from 27th May, 2020 or until further orders whichever is earlier.

23. SECRETARIAL AUDITORS & AUDIT REPORT

As per requirements of section 204 of the Companies Act, 2013 and rules made thereunder, your Company has appointed M/s Malhotra Arora & Associates, Company Secretaries in practice, as Secretarial Auditors for the financial year 2019-20. Secretarial Audit Report confirming compliance as to applicable provisions of the Companies Act, 2013, SEBI(LODR) Regulations, 2015 and other applicable laws, their observations and management reply thereto is annexed and forms part of this report.

24. AUDITORS & AUDITORS REPORT

M/s Prem Gupta & Co., Chartered Accountants (firm reg. no. 000425N), New Delhi, the Statutory Auditors, appointed by Comptroller and Auditor General of India (CAG) had conducted the audit of the financial statements (both standalone and consolidated) for the financial year 2019-20 and submitted their report thereon. The intimation for appointment of Statutory Auditors for the financial year 2020-21 is yet to be received from the office of CAG.

The comments of the Statutory Auditors on the financial statement alongwith management reply thereon are annexed and forms part of the report. Notes on financial statement referred to in the Auditors Report are self-explanatory.



Comments of Comptroller and Auditor General of India (CAG)

The comments of the CAG on the financial statements both consolidated and standalone for the financial year 2019-20 under section 143 of the Companies Act, 2013 is in process and will be made part of the Directors Report by way of addendum, along with management reply, thereon, if requires.

25. STATUTORY DISCLOSURES

(i) Corporate Social Responsibility Committee

As on 31st March, 2020, the 'Corporate Social Responsibility' Committee of the Board, constituted in compliance of the provisions of Section 135 of the Companies Act, 2013, consists of three member(s) namely: Dr. M. Nagaraj, Smt. Pratima Dayal and Dr. Sudip Kumar Nanda. The Committee was headed by Chairman & Managing Director (Addl. Charge) and the remaining 2 members are Part-time Non-official (Independent) Directors. The constitution of the Committee was in compliance with the provisions of the Companies Act, 2013.

The Corporate Social Responsibility Policy (CSR Policy) of the Company lays down the guidelines and the activities to be undertaken by the Company is available on Company's website at the following link: https://hudco.org//writereaddata/csrpolicy.pdf

During the year under review, your Company has contributed ₹50 crore in the PM's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to support the government in the emergency or distress situation, posed by the COVID-19 pandemic, and to provide relief to the affected persons.

Further, during the year, the company has spent/released a total amount of ₹ 58.26 crore on CSR activities, however, based on utilization certificate received from the agencies, an amount of ₹ 56.93 crore has been booked in the financial statements as an amount utilized during the year 2019-20.

The Annual Report on CSR activities for the financial year 2019-20 giving reasons as to non-spending of entire amount earmarked for CSR activities alongwith other details is annexed hereto forming part of the Annual Report;

(ii) Board and its Committees

The details as to the Board and its various Committees, their composition, scope & terms of reference, number of meetings held and attended by directors/members during the year alongwith other particulars are given in the annexed report on Corporate Governance;

(iii) Particulars of Loans, Guarantee or Investments

HUDCO, being a Housing Finance Company, the provisions of section 186 of the Companies Act, 2013 pertaining to loan made, guarantee given or securities provided by it in the ordinary course of business are not applicable to the Company, hence, the disclosure pertaining thereto have not been given. Further details of investments made by the Company are disclosed in the financial statements for the year 2019-20;

(iv) Extract of Annual Return

In compliance of section 92(3) of the Companies Act, 2013 read with the rules made thereunder, the extract of Annual Return as at 31st March, 2020 is annexed and forms part to this report and may be accessed at Company website at www.hudco.org;

(v) Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo.

a) Conservation of Energy

As HUDCO is not engaged in any manufacturing activities, hence the area of operations in which it operates, is not energy intensive. However, the Company has taken adequate measures towards conservation and optimum utilization of energy in all its offices by replacing CFL with LED lights, maximum use of natural lights in its day to day operations and replacement of high-power consuming equipment's with low energy consuming equipment's and installation of solar panels, etc. The Company is committed to support the Government of India programmes towards conservation of energy.



b) Technological Absorption

During the year, the company has not absorbed any technology indigenous/ imported. Further, no technology was imported during the last three years.

Your Company has formulated a Research & Development (R&D) Policy in line with the guidelines issued by the Department of Public Enterprises (DPE) vide OM dated 20th September, 2011. DPE vide OM dated 17th July, 2019, has informed that the guidelines prescribed vide above OM dated 20th September, 2011, have become redundant and stood withdrawn. However, the Board has decided to continue with HUDCO's own R&D policy formulated in the year 2012. Further, earmarking of 0.5% of PAT for R&D activities has been discontinued until the accumulated non-lapsable R&D funds are fully utilized. Out of total of ₹ 10.81 crore available with HUDCO as on 31st March, 2019 as non-lapsable R&D funds, an amount of ₹ 0.84 crore has been spent on R&D activities during the financial year 2019-20.

c) Foreign Exchange Earnings and Outgo

The inflow on account of foreign exchange transaction was ₹ 2.82 crore (previous year ₹ 2.99 crore) while foreign exchange outgo/ expenditure was ₹ 7.08 crore (previous year ₹ 7.93 crore).

- (vi) As per notification dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. As your Company is a Government Company, such particulars have not been included as part of the Directors' Report;
- (vii) During the financial year, all the existing related party transactions were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company, which may have a conflict with the interest of the Company. Further, there was no contract or arrangement entered into by the company as listed under section 188 of the Companies Act, 2013;
- (viii) The Company has followed the applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI);
- (ix) There is no change in the nature of business of the Company during the year;
- (x) There were no material changes and commitments, occurred subsequent to the close of financial year of the Company and the date of this Board's report, affecting the financial position of the company and its state of affairs;
- (xi) No significant and material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future;
- (xii) A separate meeting of Independent Directors during the year 2019-20 was held on 19th February, 2020 without the attendance of non-independent directors and members of management as per the requirement of the Companies Act, 2013 and SEBI LODR Regulations, 2015;
- (xiii) Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Companies Act, 2013 are not applicable to your Company as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India;
- (xiv) The Auditors have not reported any material case of frauds by the Company or on the Company by its Officers or Employees under section 143(12) of Companies Act, 2013, hence, disclosure under section 134(3)(ca) of the Act, is not required;
- (xv) The Board of Directors of your Company has laid down Code of Conduct and Ethics for all Board members and Senior Management Personnel and the same is available on the website of the Company. All the Board members and Senior Management personnel have affirmed compliance with the Code and the declaration made by Chairman & Managing Director in this regard is annexed and forms part of this report; and
- (xvi) In compliance with Regulation 25(10) of the SEBI (LODR) Regulations, 2015, the Company has obtained Directors and Officer Liability Insurance Policy, to ensure adequate insurance coverage, which covers all Directors of the Company, i.e., Functional/ Government Nominee and Independent Director(s), Key Managerial Personnel, Officers at the level of Executive Directors and above, HoDs, Regional Head/Chiefs irrespective of their designation, against the risk of financial loss including the expenses pertaining to defence cost and legal representation expenses arising in the normal course of business.



26. FUTURE OUTLOOK - MEDIUM- AND LONG-TERM STRATEGIES

The economic impact of COVID-19, pandemic has resulted in unprecedented collapse/slowdown in all activities throughout the World, to which India is not an exception. The World Bank and Credit Rating agencies have downgraded India's growth for the fiscal 2021. HUDCO, being a leading housing finance company supporting housing and housing related infrastructure activities, may have impact on its operations post COVID-19 pandemic. The future outlook both medium- and long-term strategies are summarized hereunder:

- a) During the emergent situation arises due to COVID-19 pandemic, HUDCO will continuously fund Social Infrastructure Projects like Health Centre, Government Hospitals, Medical Colleges, etc., being a priority sector lending for HUDCO, as the State Governments would be requiring huge funds to expand their Health Care Infrastructure;
- b) HUDCO may fund Urban Metro Rail projects of all major cities, as the Government is keen to expand the metro network in different cities and looking for external participation for such projects;
- c) The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart City Mission has been allocated ₹ 13,750 crore in the budget estimates of 2020-21; HUDCO will make efforts to tap potential business for viability gap funding;
- d) The Government of India has allocated ₹ 12,300 crore for 'Swachh Bharat Mission' a flagship program of Government of India, where, HUDCO has not funded any project under this mission for some time and State Governments may be approached for financing such projects;
- e) Learning from the current pandemic, there is an opportunity for HUDCO to prioritize massive scaling up and diversifying of consultancy activities by making itself more professional and flexible to the diverse needs of the times by collaborating/networking with specialized experts to continue to be a major player in the urban sector for years to come; and
- f) As part of the Pradhan Mantri Awas Yojana (PMAY) Urban, Housing for All, a flagship program of Ministry of Housing and Urban Affairs, Government of India, HUDCO is providing all the necessary support like appraisal and monitoring of projects by the States.

Further, for meeting the fund requirement of State/Urban Local Bodies (ULB) share in projects under PMAY also, HUDCO is offering loan assistance to meet the gap beyond the grant available from Government of India. As a nominated Central Nodal Agency (CAN), HUDCO is committed in making the scheme a grand success, so that a large number of beneficiaries avail the subsidy under the programme and are able to fulfil their dream of owning a house of their own.

27. STATUTORY AND OTHER INFORMATION REQUIREMENT

The various information, required as per the Companies Act, 2013, Securities and Exchange Board of India (LODR) Regulations, 2015 and DPE guidelines are annexed to this report are as under:

Particulars	Annexure
Management Discussion & Analysis Report	1
Corporate Governance Report	2
Business Responsibility Report	3
Secretarial Auditors Report	4
Annual Report on CSR Activities	5
Extract of Annual Return	6
Declaration of the Code of Conduct	7
Management Reply to the comments/ observations of Independent Auditors Report	8



28. ACKNOWLEDGEMENTS

Your Board acknowledges with thanks and place on record its sincere gratitude for the guidance, co-operation and valuable support extended by the Government of India, especially the Ministry of Housing and Urban Affairs, Ministry of Rural Development, Ministry of Finance, Ministry of Corporate Affairs, Reserve Bank of India, National Housing Bank, Regulatory/Statutory Authorities and various other departments of the Central/State Governments.

The Board also expresses its gratitude to the Shareholders, bondholders, public deposit holders, Bankers, Financial Institutions, the State Governments, Housing Boards, Development Authorities, Municipal/Local Bodies and other Borrowers, etc., for their continued support and confidence reposed by them in the Company.

The Board would also like to express its special thanks to Securities & Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, National Securities Depository Limited, Central Depository Services Limited, Credit Rating Agencies, Registrar & Transfer Agents and other agencies for their continued cooperation and support.

The Board acknowledges the constructive suggestions given by the Office of Comptroller and Auditor General of India, Statutory Auditors, Secretarial Auditor and other professionals associated with the Company.

The Board also wish to place on record its sincere appreciation for the unstinting efforts and dedicated contributions put in by HUDCO officials at all levels, ensuring consistency in growth of the Company.

For and on behalf of the Board of Directors

Sd/-M. Nagaraj Chairman & Managing Director (DIN: 05184848)

Place: New Delhi
Dated: 26th August, 2020



Annexure-1

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

India's GDP grew by 3.1% in 4th quarter of the financial year 2019-20, the lowest growth rate seen under the new GDP series with base year 2011-12 indicating an early impact of the COVID-19 led lockdown. The overall pace of growth weakened across key sectors in 4th quarter of the financial year 2019-20.

As per the provisional estimates (PE) for financial year 2019-20, the real GDP growth has been revised lower to 4.2% as against the 5% growth estimated earlier. Investment rate too fell to 26.9% in financial year 2019-20 (PE), the lowest since 2011-12. Prior to the onset of COVID-19 pandemic, there were some signs of uptick in growth in India. Index of Industrial Production (IIP) grew by 4.5% (y-on-y) during February 2020, as compared to 2.1% in January 2020. Eight core industries registered a growth of 5.5% (y-on-y) in February 2020, highest growth since March, 2019 and consecutive increase since the previous four months.

On account of the national lockdown in the Indian economy amidst rising global cases of coronavirus cases, India's GDP growth in financial year 2020-21 is likely to be notably lower. Global recessionary concerns on account of supply chain disruptions could further put pressure on India's GDP growth. As per IMF's World Economic Outlook, April 2020, the global economy is projected to contract sharply by –3% in 2020-21 due to the pandemic. (Monthly economic report DEA & CARE Macro Bulletin May 2020)

With a view to boosting the realty sector and incentivising the consumers to buy houses, the Government has taken some notable measures in 2019-20 such as:

- i. Government has approved the establishment of a 'Special Window' fund to provide priority debt financing for the completion of stalled housing projects that are in the 'Affordable and Middle-Income' Housing sector. For the purpose of the fund, government shall act as the Sponsor and the total commitment to be infused by the Government would be upto ₹ 10,000 crore. The fund would generate matching contributions from banks, LIC and others to generate a total corpus of around ₹ 25,000 crore. The fund will be set up as a Category-II AIF (Alternate Investment Fund) debt fund registered with SEBI and would be run professionally;
- ii. Eligible beneficiaries of Pradhan Mantri Awas Yojana (Gramin) are to be provided 1.95 crore houses with amenities like toilets, electricity and LPG connections during its second phase (2019-20 to 2021-22);
- iii. External Commercial Borrowings (ECB) guidelines have been relaxed to facilitate financing of home buyers who are eligible under the PMAY, in consultation with RBI. This is in addition to the existing norms for ECB for affordable housing;
- iv. The interest rate on House Building Advance shall be lowered and linked with the 10 Year G Sec Yields;
- v. Additional deduction up to ₹ 1.5 lakh for interest paid on loans borrowed up to 31st March, 2020 for purchase of house valued up to ₹ 45 lakh to promote affordable housing;
- vi. Banks to launch Repo rate/external benchmark linked loan products for reduced EMI for housing loans by directly linking Repo rate to interest rates; and
- vii. Additional liquidity support to HFCs of ₹ 20,000 crore by National Housing Bank (NHB), thereby, increasing it to ₹ 30,000 crore. (Economic Survey 2019-20).

2. STRENGTHS AND WEAKNESSES

HUDCO has evolved as one of the leading techno-financial institutions with a Pan - India presence. The wide outreach of HUDCO is reflected by the fact that in addition to the Corporate Office at Delhi, it has a network of 21 Regional Offices and 11 Development Offices spread across the entire country. HUDCO has been serving the 'un-served' and thus bridging the 'housing divide' in the Country. Besides offering project formulation and project finance, HUDCO also provides consultancy services in the areas of housing and urban development. The company has long-standing association with State Governments and State level agencies such as Development



Authorities, Housing Boards, Urban Local Bodies, etc. It has also been assisting the Country in times of natural calamities like cyclones, earthquakes, tsunamis. etc.

HUDCO is professionally enriched and endowed with one of the best talent pools with diverse backgrounds ranging from Projects, Finance, Law, Urban Planning, Human Resource, Public Relation, Economics, Sociology and Information Technology, having interdisciplinary expertise in areas related to housing and urban infrastructure. HUDCO undertakes training and research activities through its training institute 'Human Settlement Management Institute'(HSMI). The institute provides capacity building programs for Urban Local Bodies, Borrowing Agencies and HUDCO Officials including programs for overseas professionals.

Some of the weaknesses that the company faces include limited access to low cost funds like floating 54-EC bonds and raising ECB funds, exposure norms of regulator limiting lending by HUDCO in few States. It is becoming increasingly difficult in getting State Government Guarantee/budgetary support for major borrowings owing to poor financial status of many State Governments which limits HUDCO's lending.

3. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

India's urban population increased from 222 million (26% of the population) in 1990 to 410 million (32%) in 2014 and is expected to reach 814 million (50%) by 2050. Three of India's cities are among the most populous cities in the world (World Economic Forum). The long-term growth perspective of the Indian economy is bright due to its young population, business/investment reforms, and increasing integration with the global economy.

Rapid pace of urbanization, population growth and inadequate infrastructure are the key growth drivers for the housing and urban infrastructure sectors in India. Government has also unveiled a slew of 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. HUDCO can support these programmes by providing finance. Housing and Infrastructure sector activities have significant multiplier effects on the rest of the economy.

The prevalent market economy has caused greater competition for HUDCO. There is stiff competition from Commercial banks and financial institutions in financing the infrastructure and housing sector projects. Due to this growing competition from Banks and Financial Institutions, the margins are getting reduced over time.

4. SEGMENT WISE OR PRODUCT WISE PERFORMANCE

HUDCO operates only in one segment and has no other reportable segment. Further, product/ sector wise performance, during the financial year ended 31st March, 2020 has been given in the Financial Statements.

5. OUTLOOK

With the microeconomic and macroeconomic foundations laid over the last five years, India now aims to grow into a USD 5 trillion economy by 2024-25. This will make India the third-largest economy in the world. The Union Budgets 2019-20 and 2020-21 have laid special focus on Affordable Housing and Infrastructure Sectors.

Government of India is also committed for implementation of Sustainable Development Goals (SDGs) especially SDG 11 "Make cities and human settlements inclusive, safe, resilient and sustainable" which is essential to MoHUA as well as HUDCO. The Government intends to invest ₹ 100 lakh crore over the next five years in urban sector. As per the High-Powered Expert Committee (HPEC), fund requirement for urban infrastructure during the period 2012-31 has been estimated at ₹ 39.2 lakh crore.

COVID-19 pandemic outbreak started all over the world since January 2020. Due to its swift spread, the pandemic has now threatened the economic performances worldwide. In the major industrialised economies of the world like USA, UK, Italy, France, Germany, etc., the disease has threatened human lives and economic activities in a big way. The disease has started spreading in India since February-March 2020. Indian economy is also likely to be impacted in a major way due to the pandemic. The economic slowdown will impact all sectors in the economy including the Housing and Urban Infrastructure sectors. The scenario is still unfolding and hence the full impact of the pandemic is difficult to ascertain now.



6. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Internal Control System and its adequacy and Internal Audit in the Company, during the year under review have been explained in the Directors Report.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Despite of slowdown in economic activities in the wake of outbreak of COVID-19 pandemic during the last quarter of the year, HUDCO has been able to maintain robust growth of 44.76% in its Net Profits, that has touched an all-time high of ₹ 1708.42 crore from ₹ 1180.15 crore in 2018-19. The Revenue from operations has increased to ₹ 7532.12 crore from ₹ 5547.64 crore in 2018-19 registering a growth of 35.77%. All these has resulted in growth of 12.67% in its net worth to 12343.49 crore from ₹ 10955.77 crore in the previous year 2018-19.

Pursuant to Regulation 34(3) and 53(f) read with Schedule-V of SEBI (LODR) Regulations 2015, since HUDCO being a Housing Finance Company, therefore Debtor Turnover and Inventory Turnover are not applicable to the Company. Further as on 31st March, 2020, Interest Coverage Ratio, Current Ratio, Debt Equity Ratio, Operating Profit Margin and Net Profit margin have not changed significantly being less than 25% as compared to immediately previous year. Return on net worth increased by 28.50% for the year ended 31st March, 2020 while comparing with the previous year due to increase in net profit by ₹ 528.27 crore on account of higher interest income and resolution of NPA accounts.

Further, in preparation of the financial statements, the company has not followed any accounting treatment other then presented in an accounting standard.

The details of Financial Performance with respect to Operational Performance has been fully explained in the Directors Report.

8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Management, over the years, is promoting a culture of consultation and participation with all its internal stakeholders. The Company is fully committed to provide safe and hygienic work environment to its employees.

To enhance the employee's knowledge and upgradation of skills, the company organises various capacity-building programmes, in house as well as in association with various reputed institutes. As a welfare measure and boosting the morale of the employees, the company organizes annual excursion trips, sports events and other large family events. Towards Golden Jubilee celebrations, the Company planned to organize various events, but the same have been postponed due to outbreak of COVID-19 pandemic.

Due to COVID-19 pandemic, HUDCO, in line with the directions of the Government of India, has taken various measures for the well-being and safety of the employees like sanitization of offices on regular basis, security guards are provided with Infrared Temperature Guns to check temperature for fever symptoms, installation of hand sanitizer machines, oximeters, distribution of masks, etc., Further, all the employees have been advised to download AROGYA SETU app., and the same is being checked on daily basis.

As on 31st March, 2020, HUDCO has a strength of 788 employees as against 827 in the previous year. Further, HUDCO had 236 women employees, representing 29.95% of the workforce.

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

The details pertaining to conservation of energy, technological conservation, foreign exchange, etc., has been explained in the Directors Report.

10. CORPORATE SOCIAL RESPONSIBILITY

Besides regular CSR activities, the Company has contributed ₹ 50 crore out of CSR funds in the PM CARES Fund to support the Government of India in the emergency or distress situation posed by COVID-19 pandemic and to provide relief to the effect persons.



The details with respect to Corporate Social Responsibility and Annual Report on CSR for the financial year 2019-20, has duly been explained/ annexed with the Directors Report.

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 vary 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

Sd/-

M. Nagaraj

Chairman & Managing Director

(DIN: 05184848)

Place : New Delhi

Dated : 26th August, 2020



Annexure-2

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

HUDCO, a Mini Ratna, Central Public Sector Enterprise (CPSE) under the Administrative Control of Ministry of Housing and Urban Affairs, Government of India, is fully committed to strengthen best corporate governance practices in all its areas of operations with emphasis to maximize the value of its stakeholders. Your Company ensures transparency in all its operations with special emphasis on financial prudence, accountability and enhancing customer's satisfaction by safeguarding stakeholder's interest and maximizing their wealth by following the applicable laws, rules, regulations and guidelines on Corporate Governance issued by the Securities and Exchange Board of India (SEBI) and the Department of Public Enterprises (DPE).

2. BOARD OF DIRECTORS

(a) Composition and Category of Directors

HUDCO, being a Government Company, the power to appoint Director(s) on its Board, as per its Articles of Association of the Company, vests with the President of India, which is exercised through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India. The Administrative Ministry appoints the Chairman & Managing Director, Whole Time Directors, Non-Executive (Part-time Official Government Directors and Part-time Non-official Independent Directors) on the Board of the Company.

Further, as per the Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, HUDCO requires to have an optimum combination of Executive and Non-Executive Directors with at least one-Woman Independent Director and not less than fifty percent of Board of Directors comprising of Non-Executive Directors. Further, as Chairman in HUDCO, being an Executive Director, half of its Board of Directors shall be Independent Directors. As per Companies Act, 2013, HUDCO requires to have one third of the total number of directors as Independent Directors including at least one-Woman Director.

As on 31st March, 2020, the Board of HUDCO comprised of six directors, out of which two directors were Functional Directors (including additional charge of Chairman & Managing Director assigned to Director Corporate Planning), two Part-time Official Government Directors and two Part-time Non-official Independent Directors including one Independent Women Director, the details of which was as under:

SI. No.	Name	Category				
Whole T	Whole Time Directors (Executive Directors)					
1.	Shri M. Nagaraj (DIN: 05184848)	Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)				
2.	Shri D. Guhan (from 31.12.2019 A/N) (DIN: 06757569)	Director (Finance)				
3.	Dr. M Ravi Kanth (upto 20.12.2019) (DIN: 01612905)	Chairman & Managing Director				
4.	Shri Rakesh Kumar Arora (upto 30.11.2019) (DIN: 02772248)	Director (Finance)				
Part-tim	e Official Government Directors					
5.	Shri Amrit Abhijat (DIN: 03022727)	Director				
6.	Shri Shyam Sunder Dubey (from 08.08.2019) (DIN: 06601151)	Director				
7.	Smt. Jhanja Tripathy (upto 08.08.2019) (DIN: 06859312)	Director				



SI. No	Name	Category
Part-ti	me Non-official Independent Directors	
8.	Smt. Pratima Dayal (DIN: 06992866)	Director
9.	Dr. Sudip Kumar Nanda (DIN: 00315376)	Director
10.	Shri Mukesh Maganbhai Arya (upto 16.06.2019) (DIN: 02753885)	Director
11.	Prof. Chetan Vamanrao Vaidya (upto 16.06.2019) (DIN: 07550281)	Director
12.	Shri Amarishkumar G Patel (upto 11.08.2019) (DIN: 07591533)	Director

Notes:

- Ministry of Housing and Urban Affairs (MoHUA), Government of India, being the Administrative Ministry/ appointing authority has assigned current charge of the post of Chairman & Managing Director to Shri M. Nagaraj, Director (Corporate Planning), with effect from 7th January, 2020 for a period of 3 months or until further orders whichever is earlier, vide orders dated 7th January, 2020, which was completed on 6th April, 2020;
- 2. Smt. Pratima Dayal and Dr. Sudip Kumar Nanda, ceased to be Part-time Non-Official Independent Director(s) from the Board of the Company on completion of their term with effect from 18th April, 2020 as per terms and conditions of their appointment;
- 3. Shri Shiv Das Meena, I.A.S. (DIN: 01881010), Additional Secretary, Ministry of Housing and Urban Affairs, Government of India, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO with effect from 21st April, 2020, accordingly, he was Key Managerial Personnel from 21st April, 2020. Further, the MOHUA has conveyed that in pursuance of Department of Personnel and Training order dated 12th May, 2020, Shri Shiv Das Meena, has been relieved of his duties in the MoHUA, GoI, with effect from 18th May, 2020 (F/N). Accordingly, he is also relieved from the additional charge of Chairman & Managing Director, HUDCO with effect from 18th May, 2020 (F/N);
- 4. Further, MoHUA vide order dated 27th May, 2020 has again assigned the current charge of the post of Chairman & Managing Director, HUDCO to Shri M. Nagaraj, Director (Corporate Planning) for a period of 3 months with effect from 27th May, 2020 or until further orders whichever is earlier; and
- 5. The power to appoint directors on the Board of HUDCO vests with the President of India. Ministry of Housing and Urban Affairs (MoHUA), Administrative Ministry, being the appointing authority has been requested to fill the vacant positions of Part time Non-Official (Independent) Directors on the Board of the Company and the same is in process. Presently, there is no Independent Director on the Board of the Company.

The brief profile of Board Members, as on the date of signing of this report, is given hereunder:

M. Nagaraj

Director (Corporate Planning)

(DIN: 05184848)

Shri M. Nagaraj, aged 53 years is Director (Corporate Planning) of the Company, since, 1st February, 2019.

Shri Nagaraj is a qualified Cost Accountant, Company Secretary and a certified Banker having qualification of CAIIB. He also holds post-graduation in Management, i.e., MBA with specialisation in Finance.

Shri Nagaraj with varied experience of around 29 years in multitude of sectors such as Housing Infrastructure Finance, Skill Development & Micro Finance in Social Sector and International Trading, has strong fundamentals in Managerial Capabilities and e-governance for corporate sector.

Prior to joining HUDCO, Shri Nagaraj, served PEC Limited (formerly Projects and Equipment Corporation of India Limited) under the Ministry of Commerce and Industry as its Chairman & Managing Director. He was also Managing Director in National Safai Karmacharis Finance and Development Corporation Limited under the aegis of Ministry of Social Justice and Empowerment.



Before that, he was Director in IIFCL Projects Limited (a group company of India Infrastructure Finance Corporation Limited) and also General Manager in IIFCL under Ministry of Finance, handling the portfolios of Project Finance especially Take-out Finance Scheme of IIFCL. Board Secretariat, Vigilance Activities and Business Development, etc.

Ministry of Housing and Urban Affairs, Government of India vide orders dated 7th January, 2020 had assigned the current charge of the post of Chairman & Managing Director, HUDCO to Shri M. Nagaraj for a period of three months with effect from 7th January, 2020, which was completed on 6th April, 2020. Further, he has again been assigned the current charge of the post of Chairman & Managing Director, HUDCO for a period of 3 months with effect from 27th May, 2020 or until further orders whichever is earlier.

Shri Nagaraj holds directorship in one unlisted entity other than HUDCO namely Bangalore Metro Rail Corporation Limited. He does not hold membership of Committees of the Board in other Companies.

He has no inter-se relationship with the other directors on the Board of HUDCO.

D. Guhan

Director (Finance)

(DIN: 06757569)

Shri D. Guhan, aged 56 years, is Director (Finance) of the Company since 31st December, 2019.

Shri Guhan is a fellow member of the Institute of Cost Accountants of India. He also holds Bachelor degree in Commerce (Honours) from Delhi University, Master in Commerce from University of Rajasthan and Post Graduate Diploma in Housing, Planning and Building from Institute of Housing and Urban Development Studies, Rotterdam, Netherlands. He was conferred Honours Diploma in Network Centred Computing, with Excellent Performance evaluation from National Institute of Information Technology.

Shri Guhan has been associated with the company since May, 1987 in various capacities both at Corporate and Regional Office(s) in the Accounts, Finance and as head of the Regional Office.

Shri Guhan has over 33 years of wide exposure in credit appraisal of Project Finance pertaining to Housing and Infrastructure. The working experience also includes overseeing functions of Finance and Accounts discipline comprising of Corporate Finance & Taxation, Resource Mobilization, Loan Accounting, Treasury management, Audit of Financial Statements, Investor Relations and IPO Management. He has been associated with the computerisation of the financial and loan accounting functions.

Pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, in respect of Shri Guhan who has been appointed as an Additional Director to hold office upto the date of ensuing Annual General Meeting, the Company has received a notice in writing from a shareholder proposing his candidature for the office of Director (Finance) of the Company on the same terms and conditions as approved by the President of India.

Shri Guhan is not holding directorship and membership of Committees of the Board in other Companies.

He has no inter-se relationship with the other directors on the Board of HUDCO.

Amrit Abhijat, I.A.S.

Part-time Official Government Director

(DIN: 03022727)

Shri Amrit Abhijat aged 52 years, a 1995 batch I.A.S. officer of Uttar Pradesh cadre is a Part-time Official Government Director of the Company since 1st June, 2018. Presently, he is serving as Joint Secretary and Mission Director, Ministry of Housing and Urban Affairs, Government of India, looking after its flagship programme of Housing for All/Pradhan Mantri Awas Yojna (Urban).

Shri Abhijat holds a Post-graduation degree in History from Delhi University, Master in Developmental Studies from the University of Sussex, UK. He has also done courses in Environmental law and Rural Development amongst others.

Shri Abhijat has over 25 years of distinguished career and has extensive expertise in Administrative Functions. In the past, he held various important positions with the Government of Uttar Pradesh like Secretary in the Ministries of Home, Information, Technical Education, Tourism and Agri-marketing.



Pursuant to provisions of Companies Act read with Articles of Association of the Company, Shri Abhijat retires by rotation at the ensuing Annual General Meeting and eligible for reappointment on the same terms and conditions as earlier approved by President of India.

Shri Abhijat holds directorship in two entities other than HUDCO namely Agra- Mathura City Transport Services Limited and Hindustan Prefab Limited. He is a member of Audit Committee and Remuneration Committee with Hindustan Prefab Limited.

He has no inter-se relationship with the other directors on the Board of HUDCO.

Shyam Sunder Dubey, I.C.A.S. Part-time Official Government Director (DIN: 06601151)

Shri Shyam Sunder Dubey aged about 55 years an Indian Civil Accounts Services Officer of 1989 batch, is a Part-time Official Government Director of the Company since 8th August, 2019. Presently he is serving as Joint Secretary & Financial Advisor in the Ministry of Housing and Urban Affairs, Government of India.

Shri Dubey holds B.Sc. degree in Biology, M.Sc. degree in Psychology, M.Phil. in Strategic Affairs and National Security as part of long-term training from National Defence College and holds Post Graduate Diploma in International Business from Indian Institute of Foreign Trade, New Delhi.

Shri Dubey has 31 years of rich, varied and multi-disciplinary experience in the field of Public Financial Management, Programme/Project Management of managing Gol's welfare schemes, i.e., PDS, Accounting, Performance and Efficiency Audit of schemes, Budgeting, Public Expenditure Management and Procurement.

In the past, Shri Dubey served different Ministries at various important positions like Financial Adviser, Bank Note Press, Ministry of Finance, Deputy Secretary in Ministry of Food, Consumer Affairs and Pubic Distribution, Head Procurement and Logistics, UN World Food Programme, Chief Controller of Accounts, Department of Industrial Policy and Promotion and also in Ministry of Housing and Urban Affairs.

Shri Dubey holds directorship in eight companies other than HUDCO namely NBCC (India) Limited (a listed company), Kolkata Metro Rail Corporation Limited, Mumbai Metro Rail Corporation Limited, Maharashtra Metro Rail Corporation Limited, Gujarat Metro Rail Corporation Limited, Uttar Pradesh Metro Rail Corporation Limited, Noida Metro Rail Corporation Limited and Hindustan Prefab Limited as Nominee Director.

Shri Dubey is Chairman of Audit Committee in Noida Metro Rail Corporation Limited, Maharashtra Metro Rail Corporation Limited, Mumbai Metro Rail Corporation Limited, Hindustan Prefab Limited and HUDCO (listed company), member of Audit Committee in Uttar Pradesh Metro Rail Corporation Limited, NBCC (India) Limited (listed company), member of Stakeholders Relationship Committee in HUDCO (listed company), member of Nomination Committee in NBCC (India) Limited (listed company), member of Share Allotment Committee in Mumbai Metro Rail Corporation Limited and member of the Committee to review NPA's and Review Committee on Willful Defaulters in HUDCO (listed company).

He has no inter-se relationship with other directors on the Board of HUDCO.

(b) Attendance Record and Directorship/Committee position for the period commencing from 1st April, 2019 to 31st March, 2020

SI. No.	Name of the Director(s)	No. of Board Meeting(s) Held during their tenure from 01.04.2019 to 31.03.2020		Last AGM Attended (held on 25.09.2019)	committee excluding HU	directorship/ membership DCO held as on 3.2020
					Total Directorship (including listed entity)	Committee Chairmanship/ Membership
1.	Dr. M. Ravi Kanth (upto 20/12/2019)	09	09	Yes	NA	NA



2.	Shri Rakesh Kumar Arora (upto 30/11/2019)	08	08	Yes	NA	NA
3.	Shri D. Guhan (from 31/12/2019)	04	04	NA	-	-
4.	Shri M. Nagaraj	13	13	Yes	1	-
5.	Smt. Jhanja Tripathy (upto 08/08/2019)	05	00	NA	NA	NA
6.	Shri Amrit Abhijat	13	01	No	2	2
7.	Shri Shyam Sunder Dubey # (from 08/08/2019)	08	04	No	8	6
8.	Shri Mukesh M Arya (upto 16.06.2019)	02	02	NA	NA	NA
9.	Prof. Chetan V Vaidya (upto 16.06.2019)	02	01	NA	NA	NA
10.	Shri Amarishkumar G Patel (upto 11.08.2019)	05	05	NA	NA	NA
11.	Smt. Pratima Dayal	13	12	Yes*	-	-
12.	Dr. Sudip Kumar Nanda	13	12	Yes**	3	-

^{*} Smt. Pratima Dayal, Part-time Non-official (Independent) Director also attended the 49th Annual General Meeting in the capacity of Chairperson of the 'Nomination and Remuneration Committee' and 'Stakeholders Relationship Committee'.

Shri Shyam Sunder Dubey also holds the position of nominee Director on the Board of NBCC(India) Limited, a listed entity.

Note:

- (i) As per Regulation 26 of the SEBI (LODR) Regulations, 2015:
 - None of the Directors is neither a member of more than 10 Committee(s) in public limited companies whether listed
 or not nor a Chairman of more than 5 Committee(s) across all listed entities, in which, he/she is a Director; and
 - Chairmanship/ membership of Committees include Chairmanship/ membership of Audit and Stakeholders' Relationship Committee(s) only other than HUDCO;
- (ii) In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Amrit Abhijat, Part time Official (Government) Director shall retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment; and
- (iii) There is no inter-se relationship among the directors.

(c) Number and Date of meetings of the Board of Directors

During the financial year 2019-20, 13 meetings of the Board of Directors were held on the following dates:

25th April, 2019, 24th May, 2019, 26th June, 2019, 5th July, 2019, 2nd August, 2019, 30th August, 2019, 25th September, 2019, 13th November, 2019, 19th December, 2019, 3rd February, 2020, 19th February, 2020, 28th February, 2020 and 18th March, 2020.

- (d) None of the Directors held any shares/stocks/convertible instruments in the Company and the Company has not issued any stocks/ convertible instrument as on 31st March, 2020;
- (e) HUDCO's Board comprises of mix of executive/ non-executive directors. They are updated on the business developments/ model of the Company including various risks to which the business of the company is exposed to, changes in the applicable

^{**} Dr. Sudip Kumar Nanda, Part-time Non-official (Independent) Director also attended the 49th Annual General Meeting in the capacity of Chairman of the 'Audit Committee'.



laws viz-a-viz their role and responsibilities, for which they are provided necessary material as part of the familiarization/ training programmes. They are nominated for various programmes of the professional interest from time to time as per their convenience, consent and availability. The familiarization programme is available on the website of the Company at <a href="https://

- (f) All the Independent Directors, available during the financial year 2019-20, had actively participated in the Board/ Committee meetings and substantially contributed towards the growth of the organization;
- (g) As per requirements of regulation 25(8) of the SEBI(LODR) Regulations, 2015 and section 149(7) Companies Act, 2013, all the Independent Director(s) have submitted a declaration that they met the criteria of independence and the same was taken on record by the Board of Directors after undertaking due assessment of the veracity of the same. The Board of Directors are of the opinion that Independent Directors fulfil the condition(s) specified under SEBI(LODR) Regulations, 2015 and Companies Act, 2013 and are independent of the management; and
- h) As per requirements of Schedule IV of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, a separate meeting of Independent Directors was held on 19th February, 2020 without the attendance of non-independent directors and members of management, wherein they:
 - reviewed the performance of non-independent directors and the Board as a whole;
 - reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors; and
 - assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

3. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, DPE guidelines and/or from operational point of view, HUDCO's Board has constituted/ reconstituted various Committees from time to time. The recommendations of the Committee, wherever required, are placed before the Board for its approval. During the year, all recommendations of the Committees were approved by the Board of Directors.

As on 31st March, 2020, HUDCO Board is assisted by following Board level Committees:

- (i) Audit Committee
- (ii) Corporate Social Responsibility Committee
- (iii) Stakeholders Relationship Committee
- (iv) Risk Management Committee
- (v) Nomination & Remuneration Committee
- (vi) Committee of Directors to oversee Sustainable Development Activities including R&D
- (vii) Committee to Review NPA
- (viii) Review Committee on Wilful Defaulters
- (ix) Committee for lending on account of EBR for PMAY (U)

Audit Committee

Brief Description of terms of reference

The scope and term of reference of Audit Committee is in compliance with the requirements under the Companies Act, 2013 and rules framed thereunder, SEBI (LODR) Regulations, 2015, DPE guidelines and the same have been approved by the Board of Directors from time to time.

Composition, name of Members and Chairman

As on 31st March, 2020, the Audit Committee comprises of 3 members, out of which 2 members were Part-time Non-official Independent

Directors and 1 member was Part-time Official Government Director. The Committee was headed by Part-time Non-official Independent Director.

Director (Finance)/Chief Financial Officer, Executive Director-Internal Audit/Finance were invited is the meetings of Audit Committee. The Statutory Auditors of the Company were also invited as per requirement.

The Company Secretary acts as the Secretary of the Audit Committee.

The composition of the Audit Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member
1.	Dr. Sudip Kumar Nanda	Chairman	Part-time Non-official Independent Director
2.	Shri Shyam Sunder Dubey	Member	Part-time Official Government Director
3.	Smt. Pratima Dayal	Member	Part-time Non-official Independent Director

Meetings and Attendance during the year

The meetings of the Audit Committee are held at regular intervals to review various issues in terms of its scope and terms of reference, which includes review of quarterly/half yearly and annual financial statements, internal control systems and internal audit reports, besides other matters.

During the year, eight (8) meetings of the Audit Committee were held on 24th May, 2019, 5th July, 2019, 2nd August, 2019, 13th November, 2019, 26th November, 2019, 19th December, 2019, 8th January, 2020 and 3rd February, 2020.

Attendance of members at the meetings

SI. No.	Name of Member	No. of Audit Committee Meeting(s)		
		held during their ten- ure in 2019-20	attended	
1.	Dr. Sudip Kumar Nanda	8	8	
2.	Smt. Pratima Dayal	8	8	
3.	Shri Shyam Sunder Dubey (from 08.08.2019)	5	3	
4.	Shri Mukesh M Arya (up to 16.06.2019)	1	1	
5.	Smt. Jhanja Tripathy (up to 08.08.2019)	3	0	

Corporate Social Responsibility Committee

Brief Description of terms of reference

The 'Corporate Social Responsibility Committee' of the Board is in place as per requirements of section 135 of the Companies Act, 2013 and DPE guidelines on Corporate Governance, as amended from time to time.

The Committee formulates and recommend CSR Policy to the Board for its approval along with amount of expenditure to be incurred on the activities specified in the policy and monitors the CSR Policy of the Company. The Company has a separate department to look after the CSR activities of the Company, presently headed by an officer at Executive Director level. HUDCO's policy on CSR may be viewed/available at the company's website at the link: https://hudco.org//writereaddata/csrpolicy.pdf.

Composition, name of Members and Chairman

As on 31st March, 2020, the Committee comprises of 3 members, out of which 2 members were Part-time Non-official Independent Directors and 1 member was Functional Director. The Committee was headed by Chairman & Managing Director. Executive Director - CSR was permanent special invitee of the CSR Committee.



The Company Secretary acts as the Secretary of the CSR Committee.

The composition of the CSR Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member
1.	Shri M. Nagaraj	Chairman	Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)
2.	Smt. Pratima Dayal	Member	Part-time Non-official Independent Director
3.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

Meetings and Attendance during the year

During the year, eight (8) meetings of the CSR Committee were held on 25th April, 2019, 24th May, 2019, 5th July, 2019, 2nd August, 2019, 25th September, 2019, 19th December, 2019, 19th February, 2020 and 28th February, 2020.

Attendance of members at the meetings

SI. No.	Name of Member	No. of Meeting(s)		
		held during their ten- ure in 2019-20	attended	
1.	Shri M. Nagaraj (from 03.02.2020)	2	2	
2.	Smt. Pratima Dayal (from 02.08.2019)	4	4	
3.	Dr. Sudip Kumar Nanda	8	8	
4.	Dr. M. Ravi Kanth (upto 20.12.2019)	6	6	
5.	Shri Mukesh M Arya (upto 16.06.2019)	2	2	
6.	Prof. Chetan V Vaidya (upto 16.06.2019)	2	1	
7.	Shri Amarishkumar G Patel (upto 11.08.2019)	4	4	

Stakeholders Relationship Committee

Brief Description of terms of reference

HUDCO has in place 'Stakeholders Relationship Committee' constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, for redressal of Stakeholders grievances which includes inter alia grievances related to transfer/ transmission/transposition/ demat/ remat, loss of certificates, non-receipt of annual report, dividend/ interest warrants, repayment of principal and /or interest on fixed deposits/ bonds, etc. The scope and terms of reference of Committee is in line with the provisions as contained in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Composition, name of Members and Chairperson

As on 31st March, 2020, the Committee comprises of 4 members, out of which 1 member was Part-time Non-official Independent Director, 1 member was Part-time Official Government Director and 2 members were Functional Directors.

The Committee was headed by Part-time Non-official Independent Director.

Shri Harish Sharma, Company Secretary & Compliance Officer acts as the Secretary of the Committee.

The composition of the Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member
1.	Smt. Pratima Dayal	Chairperson	Part-time Non-official Independent Director
2.	Shri Shyam Sunder Dubey	Member	Part-time Official Government Director
3	Shri M. Nagaraj	Member	Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)
4.	Shri D. Guhan	Member	Director (Finance)

Meetings and Attendance during the year

During the year, four (4) meetings of the 'Stakeholders Relationship Committee' were held on 25th April, 2019, 2nd August, 2019, 13th November, 2019 and 3rd February, 2020.

Attendance of members at the meetings

SI. No.	Name of Member	No. of Meeting(s)		
		held during their tenure in 2019-20	attended	
1.	Smt. Pratima Dayal	4	4	
2.	Smt. Shyam Sunder Dubey (from 08.08.2019)	2	1	
3.	Shri M. Nagaraj	4	4	
4.	Shri D. Guhan	1	1	
5.	Smt. Jhanja Tripathy (upto 08.08.2019)	2	0	
6.	Shri Rakesh Kumar Arora (upto 30.11.2019)	3	3	

Status of shareholders grievances as on 31st March, 2020

The status of redressal of shareholders grievances as on 31st March, 2020 was as under:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	91	91	0

Risk Management Committee

Brief Description

In compliance of the requirement(s) of regulation 21 of the SEBI(LODR) Regulations, 2015, the 'Risk Management Committee' of the Board is in place to access the various risks to which the company is exposed to and suggest the various strategies for their mitigation.

The Committee is assisted by three sub-committees namely Assets & Liabilities Management Committee (ALCO), Credit Risk Management Committee (CRMC) and Operational Risk Management Committee (ORMC) recommending/suggesting the ways for their mitigation. Further, in compliance with the National Housing Bank (NHB) circular, the role of Chief Risk Officer has been assigned to an Executive Director level officer with the defined roles and responsibilities.

Composition, name of Members and Chairman

As on 31st March, 2020, the Committee comprises of 3 members, out of which 1 member was Part-time Non-official Independent Director and 2 members were Functional Directors. The Committee was headed by Part-time Non-official Independent Director.

Further, Senior Executive Director (Operations) and Executive Director/General Manager/ HoD- (Risk Management) attends the



meetings of the Committee as special invitees. The Company Secretary acts as the Secretary of the Committee.

The composition of the Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member
1.	Dr. Sudip Kumar Nanda	Chairman	Part-time Non-official Independent Director
2.	Shri M. Nagaraj	Member	Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)
3.	Shri D. Guhan	Member	Director (Finance)

Meetings and Attendance during the year

During the year, three (3) meetings of the 'Risk Management Committee' were held on 25th June, 2019, 25th September, 2019 and 19th February, 2020.

Attendance of members at the meetings

SI. No.	Name of Member	No. of Meeting(s)		
		held during their tenure in 2019-20	attended	
1.	Dr. Sudip Kumar Nanda	3	3	
2.	Shri M. Nagaraj	3	3	
3.	Shri D. Guhan (from 31.12.2019)	1	1	
4.	Shri Rakesh Kumar Arora (upto 30.11.2019)	2	2	

Nomination & Remuneration Committee

Brief Description and scope & terms of reference

Earlier, the Board has constituted 'Remuneration Committee for PRP' as per DPE Guidelines and 'Nomination & Remuneration Committee' as per requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI(LODR) Regulations, 2015. During the year, the Board has merged both the Committees into a single Committee under the nomenclature 'Nomination & Remuneration Committee', the scope and terms of reference of which is in conformity with the DPE guidelines, SEBI(LODR) Regulations, 2015, and Companies Act, 2013 subject to exemptions granted to Government Companies from time to time.

HUDCO, being a Government Company, its Directors, i.e., Functional Directors, Part-time Official (Government Nominee) Directors and Part-time Non-official Independent Directors, are appointed by the President of India through its Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India and their performance is being evaluated by the Ministry as per its own evaluation methodology, hence the requirement of carrying out formal annual evaluation by the Board of its own performance and that of its committees and individual directors is not applicable as per Ministry of Corporate Affairs notification dated 5th June, 2015.

Further, MCA vide notification dated July 5, 2017 prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism, prescribed in Schedule IV of the Companies Act, 2013, is also not applicable to Government Companies. Similar exemption has been requested by some of the CPSEs through Department of Public Enterprises, from SEBI under the SEBI (LODR) Regulations, 2015.

The recommendations of the Committee are placed before the Board for its approval.

Composition, name of Members and Chairperson

As on 31st March, 2020, the Committee comprises of three (3) members, out of which 2 members were Part-time Non-official Independent Directors and 1 member was Part-time Official Government Director. The Committee was headed by Part-time Non-official Independent Director.

Executive Director (Human Resources) was special invitee to the meeting(s) of the Committee.

The Company Secretary acts as the Secretary of the Committee.



The composition of the Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member	
1.	Smt. Pratima Dayal	Chairperson	Part-time Non-official Independent Director	
2.	Shri Amrit Abhijat	Member	Part-time Official Government Director	
3.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director	

Meetings and Attendance during the year

During the year, 2 meetings of the Committee were held on 24th May, 2019 and 5th July, 2019, wherein the attendance of members was as under:

SI. No.	Name of Member	No. of Meeting(s)		
		held during their tenure in 2019-20 attended		
1.	Smt. Pratima Dayal	2	2	
2.	Shri Amrit Abhijat	2	0	
3.	Dr. Sudip Kumar Nanda (from 26.06.2019)	1	1	
4.	Shri Mukesh M Arya (upto 16.06.2019)	1	1	
5.	Prof. Chetan V Vaidya (upto 16.06.2019)	1	0	

Committee of Directors to Oversee Sustainable Development Activities Including R&D

Brief Description and scope & terms of reference

In compliance of the guidelines issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises (DPE), Government of India, HUDCO has in place a Committee of Directors to oversee the Sustainable Development Activities including R&D. The Company has formulated a Research & Development (R&D) policy in line with the guidelines issued by DPE and necessary allocation of funds for R&D activities has been made as per DPE guidelines.

DPE vide O.M. No. M-05/0012/2014-DPE(MoU), dated 17th July 2019 has withdrawn the aforesaid guidelines. As HUDCO is carrying on activities pertaining to training, capacity building and innovation through research & development, and accordingly decided to continue with its existing R&D Policy by utilizing the accumulated balance of non-utilized funds.

Composition, Name of Members and Chairperson

As on 31st March, 2020, the Committee comprises of 4 members, out of which 1 member was Part-time Non-official Independent Director, 1 member was Part-time Official Government Director and 2 members were Functional Directors. The Committee was headed by Part-time Non-official Independent Director.

Executive Director Training (HSMI) is special invitee to meeting(s) of the Committee. Company Secretary acts as Secretary of the Committee.

The composition of the Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member	
1.	Smt. Pratima Dayal	Chairperson	Part-time Non-official Independent Director	
2.	Shri Amrit Abhijat	Member	Part-time Official Government Director	
3.	Shri M. Nagaraj	Member	Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)	
4.	Shri D. Guhan	Member	Director (Finance)	



Attendance of members at the meetings

During the year, two (2) meetings of the Committee were held on 2nd August, 2019 and 30th August, 2019, wherein attendance of the members was as under:

SI. No.	Name of Member	No. of Meeting(s)		
		held during their tenure in 2019-20 attended		
1.	Smt. Pratima Dayal	2	2	
2.	Shri Amrit Abhijat	2	0	
3.	Shri M. Nagaraj	2	2	
4.	Shri D. Guhan (from 31.12.2019)	0	0	
5	Shri Rakesh Kumar Arora (upto 30.11.2019)	2	2	

Committee to Review NPAs

Brief Description

In order to review and monitor financial health of loan accounts of HUDCO, the Company has in place a Committee of Directors under the nomenclature 'Committee to Review NPAs', the meetings of which are held periodically and necessary directions, wherever required are issued towards resolution of NPA/ default cases.

Composition, name of Members and Chairman

As on 31st March, 2020, the Committee comprises of four (4) members, out of which 1 member was Part-time Non-official Independent Director, 1 member was Part-time Official Government Director and 2 members were Functional Director(s). The Committee was headed by Part-time Non-official Independent Director.

Executive Director (Defaults) is special invitee to meeting(s) of the Committee. Company Secretary acts as Secretary of the Committee.

The composition of the Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member
1.	Dr. Sudip Kumar Nanda	Chairman	Part-time Non-official Independent Director
2.	Shri M. Nagaraj	Member	Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)
3.	Shri D. Guhan	Member	Director (Finance)
4.	Shri Shyam Sunder Dubey	Member	Part-time Official Government Director

Attendance of members at the meetings

During the year, two (2) meetings of the Committee were held on 25th June, 2019 and 25th September, 2019, wherein attendance of the members was as under:

SI. No.	Name of Member	No. of Meeting(s)		
		held during their ten- ure in 2019-20	attended	
1.	Dr. Sudip Kumar Nanda	2	2	
2.	Shri M. Nagaraj	2	2	

3.	Shri D. Guhan (from 31.12.2019)	0	0
4.	Shri Shyam Sunder Dubey (from 08.08.2019)	1	0
5.	Shri Mukesh M Arya (upto 16.06.2019)	0	0
6.	Smt. Jhanja Tripathy (upto 08.08.2019)	1	0
7.	Shri Rakesh Kumar Arora (upto 30.11.2019)	2	2

Review Committee on Wilful Defaulters

Brief Description

In compliance with National Housing Bank (NHB) Regulations, HUDCO has in place a Committee to Review the Wilful Defaulters since, 2016.

Composition, name of Members and Chairman

As on 31st March, 2020, the Committee comprises of 4 members, out of which 2 members were Functional Directors, 1 member was Part time Official Government Director and 1 member was Part time non-official Independent Director. The Committee was headed by Chairman & Managing Director.

The Company Secretary acts as Secretary of the Committee.

The composition of the Committee as at 31st March, 2020 was as under:

SI. No.	Name	Position	Status of Member	
1.	Shri M. Nagaraj	Chairman	Chairman & Managing Director (Additional charge) and Director (Corporate Planning)	
2.	Shri D. Guhan	Member	Director (Finance)	
3.	Shri Shyam Sunder Dubey	Member	Part-time Official Government Director	
4.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director	

During the year under review, no meeting of the Committee was held.

Committee for lending on account of EBR for PMAY (U)

Brief Description

For the purpose of sanction of loan assistance to 'Building Material and Technology Promotion Council' (BMTPC) on behalf of Government of India for Disbursement of Central Assistance to States/UTs and Central Nodal Agencies (CNAs) under Pradhan Mantri Awas Yojna-Urban (PMAY-U)- Extra Budgetary Resource for National Urban Housing Fund, the Board of Directors of the Company in its 598th meeting held on 5th September, 2018, constituted a Committee of the Board having its nomenclature as 'Committee for lending on account of EBR for PMAY(U).

Composition, name of members and Chairman

As on 31st March, 2020, the Committee comprises of three (3) Functional Director(s) with Chairman & Managing Director as its Chairman.

During the year under review, no meeting of the Committee was held.

4. Remuneration of Directors and Key Managerial personnel

(a) Detail of remuneration paid to Directors and Key Managerial Personnel, during the financial year 2019-20 was as under:



(in Rupees)

Name of Director	Salary/ Allowances	Benefits	Performance Linked Incentives	Gross Amount
Dr. M. Ravi Kanth Chairman & Managing Director (upto 20.12.2019)	30,84,064	41,88,529	37,96,081	1,10,68,674
Shri M. Nagaraj Director (Corporate Planning) and Chairman & Managing Director (Addl. Charge)	36,54,668	11,17,878	3,24,000	50,96,546
Shri Rakesh Kumar Arora Director (Finance) and CFO (upto 30.11.2019)	28,53,347	1,29,366	27,42,077	57,24,790
Shri D. Guhan Director (Finance) and CFO (from 31.12.2019 A/N)	9,51,480	1,59,745	1,93,056	13,04,281
Smt. Arshi Ali Ahmad, CFO (from 19.12.2019 to 31.12.2019 F/N)	1,26,649	17,736	0	1,44,385
Shri Harish Kumar Sharma Company Secretary	23,06,427	11,01,189	9,19,030	43,26,646
Total	1,29,76,635	67,14,443	79,74,244	2,76,65,322

Notes:

- a) Dr. M. Ravi Kanth, Shri Rakesh Kumar Arora, Shri D. Guhan and Smt. Arshi Ali Ahmad were employed as Directors/ Chief Financial Officers for part of the year during the financial year;
- b) Shri Rakesh Kumar Arora ceased to be Director (Finance) & CFO w.e.f., 1st December, 2019 on attaining the age of superannuation on 30th November, 2019 as per term and conditions of his appointment;
- c) Dr. M. Ravi Kanth, ceased to be Chairman & Managing Director w.e.f., 21st December, 2019, as per terms and conditions of his appointment;
- d) Shri D. Guhan, assumed the charge of the post of Director (Finance) with effect from 31st December, 2019 (A/N) on the terms and conditions of his appointment. Further, he also assumed the charge of Chief Financial Officer from Smt. Arshi Ali Ahmad with effect from 31st December, 2019 (A/N);
- e) Benefits include medical reimbursement, leave encashment, perquisites, lease rent and EPF, etc; and
- f) Performance Linked Incentive includes PRP for the financial year(s) 2017-18 and 2018-19.
- (b) Part-time Non-official Independent Director(s) have been paid remuneration by way of sitting fee @ ₹ 20,000/- for attending each meeting of the Board and ₹ 15000/- for attending each meeting of the Committee(s) of the Board as approved by the Board of Directors and the Administrative Ministry.

The detail of sitting fee paid to the Part-time Non-official Independent Director(s) for attending the meeting(s) of the Board and its Committees including Separate Meeting of independent Directors during the financial year 2019-20 was as under:

Name of the Director	Sitting Fee		Total (₹)
	Board Meeting (₹)	Committee Meeting (₹)	
Shri Mukesh M Arya	40000	60000	100000
Prof. Chetan V Vaidya	20000	15000	35000



Shri Amarishkumar G Patel	100000	60000	160000
Smt. Pratima Dayal	240000	315000	555000
Dr. Sudip Kumar Nanda	240000	345000	585000

- (c) The Part-time Official Government Director(s) are not entitled to any remuneration/ sitting fee from the Company;
- (d) All the Directors on the Board of the Company including Chairman & Managing Director and Functional Director(s) are appointed by the President of India through the Administrative Ministry. The terms and conditions of appointment of Director(s) including service contract, notice period, severance fee and payment of their remuneration is as per their terms of appointment as decided by the President of India; and
- (e) Apart from above, the Directors does not have any other material pecuniary relationship with the company.

5. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meeting(s) held:

Meeting No.	Financial Year	Location	Date	Time	Whether any special resolution passed
49 th	2018-19	Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi - 110003	25.09.2019	11.00 a.m.	Yes
48 th	2017-18	Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi - 110003	25.09.2018	04:00 p.m.	Yes
47 th	2016-17	Sirifort Auditorium, August Kranti Marg, New Delhi - 110049	28.09.2017	10:30 a.m.	Yes

Postal Ballot

During the year under review, no resolution/ business was transacted through postal ballot. Further, none of the business proposed to be transacted at the ensuing Annual General Meeting requires passing through postal ballot.

6. Means of Communications

The Unaudited/Audited Quarterly/Half Yearly and/or Annual Financial Results, Shareholding Pattern, Corporate Governance Report and other statutory informations/ announcements as required under the SEBI (LODR) Regulations, 2015 are announced/filed with the Stock Exchanges within the stipulated time frame and are available on the website of the Stock Exchanges and the same are also displayed on the Company's website at www.hudco.org, for information of the stakeholders.

Further, Unaudited/Audited Financial Results and other Statutory Notices/announcements, etc., are also published in leading English and Hindi newspapers, i.e., Economic Times, Business Standard, Mint, Nav Bharat Times (Hindi), Hindustan (Hindi) having wider circulations across the Country.

Annual Report containing inter-alia, audited financial statements both standalone and consolidated, Directors Report, Management Discussion & Analysis Report, Business Responsibility Report, Corporate Governance Report, Auditors Report and other important information is circulated to the members and others entitled thereto.

Official news/ press releases, presentation made to investors/ analysts, etc., are displayed/ hosted on the website of the Stock Exchanges and the same are also made available at Company's website, i.e., www.hudco.org. Press releases on quarterly results are also covered by several Regional and National newspapers.



7. General Shareholder Information

Annual General Meeting - date, time and venue (financial year 2019-20)

Number	50 th	
Day and Date	Wednesday, the 30 th September, 2020	
Time	3:00 p.m.	
Venue	The company is conducting meeting through video conferencing/other Audio Visual means pursuant to the MCA circular dated 5 th May, 2020. The proceding of the AGM shall be deemed to be conducted at the registred office of the company located at HUDCO Bhawan, India Habitat Center, Lodhi Road, New Delhi-110003	

Dividend payment date

During the year under review, HUDCO has paid an interim dividend of ₹ 0.75 (7.50%) per equity share having face value of ₹ 10/- each totalling to ₹ 150.14 crore (excluding dividend distribution tax of ₹ 30.86 crore) for the financial year 2019-20, which was approved by the Board in its meeting held on 18th March, 2020.

Further, in terms of Dividend Distribution Policy and DPE Guidelines, your Board of Directors have recommended a final dividend @ ₹ 2.35 /- (23.50%) per equity share of ₹ 10/- each subject to approval of the shareholders in the Annual General Meeting. The dividend, subject to the provisions of Section 126 of the Companies Act, 2013, if declared at the Annual General Meeting, will be paid within 30 days of the Annual General Meeting to the eligible shareholders.

Listing of Securities

The equity shares and bonds/debentures of the Company are listed on BSE Limited and National Stock Exchange of India Limited, addresses of the same is as under:

BSE Limited (BSE) National Stock Exchange of India Limited (NSE)

Phiroze Jeejeebhoy Towers,
Dalal Street,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 001
Mumbai – 400051
Scrip Code – 540530
Scrip Code – HUDCO

Further, it is confirmed that the company has paid annual listing fee to the Stock Exchanges for the financial year 2020-21. The shares of the Company are frequently traded at the Stock Exchanges and have not been suspended from trading during the year under review.

Market price data- high/low, Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index, etc.

The monthly high, low and closing prices of Company's equity shares in comparison to broad based indices such as BSE Sensex and NSE Nifty during the financial year 2019-20 were as follows:

Performance of Share at BSE in comparison to BSE Sensex

Month	Performance of Share at BSE			Мо	ovement of BS	E Sensex
	High (₹)	Low (₹)	Month Close (₹)	High (₹)	Low (₹)	Month Close (₹)
April 2019	46.90	41.20	41.45	39487.45	38460.25	39031.55
May 2019	46.60	37.50	42.75	40124.96	36956.10	39714.20
June 2019	43.95	38.00	40.10	40312.07	38870.96	39394.64
July 2019	43.30	33.10	34.00	40032.41	37128.26	37481.12
August 2019	39.15	28.70	36.30	37807.55	36102.35	37332.79
September 2019	40.00	33.95	34.85	39441.12	35987.80	38667.33



October 2019	43.50	32.05	41.10	40392.22	37415.83	40129.05
November 2019	45.70	39.50	41.75	41163.79	40014.23	40793.81
December 2019	41.80	34.95	36.05	41809.96	40135.37	41253.74
January 2020	45.20	36.25	41.25	42273.87	40476.55	40723.49
February 2020	42.80	29.55	29.70	41709.30	38219.97	38297.29
March 2020	32.60	18.05	19.95	39083.17	25638.90	29468.49

Performance of Share at NSE in comparison to NSE NIFTY

Month	Perfo	ormance of Sh	are at NSE	Movement of NSE NIFTY		
	High (₹)	Low (₹)	Month Close (₹)	High (₹)	Low (₹)	Month Close (₹)
April 2019	46.75	41.20	41.40	11856.15	11549.10	11748.15
May 2019	46.50	37.50	42.80	12041.15	11108.30	11922.80
June 2019	43.90	38.00	40.15	12103.05	11625.10	11788.85
July 2019	43.30	33.10	34.05	11981.75	10999.40	11118.00
August 2019	39.00	29.80	36.35	11181.45	10637.15	11023.25
September 2019	39.90	33.90	34.90	11694.85	10670.25	11474.45
October 2019	43.60	32.10	41.15	11945.00	11090.15	11877.45
November 2019	45.80	39.50	41.70	12158.80	11802.65	12056.05
December 2019	41.80	34.90	36.05	12293.90	11832.30	12168.45
January 2020	45.20	36.15	41.30	12430.50	11929.60	11962.10
February 2020	42.90	29.50	29.75	12246.70	11175.05	11201.75
March 2020	31.85	18.00	20.00	11433.00	7511.10	8597.75

Registrar & Transfer Agents

a) For Equity Shares

M/s Alankit Assignments Limited

Registrar and Share Transfer Agents (RTA),

Alankit House,

4E/2, Jhandewalan Extension,

New Delhi - 110 055. Email-id: rta@alankit.com,

Contact No.: 011-4254-1234/2354-1234

Fax No.: 011-4154-3474 Website: www.alankit.com

b) For Bonds

K-Fin Technologies Private Ltd.

Selenium Tower B, Plot No. 31-32, Financial District,

Nanakramguda, Serilingampally, Hyderabad, Rangareddi, 500 032,

Telangana.

Contact No.: 040- 6716 2222 Email: einward.ris@kfintech.com Website: www.kfintech.com

Beetal Financial & Computer Services Private Ltd

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir,

New Delhi - 110 062.

Phone No.: 011-29961281-83 Email: beetal@beetalfinancial.com Website: www.beetalfinancial.com



Name and address of Trustees

a) For Bonds

SBICAP Trustee Company Limited,

Apeejay House, 6th Floor, 3 Dinshaw Wachha Road, Churchgate,

Mumbai - 400 020.

Contact No.: 022-43025566, 43025555

Email: corporate@sbicaptrustee.com

Axis Trustee Services Limited

Axis House, Ground Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025. Contact No: 022-62260056/7

Email: debenturetrustee@axistrustee.com

b) For maintenance of floating charge w.r.t. Public Deposit

Vistra ITCL (India) Limited

The IL&FS Financial Centre IL&FS Financial Centre, Plot C-22, G Block, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

Contact No.: 022-26593535

Email: mumbai@vistra.com, newdelhi@vistra.com

Share transfer system

M/s Alankit Assignments Limited is the Registrar and Transfer Agent (RTA) of the Company for physical transfer of shares and having electronic connectivity both with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL)

All activities pertaining to share transfer including transmission, split, consolidation, demat, remat, etc., are handled by RTA of the Company as per the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015 and the same are processed within the period permitted under the law from the date, valid documents are lodged with RTA. In case of shares held in electronic form, the transfer of shares is processed NSDL and/or CDSL, through their respective Depository Participants. The 'Stakeholders Relationship Committee' is regularly updated of the status of investors grievances, transfer of shares, etc.

In compliance of regulation 40 of the SEBI(LODR) Regulations, 2015, a half yearly certificate from Practising Company Secretary confirming compliance with share transfer requirements, etc., has been filed with the Stock Exchanges and also hosted on the Company's website at www.hudco.org.

Distribution of Shareholding

Distribution of Shareholding as on 31st March, 2020

Number of Shares	Number of Share holders	% to total	Total Shares	Amount (in ₹)	% of shares
1 - 500	235970	85.01	42492154	424921540	2.12
501 - 1000	21936	7.90	18110622	181106220	0.90
1001 - 2000	10498	3.78	16178278	161782780	0.81
2001 - 3000	3371	1.21	8720681	87206810	0.44
3001 - 4000	1505	0.54	5436087	54360870	0.27
4001 - 5000	1300	0.47	6241072	62410720	0.31
5001 - 10000	1842	0.67	13664742	136647420	0.68
10001 - 20000	695	0.25	10023536	100235360	0.51
20001 & above	20001 & above 471		1881032828	18810328280	93.96
Total	277588	100.00	2001900000	20019000000	100.00



Shareholding Pattern as on 31st March, 2020

Category	As on	31st March, 2020
	Number of shares	Percentage of total
President of India	1797841253	89.81
Indian Financial Institutions/Banks	4054728	0.20
Insurance Companies	36982847	1.85
Mutual Funds	14210563	0.71
Non-Banking Financial Companies	2715379	0.13
Bodies Corporate	9929378	0.50
Foreign Portfolio investors	2898399	0.14
Resident Individuals	120385777	6.02
HUF	6931358	0.35
Employees	943060	0.05
Non-Resident Indians	3041598	0.15
Non-Resident Non-Repatriates	1029200	0.05
Clearing Members	907673	0.04
Trusts	28787	0.00
Total	2001900000	100.00

Dematerialization of shares and liquidity

The status of dematerialization of equity shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and holding of shares in physical mode as on 31st March, 2020 was as follows:

Particulars	No. of Equity Shares	% to Share Capital
NSDL	1942518275	97.03
CDSL	59378641	2.97
Physical (Public)	3084	0.00
Total	2001900000	100.00

Demat ISIN for Equity Shares: INE031A01017

Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible instrument as on 31st March, 2020.

Commodity price risk or foreign exchange risk and hedging activities

HUDCO, being a Housing Finance Company is not dealing in any commodity, hence not exposed to any commodity price risk. Further, in order to mitigate the risks associated with exchange rate fluctuations and interest rates in respect of foreign currency borrowings, the company has entered into hedging transactions, as and when required.

Plant Location

HUDCO, being a Housing Finance Company does not have any plant. The operations of the Company are being managed from its 21 Regional Offices and 11 Development Offices located all over the Country apart from its Registered Office located in New Delhi.



Address for correspondence
Housing and Urban Development Corporation Limited

HUDCO Bhawan, Core - 7A, India Habitat Centre, Lodhi Road, New Delhi - 110 003

> CIN : L74899DL1970GOI005276 Telephone Nos. : 011-24648420/24649610-23

Fax No. : 011-24625308
E-mail id : cswhudco@hudco.org

Credit Rating

Domestic Rating

The domestic debt instrument(s) and Banking Sector Loan(s)/ facilities of the Company continued to enjoy highest rating of 'AAA-Stable' (Long-term) and 'A1+' (Short-term) from three credit rating agencies, namely, M/s India Ratings and Research Private Ltd, M/s CARE Ratings and ICRA Ratings.

SI. No.	Rating Agency Long Term Rating		Short Term Rating
1	IRRPL	AAA-Stable	A1+
2	ICRA	AAA-Stable	A1+
3	CARE	AAA- Stable	A1+

International Rating

As on 31st March, 2020, HUDCO for its International Borrowing Programme continued to enjoy International Credit Rating of 'Baa2' with negative outlook and 'BBB-' with stable outlook, respectively, from Moody's and FITCH, International Credit Rating Agencies.

Moody's Investors Service, vide its press release dated June 1, 2020, has revised India's Sovereign rating of 'Baa2' to 'Baa3' with Negative outlook. In line with India's 'Baa3' Sovereign Rating, Moody's Investors Service, vide its press release dated June 2, 2020, has revised the ratings of HUDCO to 'Baa3' from 'Baa2' level with Negative outlook.

Further, Fitch Ratings vide its press release dated 24th June 2020 has revised the outlook of HUDCO 'BBB-' rating to 'Negative' from 'Stable'. The rating action follows the change in the outlook on Government of India's rating to 'Negative' from 'Stable' on 18th June, 2020.

Both the assigned ratings are at the Sovereign ceiling and equivalent as that of Republic of India.

8. OTHER DISCLOSURES

- a. There were no material significant related party transactions having potential conflict with the interest of the company at large. The details as to Related Party transactions have been appropriately disclosed in point no. 33 of Note- 40 and in point no. 35 of Note- 40 of the standalone and consolidated financial statements respectively;
- b. The Company has established Vigil Mechanism/ Whistle Blower Policy, wherein employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the competent authority. The Policy deals with instances of unethical behaviour, actual or suspected fraud or violation of the Company's General guidelines on conduct or ethics policy and mismanagement, if any and strict confidentiality of the complainant is maintained in these matters. It is affirmed that no person has been denied access to the Chairman of Audit Committee. The policy is available on website of the Company, i.e., www.hudco.org;
- c. Policy for determining 'material subsidiaries' and 'Related party transactions' are available on the Company's website at following web link: https://hudco.org/writereaddata/Policy%20for%20determining%20Material%20Subsidiaries.pdf & https://hudco.org/writereaddata/Policy%20on%20Materiality%20of%20Related%20Party%20Transactions%20and%20Dealing%20 withRelated%20Party%20Transactions%20.pdf;



- d. The company has not made any preferential allotment or qualified institutional placement as specified under Regulation 32(7A);
- e. None of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A certificate to this effect duly signed by the Practising Company Secretary is annexed to this report;
- f. M/s Prem Gupta & Co., the Statutory auditors of the Company has been paid ₹ 51.37 lakh during the year 2019-20 as per following details: ₹ 22.50 lakh towards Audit Fee, ₹ 10 lakh for tax audit fee, ₹ 16.90 lakh for other services and ₹ 1.97 lakh for reimbursement of expense;
- g. In compliance of the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, HUDCO has in place an 'Internal Complaints Committee' for redressal of complaint(s) against sexual harassment of women employees, which is headed by a senior level woman official of the Company. Anti-sexual harassment stance of the Company is also outlined in HUDCO (Conduct, Discipline and Appeal) Rules. During the year under report, no complaint was received;
- h. All compliances as prescribed in regulations 17 to 27 and 46(2)(b) to (i) of SEBI(LODR) Regulations, 2015 and DPE guidelines have been complied with except the following:
 - i. The composition of the Board of Directors as on 31st March, 2020 was not in conformity with regulation 17 of the SEBI (LODR) Regulations, 2015 as the company was short of three Part-time Non-official (Independent) Directors. Pursuant to Article No. 39 of the Articles of Association of the Company, the Directors on the Board of HUDCO are appointed by the President of India, through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India, being the appointing authority. The Administrative Ministry has been requested to fill the vacant positions of Part time Non-Official (Independent) Directors on the Board of the Company and the same is in process;
 - ii. Further, as on 31st March, 2020, HUDCO has complied with Housing Finance Companies (NHB) Directions, 2010 including credit concentration norms 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. However, in case of loans to Governments/Public agencies, the norms communicated to HUDCO by NHB vide letter no. NHB(ND)/DRS/SUP/3911/2018 dated 2nd April 2018, letter No. NHB(ND)/DRS/SUP/5355/2018 dated 13th July 2018, letter No. NHB(ND)/DRS/SUP/879/2019 dated 8th March, 2019, letter No. NHB(ND)/ DRS/SUP/880/2019 dated 8th March, 2019 and RBI letter No. 1736/ 03.10.136/2019-20 dated 5th March, 2020 respectively, have been complied with;
- A declaration signed by the Chairman & Managing Director stating that the members of the Board of Directors and Senior Management personnel have affirmed compliance with the 'Code of Conduct of Board of Directors and Senior Management', is annexed with the Directors Report;
- j. No Presidential Directive has been issued by the Central Government during the year under report and in the last three years except the Presidential Directive issued by the Ministry of Housing and Urban Affairs (MoHUA) vide its letter dated 25th January, 2018 in the year 2017-18 regarding implementation of Pay Revision of Board and below Board level Executives and Non-Executives of HUDCO w.e.f. 1st January, 2017, for a period of three years as per DPE guidelines contained in its OM. dated 3rd August, 2017 and dated 4th August, 2017. The above Presidential Directive has been duly complied with by the Company;
- k. During the year, no expenditure of personal nature has been incurred on behalf of the Board of Directors of the Company and top management:
- During the year, no expenditure has been debited in the books of accounts, which are not for the purposes of business of the Company;
- m. During the year, Personnel and Administrative expenses & Financial expenses constitutes 4.43% and 90.23% of the total expenditure respectively as compared to 6.01% and 83.15% of that of the last year respectively. The increase in financial expenses is due to increase in the borrowing during the period 2019-20;
- n. The Audit report for the year 2019-20 has been reviewed by the Audit Committee as well as by the Board and the same has been replied by way of addendum;
- During the preceding 3 years, no penalty was imposed and/or stricture was passed on the Company by any Stock Exchange(s)
 or SEBI or any other statutory authority, on any matter related to the capital market, operations or guidelines issued by the
 Government.



However, during the year under review, the Company has received notice(s) from Stock Exchange(s), i.e., BSE Limited and National Stock Exchange of India Limited, regarding non-compliance with the requirements of regulation 17(1) of SEBI (LODR), Regulations, 2015 in respect of non-appointment of requisite number of Part-time Non-official Independent Directors on the Board of the Company and accordingly levied a fine of ₹ 82,600/-, ₹ 5,42,800/-, ₹ 5,36,900/- and ₹ 5,88,820/- each for the quarter(s) ending September, December, 2019, March, 2020 and June, 2020 respectively.

As per Article No. 39 of the Articles of Association, the powers to appoint Directors including Part-time Non-official Independent Directors on the Board of the Company vests with the President of India, which is exercised through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India. Accordingly, the matter regarding their appointment is being pursued with the Administrative Ministry regularly. The above status was informed to the Board and the Stock Exchanges have been requested to waive-off the fine and not to initiate any further action in the matter; and

p. Besides the compliance with the mandatory requirements on Corporate Governance, the status of compliance with nonmandatory/ discretionary requirements as specified in Regulation 27(1) Part E of Schedule-II of the SEBI (LODR) Regulations, 2015 is as under:

1.	The Board	:	The Chairman (Chairman & Managing Director) of the Company is an Executive Director. All the Directors on the Board of the Company. i.e., Functional Director(s) including the Chairman & Managing Director, Part-time official Government Director(s) and Part-time Non-official Independent Director(s) are appointed by the President of India in terms of Articles of Association of the Company.
2.	Shareholders Rights		The financial results (quarterly and/or half yearly and/or Annual), are hosted on websites of BSE Limited and National Stock Exchange of India Limited and simultaneously on the website of the company, i.e., www.hudco.org. Further, they are also published in the newspapers for information of the Shareholders. A management presentation is also hosted on the website of the Stock Exchanges and Company after declaration of Financial Results. The details of above have been provided under the head 'Means of Communication' in the Report. Further, the price sensitive information, if any, is regularly intimated to Stock Exchange(s) for information of the shareholders.
3.	Modified opinion(s) in Audit Report	:	The Company has not received any qualification from the Auditors on its Financial Statements of financial year 2019-20.
4.	Reporting of Internal Auditor	:	The Company is having a separate Internal Audit Department which is headed by Executive Director (Internal Audit) reporting directly to the Chairman & Managing Director. Internal Audit of Regional Offices/ various departments at Head Office is conducted by the in-house internal audit department and/ or outsource firm of Chartered Accountants, as per Annual Audit Programme approved by the Audit Committee. Head of Internal Audit Department is invited in all the Audit Committee meetings. Significant Audit Observations, as compiled by in house Internal Audit department are put up for consideration of the Audit Committee on periodical basis.

For and on behalf of the Board of Directors

Sd/-M. Nagaraj

Chairman & Managing Director

(DIN: 05184848)

Place: New Delhi Dated: 26th August, 2020



CERTIFICATE UNDER SEBI LISTING REGULATIONS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Housing and Urban Development Corporation Limited
HUDCO Bhawan, India Habitat Centre,
Lodhi Road
New Delhi-110003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Housing and Urban Development Corporation Limited (CIN- L74899DL1970GOI005276) and having registered office at HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi-110003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of Directors	DIN	Date of Appointment
1	Mr Amrit Abhijat	03022727	01/06/2018
2	Mr Muniappa Nagaraj	05184848	01/02/2019
3	Mr Shyam Sunder Dubey	06601151	08/08/2019
4	Mr Duraiswamy Guhan	06757569	31/12/2019
5	Mr Sudip Kumar Nanda	00315376	18/04/2017
6	Mrs Pratima Dayal	06992866	18/04/2017

Ensuring the eligibility, for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Suman Kumar and Associates
Company Secretaries

Sd/-

(CS Suman Kumar)

Prop.

Membership No: FCS 6127

CP No.: 6564

UDIN: F006127B000382074

Place : New Delhi Date : 25th June, 2020



CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of Housing and Urban Development Corporation Limited

We have examined the Compliance of conditions of Corporate Governance by Housing and Urban Development Corporation Limited ("the Company") for the year ended 31st March, 2020.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement 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 regulation 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable, subject to the following:-

- The Company has not complied with the requirement of Regulation 17(1)(b) read with regulation 25(6) with respect to the composition of the Independent Director from 17th June, 2019. As informed by the Company, the power to appoint Directors including Independent Directors on Board of HUDCO vests with the President of India and the Company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.
- Regulation 17(10) requires performance evaluation of Independent Director by the entire board of director as the same is made by President of India through the Administrative Ministry, being the appointing authority as informed by the Company.
- > The Disclosure under regulation 23(9) with respect to related party transactions on a consolidated basis, has not been made within stipulated time period prescribed under said regulation. However, the same has been compiled with a delay of 8 days, as informed by the company.
- > The observations/ qualifications on the audited financial statements of the Company as at 31st March, 2020 are as detailed in the Independent Auditor's Report of even date.

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

FOR MALHOTRA ARORA & ASSOCIATES

Company Secretaries

Dikshant Malhotra Partner ACS: A39279

C P No.: 14622

Sd/-

UDIN: A039279B000645115

Place : Gurugram, Haryana Date : 01st September, 2020



Annexure-3

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1.	Corporate Identification Number (CIN) of the Company	L74899DL1970GOI005276
2.	Name of the Company	Housing and Urban Development Corporation Limited
3.	Address of the Registered office	HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003
4.	Website	www.hudco.org
5.	E-mail id	cswhudco@hudco.org
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	HUDCO is a Housing Finance Company and is primarily engaged in carrying out activities pertaining to Housing Finance (including Retail Lending) and Non-Housing Loan pertaining to infrastructure development (NIC 2004 Code-65922).
8.	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	 Housing/ Project Finance (including Retail Lending) Consultancy Services Conducting capacity building program / workshops / seminars for Government officials both (National & International).
9.	Total number of locations where business activity is undertaken by the Company i. Number of International Locations (Provide details of major five) ii. Number of National Locations	As on 31 st March, 2020, the operations of the company are carried out through, 21 Regional Offices, 11 Development Offices located all over India. The Company has no overseas office.
10.	Markets served by the Company-Local/State/ National/ International	Loans and Consultancy services are offered to Central and State Governments, para-statal bodies, Corporates and Joint sector agencies all over the country.

Section B: Financial details of the Company (as on 31st March, 2020)

1.	Paid up Capital (INR) in crore	2001.90
2.	Total Turnover (INR) in crore	7571.64
3.	Total profit after taxes (INR) in crore for the financial year ended on 31st March, 2020.	1708.42
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of the profit after tax (%)	During the financial year 2019-20, the Company has released/spent ₹ 58.26 crore (being 3.41% of the profit after tax) on CSR activities. However, based on utilization certificate received from the agencies, an amount of ₹ 56.93 crore has been booked in the financial statements as an amount utilized during the year 2019-20. During the year under review, HUDCO has contributed ₹ 50 crore in the PM CARES Fund to support the government in the emergency or distress situation, posed by the COVID-19 pandemic, and to provide relief to the affected persons.
5.	List of activities in which expenditure in 4 above has been incurred	HUDCO has spent its CSR assistance during the year on various flagship programmes of the Government of India like Health/ Education, School Education, Health care, Disaster management, Sanitation, Rural Development and Swachh Bharat programme, etc.



Section C: Other details

1.	Does the Company have any Subsidiary Company/ Companies?	As on 31st March, 2020, HUDCO has no Subsidiary Company.				
2.	do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not applicable.				
3.	do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities?	Company's BR initiatives.				

Section D: BR Information

1. Details of Director/Directors/ BR head responsible for the implementation of the BR policy/policies.

Name	DIN	Designation
Shri Muniappa Nagaraj	05184848	Director (Corporate Planning)

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

As per 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', there are nine Principles which need to be adopted by certain listed companies. The brief areas are as under:

P1 : Businesses should conduct and govern themselves with Ethics, transparency and Accountability.

P2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 : Businesses should promote the well-being of all employees.

P4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are

disadvantaged, vulnerable and marginalized.

P5 : Businesses should respect and promote human rights.

P6 : Businesses should respect, protect and make efforts to restore the environment.

P7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 : Businesses should support inclusive growth and equitable development.

P9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The principle wise responses on the above are mentioned below:

SI. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employee	Stake- Holders' Engage ment	Human Rights	Environment	Public Policy	CSR	Customer relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for?	Y	HUDCO being an HFC, hence, principle has limited applicability	Y	Y	Y	The policy is embedded in companies' various policies and practices	The policy is embedded in company's various Policies and practices.	Y	The policy is embedded in company's HR policies and practices.
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	Y	-	-	Y	-
3.	Does the policy conform to any national / international standards?	Y	-	Υ	Υ	Y	-	-	Υ	-

4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO / appropriate Board Director?	Y	-	Υ	Y	Y	-	-	Y	-
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	у	-	Y	Y	Y	-	-	Y	-
6.	Indicate the link for the policy to be viewed online?	www. hudco. org	-	www. hudco. org	www. hudco. org	www. hudco. org	-	-	www. hudco. org	-
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Υ	Y	Υ	-	-	Y	-
8.	Does the company have in-house structure to implement the policy / policies?	Y	-	Y	Y	Y	-	-	Y	-
9.	Does the company have a grievance redressal mechanism related to the policy / policies to address stakeholder grievances related to the policy / policies?	Y	-	Y	Y	Y	-	-	Y	-
10.	Has the company carried out independent audit evaluation of the working of this policy by an internal or external agency?	Υ	-	Y	Y	Υ	-	-	Υ	-

3. Governance related to BR

• Indicate the frequency with which in the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Board of Directors assess the BR performance of the Company on annual basis as a part of Directors Report.

 Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report is being published as a part of Annual Report and the same is also available on the website of the Company namely, www.hudco.org.

Section E: Principle-wise performance

Principle 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

 Does the policy relate to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

HUDCO a leading techno financial institution, is fully committed to strengthen good corporate governance practices in all its areas of operations with emphasis to maximize the value of its stakeholders in a fair, transparent and ethical manner without tolerance for bribery and corruption.

Your Company has in place various policies like Code of Conduct for Board members and Senior Management personnel, Prevention of Insider Trading and Prevention of Fraud Policy, etc., for conducting the affairs of the Company in a professional, ethical, fair and transparent manner.



HUDCO has established Vigil Mechanism/Whistle Blower Policy to deal with instances of unethical behavior, actual or suspected fraud or violation of the Company's general guidelines on conduct or ethics policy and mismanagement, if any and strict confidentiality of the complainant is maintained in these matters.

As per the directions of Central Vigilance Commission (CVC) from time to time, the Corporate Vigilance Department (CVD) of the Company continued to strive for improving the systems and procedures and strengthen the mechanism to ensure pre-emptive actions and advising reformatory measures in the possible areas prone to corruption/ financial irregularities as a part of preventive vigilance such as e-procurements; e-payments; creating general awareness amongst the officials; adoption of Integrity Pact, wherever applicable; digitalization of system/ process to avoid manual intervention, etc.

The Company does not have any Group/NGO, suppliers/ contractors. However, the guidelines issued by Government/ DPE, etc., from time to time with respect to procurement of goods/ services, etc., are being strictly followed.

As on 31st March, 2020, HUDCO has three Joint Venture(s) namely

- a) Pragati Social Infrastructure & Development Ltd. (PSIDL)
- b) Shristi Urban Infrastructure Development Ltd. (SUIDL)
- c) Signa Infrastructure India Ltd. (SIIL),

And one Associate namely Ind Bank Housing Limited (IBHL) and do not have any Subsidiary Company.

In view of non-satisfactory performance of these joint venture companies, your Company, in the year 2015-16, has decided to exit from these joint ventures by invoking the exit clauses. The Company has initiated the steps for exiting from these joint ventures. In case of SIIL, HUDCO has terminated the JV agreement and removed its nominee Director from the Board of SIIL and initiated legal action for exiting from the Joint Venture.

In case of an associate Company, namely Ind Bank Housing Limited, your company has made an investment of ₹ 2.50 crore in its equity, being 25% of the paid-up equity share capital. HUDCO has provided for full diminution in the value of investment made in IBHL.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the financial year 2019-20 ending on 31st March, 2020, Company has received 1377 complaints from its stakeholders such as shareholders, bondholders, investors and customers, all of which have been resolved satisfactorily

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

As HUDCO is not involved in any manufacturing/ industrial activity, hence, this principle has very limited applicability.

The various proposals for financial assistance received by the Company are appraised thoroughly from technical, legal and financial perspective and it is ensured that various approval from environmental/ pollution point of view, wherever required are received by the agency.

It is the constant endeavor of the Company to provide products and services that fulfills the expectations of the customer and contribute positively to socio-economic development.

1. List upto 3 products or services whose design has incorporated social or environmental concerns, risks and / or opportunities

On Housing front, HUDCO has sanctioned projects with financial assistance/ loan of ₹ 3818 crore, inclusive of ₹ 28 crore under HUDCO Niwas, facilitating construction of 3,07,277 dwelling units with specific emphasis on Economically Weaker Section (EWS)/ Lower Income Group (LIG), segment(s) of the society, for whom 3,07,016 dwelling units constituting 99.92% of the total dwelling units have been financed.

On Urban Infrastructure front, HUDCO has sanctioned projects worth ₹ 16,124 crore as financial assistance/ loan for funding 40 projects focusing on various sectors like: Water Supply, Metro, Power Sector, Social Infrastructure, Commercial Infrastructure and Road & Transport, etc.



HUDCO has sanctioned 2 viability-gap funding projects under PMAY(U) with a loan amount of ₹2,133.05 crore in the State of Telangana and Karnataka covering construction of 63,655 dwelling/housing units wherein State Government share has been taken as HUDCO loan.

2. For each product, provide the following details in respect of resource use (energy, water, raw material, etc.,) per unit of product:

Since the Company is not involved in any manufacturing/ industrial activity, the reporting on use of energy, water, raw material, etc., is not applicable. However, while considering financing housing project these factors are given due importance.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Not Applicable

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Not Applicable.

Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste.

Not Applicable.

Principle 3

Businesses should promote the wellbeing of all employees

The Company provides safe and hygienic environment for its employees. The Company encourages its employees to regularly participate in sports, picnics, outings, get together, team building programmes, etc. The Company has an In-house magazine, which provides a medium for employees and their family members to know the latest happenings within the Company and provide their contribution in the same.

The Company endeavors in promoting culture of consultation and participation with all its internal stakeholders. Towards Golden Jubilee year celebration, Company plans to organize various events involving employees and their families, however, the same has been postponed in view of COVID-19 pandemic and the same would be taken up at a later stage. The initiatives taken by your Company showcase its momentous journey, over the decades and its core competence in serving a variety of stakeholders in the housing and infrastructure sectors. HUDCO is taking care of wellbeing of its existing and retired employee and their dependent family members.

The Company conducts regular training programmes for its employees, which are aimed at skill development, behavioral competence and other learning and development programmes, in house as well as in association with various reputed institutes. During the year, 366 employees with a total of 1364 man days were imparted training. The Company endeavors to maintain an environment to have a work life balance.

1. Total number of employees:

As on 31st March, 2020, HUDCO has a total strength of employees as 788 in number.

2. Please indicate the total number of employees hired on temporary/ contractual/ casual basis:

As on 31st March, 2020, in addition to position indicated at 1 above, HUDCO has hired 203 number of employees on temporary/contractual/ casual basis.

3. Please indicate the number of permanent women employees:

Out of the total employee strength of 788 permanent employees as on 31st March, 2020, HUDCO had 236 number of women employees, representing 29.95% of the total workforce.



4. Please indicate the number of permanent employees with disabilities:

As on 31st March, 2020, HUDCO has 16 number of employees with disabilities.

5. Do you have an employee association that is recognized by management?

There is no employee association in HUDCO, which is recognized by the management. However, mechanisms are in place for employees to represent their grievances, if any, and the same is resolved amicably.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

SI. No.	Category	No. of previous year pending complaints	No. of complaints filed during the FY 2019-20	No. of complaints pending as on 31st March, 2020
1.	Child labour/ forced labour/ involuntary labour	HUDCO does not hire child labour, forced labour or involuntary labour	NA	NA
2.	Sexual harassment	NIL	NIL	NIL
3.	Discriminatory employment	NIL	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in last year?

Permanent Employees 46.45%*

• Permanent Women Employees 69.06%**

Casual/Temporary/contractual Employees -

Employees with Disabilities
 31.25%***

* w.r.t total strength of employees

** w.r.t total strength of women employees

*** w.r.t total strength of disabled employees

Principle 4

Businesses should respect the interests of/ and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders?

With a view to promote innovation in its day to day operations and other allied activities, HUDCO mapped its internal and external stakeholders which includes its employees, shareholders, bondholders, Central and State Government, its various agencies, regulatory authorities, suppliers and venders. HUDCO appreciate the cooperation extended by its various stakeholders and respects the interest and concern shown by them and is fully committed to maximize the value of its stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Company has identified the disadvantaged, vulnerable & marginalized stakeholders, which includes all reserved category of employees like SC/ST/OBC/ specially abled & Minorities and various entrepreneurs' categories in SC & ST including women entrepreneurs reserved under the Micro, Small & Medium Enterprises (MSME) Policy.



HUDCO has continuous engagement with its various stakeholders in order to understand their concerns and assess their requirements and respond to their needs in an effective manner.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

HUDCO recognizes the valuable contribution made by its employees and to update their knowledge, the Company arranges various capacity building programmes in different professional spheres, relevant to Company activities.

During the year, HUDCO has extended CSR support/ assistance to various projects throughout the country, for the upliftment of disadvantaged, vulnerable and marginalized stakeholders. The areas in which CSR assistance was provided includes: construction of toilets, sanitary complex, community centers in the area of health/ education, provision of smart class rooms, providing furniture for students in Government schools, in the area of school education, procurement of ambulance(s), hospital equipment, restructuring of primary health center in the area of health care. Further, HUDCO has also provided CSR assistance in the area(s) of disaster management, sanitation, rural development and swachh bharat mission, a flagship programme of Government of India.

Principle 5

Businesses should respect and promote human rights

 Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company respects and adheres to all the human rights laws framed under the Constitution of India. The Company treats every stakeholder with respect and dignity. Every customer, employee and other stakeholders are treated with dignity irrespective of his/her position, caste, creed, gender and religion. The Company has adopted guidelines and procedures, which are aimed at respecting human rights. The Company will continue to conduct its business in a manner that respects the rights and dignity of all the people, complying with all legal requirements. The employees are trained to respect human rights while doing business.

The Company has a Public Grievance Redressal Cell, to address the grievances of its stakeholders, which include its customers, suppliers, institutions and general public at large. The Public Grievance Redressal Cell also channelize and monitor public grievances received from other public grievance portals, Ministry and National Housing Bank.

Further, HUDCO has established a Whistle Blower Policy/ mechanism under the initiatives of Central Vigilance Commission (CVC), to address the grievances of its stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company encourages its stakeholders to report on any concern relating to human rights and makes every effort to resolve the same, as and when received by it. During the year, the Company has not received any complaint from its stakeholders.

Principle 6

Business should respect, protect and make efforts to restore the environment

 Does the policy relate to Principle 6 cover only the company or extends to the Group/ Joint Ventures / Suppliers / Contractors / NGOs / others?

As HUDCO is not involved in any manufacturing/ industrial activity, hence, this principle has very limited applicability.

To promote green and sustainable environment, HUDCO ensures that the projects funded by the Company meets the necessary parameters towards environmental protection as per the GOI norms, for which necessary stipulations have been incorporated at the appraisal stage.

The Company complies with all applicable legal / regulatory requirements related to environment protection, management and sustainable development.



The Company provides a clean, safe and healthy work environment for employees, investors and its stakeholders and will continue to work in the direction.

2. Does company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

Not applicable.

3. Does the company identify and assess potential environmental risks?

Not applicable, since HUDCO is not engaged in any industrial/ manufacturing activity. However, HUDCO encourages projects which are environmentally safe and secure.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The Company does not have any projects related to clean development mechanisms.

5. Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. If yes, please give hyperlink for web page etc.

Your Company being a Housing Finance Company is not engaged in any manufacturing operations, hence, its present area of operations is not energy intensive. However, the Company has taken adequate measures towards conservation and optimum utilization of energy in all its offices by replacing CFL with LED lights, maximum use of natural lights in its day to day operations and replacement of high-power consuming equipment's with low energy consuming equipment's and installation of solar panels, etc. The Company is committed to support the Government of India programmes towards conservation of energy.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Not Applicable

 Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

Not Applicable

Principle-7

Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

 Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.

HUDCO has taken corporate membership of various Professional Bodies/Institutions like PHDCCI (PHD Chamber of Commerce and Industry), SCOPE (Standing Conference of Public Enterprises), NAREDCO (National Real Estate Development Council), IBC (Indian Building Congress), IHC (India Habitat Centre), IIC (India International Centre), British Council Library, ICAI (Institute of Chartered Accountant of India), ICSI (Institute of Company Secretaries of India), etc., to encourage its employees to keep them updated on various professional issues by attending their seminars/ workshops, etc.

2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development policies, Energy security, Water, Food security, Sustainable business Principles, Others)

The Company's representatives attend various programmes organized by above associations, wherein matters/ issues concerning HUDCO are raised and also synchronize with the flagship programmes of Government of India like Housing for All, Swachh Bharat Abhiyan, Skill India, etc.



Principle-8

Businesses should support inclusive growth and equitable development

 Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof:

Company undertakes CSR activities as per thrust areas approved by the Board of Directors, in line with Schedule VII of Companies Act, 2013.

2. Are the programmes/ projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programmes/projects undertaken through the concerned Regional Offices in coordination with CSR Cell at Corporate Office and primarily through State Government Agencies and local bodies.

3. Have you done any impact assessment of your initiative?

Project monitoring is done by the concerned Regional Office(s) during the implementation of project by way of site inspection, obtaining utilization certificate and progress report periodically, etc. Beside this, a study on HUDCO CSR activities has been awarded to NABCONS (an external agency).

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has provided contribution to community development through construction of toilets, provisions of class rooms and procurement of furniture in Govt. Schools for promotion of education and health care facilities in Aspirational Districts, provision of fisherman boats to cyclone affected area, provision of ambulances, projects related to environment sustainability, rural development, etc.

During the financial year 2019-20, the company has allocated the amounts for different project activities as enclosed below:

(₹ in lakh)

SI. No	Thrust areas	7	tion for -2020	CSR Assistance for 2019-2020	
		% of Budget	To be spent	Sanctioned	Released
1	Swachh Bharat Activities as per DPE guidelines	33	913.11	23.20	-
2	Support for the development of 'Aspirational Districts'	32	885.44	596.09	77.61
3	Social Infrastructure benefitting marginalized sections of the society	15	415.05	-	-
4	Skill training with focus on marginalized sections of the society	10	276.70	-	-
5	Disaster Management and other programmes like promotion of education, health, etc., Rural Development and Sustainability/solar lighting/water recycling	10	276.70	5666.51	5000
	Total	100	2767	6285.80*	5077.61#

^{*} The total amount does not include fee (₹ 26.51 lakh plus tax) for the study on HUDCO CSR activities by NABCONS.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

HUDCO provides CSR assistance for various projects concerning community development in the areas like, construction of community

[#] The above amount incurred depends on physical and financial progress in stages which exclude ₹ 5.62 lakh plus tax released towards the study on CSR activities



hall, pay & use toilets in the sector of sanitation, construction of class rooms & toilet facilities in schools, providing furniture in the sector of promotion of school education, creation of livelihood opportunities, providing medical equipment, ambulances under health care. The above initiatives taken by HUDCO have been successfully implemented/ adopted by the community.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

- What percentage of customer complaints/consumer cases are pending as on the end of the financial year?
 During the year, Company has received 17 complaints/ grievances and all the complaints have been satisfactory resolved as on date.
- 2. Does the company display product information on the product label, over and above what is mandated as per local laws?
 Not applicable, as the Company is not involved in any manufacturing/ industrial activity.
- 3. 'Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There is no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior, however, there are few complaints /cases filed by the customers towards redressal of their grievances with the Company/ other forums and the same are being attended to in terms of the contractual terms and conditions and other applicable guidelines for their resolution. In percentage terms, keeping in view the operations of the company, the same are not significant.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

The Company has not carried out any consumer survey, however, Company continues to provide top priority towards resolution of customer grievances through an internal mechanism. Based on the feedback received from the customers, efforts are being made to improve the systems. The Company acknowledges the contribution made by various stakeholders towards its growth, by honoring them at the Annual function of the Company, where new ideas/ suggestions are shared and based on the same, new strategies are formulated towards operational growth of the Company.

For and on behalf of the Board of Directors

Sd/-M. Nagaraj Chairman & Managing Director

(DIN 05404040)

(DIN: 05184848)

Place : New Delhi

Dated: 26th August, 2020



Annexure-4

Form No. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2020 [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

We 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 (hereinafter called "the Company") for the financial year ended 31st March, 2020 (hereinafter called "period under review"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering period under review has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review 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 thereunder to 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;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations; 2018 and amendments from time to time;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme)
 Guidelines, 1999:
 - 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;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015
- (vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances for followings applicable Acts, Laws and regulations to the Company: -
 - Payment of Gratuity Act, 1972;
 - b. Maternity Benefit Act, 1961;
 - c. Employees Provident funds, 1952;
 - d. Payment and Wages Act, 1936;
 - e. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;



- f. Employment Exchange (Compulsory Notification of vacancies) Act, 1959; and
- g. National Housing Bank Act, 1987 and Rules, Regulations, Guidelines and Directions issued thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015;
- (iii) Guidelines issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India for Central Public Sector Enterprises (CPSE) i.e. DPE Guidelines;

We have not examined the Compliance by the Company with applicable financials laws, like direct and indirect tax laws and maintenance of financials records and books of accounts since the same has been subject to the review of Statutory Auditors and other designated professionals.

During the period under review and as per the explanations and clarification given to us and the representations made by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: -

- During the period under review, the number of Independent Director falls below the minimum requirement mentioned under SEBI (Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 and Companies Act, 2013 as the power to appoint Directors on the Board of HUDCO vests with the President of India as informed by the Company.
- The performance evaluation of Independent Directors has not been carried out for the period under review, as the same is made by President of India through the Administrative Ministry, being the appointing authority as informed by the Company.
- 3. The Disclosure under regulation 23(9) of SEBI (Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to related party transactions on a consolidated basis, has not been made within stipulated time period prescribed under said regulation.
- 4. The Company has not attached the Certificate from Practicing Company Secretary under regulation 34(3) and 50(3)(f) of SEBI (LODR), 2015 i.e. "that none of Directors are debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority" in Annual Report for the financial year ended 2018-19.

We further report that

- i. During the period under review the, the Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Directors and Independent Directors according to the SEBI (Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 and Companies Act, 2013. 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.
- ii. 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 for meeting other than those held at shorter notice, 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.
- iii. Majority of decision at the Board Meeting were taken unanimously, while the dissenting members' views are captured and recorded as part of the minutes.

We further report that based on the information received and records maintained by the Company, 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 etc.

We further report that during the audit period the Company has:

- 1. Passed one resolution as a special resolution at Annual General Meeting of the Company held on 25th September, 2019 namely:
 - a. To Borrow funds not exceeding ₹ 35,000/- crore by way of issue of Bonds/Debentures on Private Placement basis etc. pursuant to Section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014; (NHB) Directions, 2014 and other applicable provisions made thereunder and.

The said resolution passed to enable the Company to raise funds during the intermediary period, i.e. from 25th September, 2019 till the date of next Annual General Meeting.

- 2. During the period under review the Company has raised funds on a Private Placement basis ₹ 7,695/- crore (Rupees Seven Thousand Six Hundred Ninety Five Crore only) through Private Placement, vide allotment dated 7th June, 2019; 20th June, 2019; 18th July, 2019; 13th August, 2019; 11th September, 2019; and 17th January, 2020 respectively in traches.
- 3. The Company has prepared Consolidated Financial Statements (CFS) pursuant to Section 129 (3) of the Act with Associate Company i.e. Shristi Urban Infrastructure Development Limited. However, consolidation in respect of three Associate Company i.e. Pragati Social Infrastructure Development Limited (PSIDL) and Signa Infrastructure India Limited and Ind Bank Housing Limited (IBHL) have not been considered during the financial year 2019-20.
- 4. During the period under review, Stock Exchange(s) namely BSE Limited and National Stock Exchange of India, has levied a fine of ₹ 82,600/-, ₹5,42,800/- and ₹5,36,900/- for the quarter(s) ending September, December 2019 and March 2020, respectively, regarding non-compliance with the requirements of regulation 17(1) of the SEBI (Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of non-appointment of requisite number of Part-time Non-Official Independent Director on the Board of the Company. The Company has requested to Stock Exchanges to waive of the fine on the ground that power to appoint Directors on the Board of HUDCO vests with the President of India and the company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.

FOR MALHOTRA ARORA & ASSOCIATES

Dikshant Malhotra Partner

ACS: A39279

C P No.: 14622

UDIN: A039279B000529758

Company Secretaries

: Gurugram, Haryana : 30th July, 2020

Annexure A

The Members,

Place

Date

Housing and Urban Development Corporation Limited

HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi- 110003

Our report of even date is to be read along with this letter

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion 1. on this secretarial record based on our audit.
- 2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our audit report is not covering observations/ comments/ weakness already pointed by the other Auditors.
- 4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination is limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-Processes and Compliance-mechanism in place or not.
- 6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR MALHOTRA ARORA & ASSOCIATES **Company Secretaries**

Sd/-

Dikshant Malhotra

Partner

ACS: A39279 C P No.: 14622

Place : Gurugram, Haryana Date : 30th July, 2020



Management's replies on the observations of the Secretarial Auditor's on the secretarial audit report for the financial Year 2019-20.

SI. No.	Observations	Management Reply
1.	During the period under review, the number of Independent Director falls below the minimum requirement mentioned under SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 and Companies Act, 2013 as the power to appoint Directors on the Board of HUDCO vests with the President of India as informed by the Company.	As on 31st March, 2020, Composition of the Board consists of 2 Independent Directors hence short of 3 Independent Directors, accordingly not in compliance with SEBI(LODR) Regulations, 2015 and DPE guidelines. HUDCO being a Government Company, its directors are appointed by the President of India through Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MoHUA), Government of India. Matter has already been taken up with the Administrative Ministry for filling up the vacancies of Independent Directors on the Board of the Company.
2.	The performance evaluation of Independent Directors has not been carried out for the period under review, as the same is made by President of India through the Administrative Ministry, being the appointing authority as informed by the Company.	HUDCO being a Government Company, its directors are appointed by the President of India and their performance is being evaluated by the Administrative Ministry, as per its own evaluation methodology, hence, the requirement of carrying out formal evaluation by the Board of its own performance and that of its committees and individual directors is not applicable as per MCA notification dated 5th June, 2015.
3.	The Disclosure under regulation 23(9) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 with respect to related party transactions on a consolidated basis, has not been made within stipulated time period prescribed under said regulation.	There was delay of 8 days in submission of disclosures, (last date being 12 th December, 2019) and the same was made on 20 th December, 2020, hence, complied with.
4.	The Company has not attached the Certificate from Practicing Company Secretary under regulation 34(3) and 50(3)(f) of SEBI (LODR), 2015 i.e. "that none of Directors are debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority" in Annual Report for the financial year ended 2018-19.	HUDCO being a Government Company, its directors are appointed by the President of India and as on 31st March, 2019 none of the Directors on the Board of the Company was debarred or disqualified from being appointed or continuing as Directors of Company. The disclosure requirement has been made applicable with effect from 1st April, 2019 by the SEBI (LODR) (Amendment) Regulations, 2018. Accordingly, the same was not provided in Annual Report for the financial year 2018-19 and the same has been duly provided in the Annual Report for the financial year 2019-20 starting from 1st April, 2019.

For and on behalf of the Board of Directors

Sd/-M. Nagaraj Chairman & Managing Director

(DIN:05184848)

Place : New Delhi

Dated : 26th August, 2020



Annexure-5

Annual Report on Corporate Social Responsibility (CSR) for the financial year 2019-20

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

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 marginalized and under-privileged sections of the society to promote inclusive socio-economic growth, empowerment of downtrodden, 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 these objectives, 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 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 for skill and livelihood development, for promoting education including special education to differently abled, development of Aspirational District and Disaster Management related projects. HUDCO being a financial institution having no specific geographical area and as such, CSR activities are spread across all over the country. In line with these thrust areas, during the year 2019-20, HUDCO has committed support for the sanitation projects, setting up of homes for flood affected victims, education through 21 proposals in 12 states.

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 Department 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

1. The composition of the CSR Committee of Board of Directors

As on 31.03.2020 the CSR Committee consisted of: -

i. Shri M. Nagarajii. Smt. Pratima Dayaliii Dr. SK NandaMember

2. 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 pertaining to year 2019 -20 was ₹1383.55 crore.

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

Prescribed CSR Expenditure was ₹ 27.67 crore.

4. Details of CSR spent during the financial year

a. Total amount to be spent: for the financial year ₹ 27.67 crore

b. Amount unspent, if any : During the year an amount of ₹ 6321.96 lakh has been

committed against which an amount of ₹ 5083.23 lakh has been released towards various schemes and the balance amount is yet to be spent. Further, an amount of ₹ 743.63 lakh has also been spent during the year 2019-20, for the ongoing

proposals of the previous years.

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



i. Proposals taken up in the financial year 2019-20

(₹ in Lakh)

SI. 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 were taken	Amount outlay (Budget) Projects or Programs wise	Amount Spent on the Proposals or Programs sub heads (1) Direct expenditures on projects or programs (2) Over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing agency
1.	Study on HUDCO's CSR activities by NABCONS Consultancy Services		Covering 15 projects across 5 States	26.51*	5.62	5.62	NABCONS, Delhi.
2.	Construction of three multipurpose building (Aspirational District)		Goh, Navinagar and Daudnagar in Aurangabad, Bihar	70.95	Yet to be disbursed	Not Applicable	District Magistrate & Collector Office, Aurangabad, Bihar
3.	Construction of toilet block, provision of bore well and staff room, Ramanathapuram Municipality (Aspirational District)	Health/ Education	MSK Municipal Primary School and construction of class room at Vallal Pari Municipal School campus in Ramanathapuram, Tamil Nadu	49.47	12.36	12.36	Ramanathapuram Municipality, Tamil Nadu.
4.	Construction of Sanitary Complex opposite to Old Bus stand at 3 municipal schools, Virudhnagar District (Aspirational District)		At old Bus stand and 3 Nos. Municipal schools in Virudhunagar, Tamil Nadu	41.83	10.45	10.45	Virudhunagar Municipality, Tamil Nadu
5.	Construction of Community Center at Village Sirsiya, (Aspirational District)		Sirsiya, Shravasti District, Uttar Pradesh	66.74	Yet to be disbursed	Not Applicable	District Magistrate and Collector Office Shravasti, Uttar Pradesh
6.	Provision of Smart Class rooms in Sambalpur District, Odisha		10 Nos. Govt. High School in. Sambalpur, Odisha	75.00	Yet to be disbursed	Not Applicable	District Administration, Sambalpur
7.	Proposal for providing furniture (chairs & Tables/ Desk & Bench) for students in 22 Govt. schools (Aspirational District)	School Education	22 Govt. schools, Udham Singh Nagar, Uttarakhand	39.99	Yet to be disbursed	Not Applicable	Education Department, Dehradun, Uttarakhand
8.	Proposal for smart class rooms and provision of safe drinking water in Odisha Adarsha Vidyalaya Schools (Aspirational District)		Adarsha Vidyalaya Schools in Gajapati District, Odisha	71.40	Yet to disbursed	Not Applicable	DRDA ad Education Department, Odisha.
9.	Procurement of Hospital equipment, Kiphire (Aspirationl District)	Lloolth	District Hospital, Kiphire, Nagaland	66.83	54.80	54.80	District Planning & Development Board, Kiphire Nagaland
10.	Procurement of 2 Nos. Ambulance with ACLS facility for Civil Hospital, Ahmedabad	Health care	Civil hospital, Ahmedabad, Gujarat	70.00	Yet to be disbursed	Not applicable	Civil Hospital, Ahmedabaad



(₹ in Lakh)

SI. 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 were taken	Amount outlay (Budget) Projects or Programs wise	Amount Spent on the Proposals or Programs sub heads (1) Direct expenditures on projects or programs (2) Over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing agency
11.	Proposal for strengthening and restructuring of primary health centers/ sub- centers (10 Nos.) and supplying ASHA Kit to ASHA workers (Aspirational Districts)		Wayanad, Kerala	67.00	Yet to be disbursed	Not applicable	District Administration, Wayanad, Kerala.
12.	Providing Ambulance ACLS (5 nos.) to Dr. RML Hospital (3 nos) and Safdarjung Hospital (2 nos) in Delhi	Health care	NCR/Delhi	210.65	Yet to be disbursed	Not applicable	Medical Superintendent, Dr. RML Hospital and Medical Superintendent, Safdarjung Hospital, New Delhi
13.	Providing Ambulance (4 nos.) to Malkangiri District, Odisha (Aspirational District)		Malkangiri/Odisha	60	Yet to be disbursed	Not applicable	District Hospital, Malkangiri
14.	Providing Ambulance ACLS (2 nos.) to District Hospital for Kothagudam District, Telangana (Aspirational District)		Kothagudem/ Telangana	61.88	Yet to be disbursed	Not applicable	District Hospital, Kothagudem
15.	PM Cares Fund – COVID-19		NCR/Delhi	5000	5000	5000	PM CARES FUND
16.	Repair of Fisherman boats damaged due to FANI – Cluster 1, Puri.		Cluster-I, Puri, Odisha	74.84	Yet to be disbursed		District Collector, Puri, Odisha.
17.	Repair of Fisherman boats damaged due to FANI – Cluster 2, Puri.	Disaster Management	Cluster-II, Puri, Odisha	74.91	Yet to be disbursed	Not Applicable	District Collector, Puri, Odisha.
18.	Repair of Fisherman boats damaged due to FANI – Cluster 3, Puri.		Cluster-III, Puri, Odisha	41.33	Yet to be disbursed		District Collector, Puri, Odisha
19.	Procurement of 1.80 cum auto Hooper for door to door garbage collection	Sanitation	Jhalawar, Rajasthan	23.20	Yet to be disbursed	Not Applicable	Jhalawar Nagar Nigam, Rajasthan
20.	Development of Model Gram Panchayat Seem by Block Development Office, Bhikiyasain, Almora, Uttarakhand	Rural Development	Seem, Bhikiyasain, Almora, Uttarakhand	64.47	Yet to be disbursed	Not Applicable	Block Development Office, Bhikiyasain, Almora
21.	Proposal for procurement of Aquatic Weed Removal Machine FB 220 Floater Boat (1 Nos.) for the clearing of lakes	Swachh Bharat	Nagpur City, Maharashtra	64.96	Yet to be disbursed	Not Applicable	Nagpur Municipal Corporation, Maharashtra
	Total			6321.96	5083.23	5083.23	

• Excludes GST, TDS.



ii. Ongoing Proposals of financial year 2014-15,2015-16, 2016-17,2017-18 and 2018-19

(₹ in Lakh)

SI. 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 expenditures on projects or programs (2) Over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing agency
1.	Construction of 65 Bus Shelters with toilets across 13 districts. in the State of Andhra Pradesh	Sanitation	13 Districts in Andhra Pradesh	195.00	88.52	137.27	Andhra Pradesh State Road Transport Corpn.
2.	Dev. and upgradation of existing parks viz. Rajiv Gandhi Park and K L Rao Park and Maintenance for 3 years	Sustainability Development	Vijayawada /Andhra Pradesh	100.00	24.11	59.11	Vijayawada Municipal Corporation
3.	Construction of building for innovation Centre in North campus of Andhra University, Visakhapatnam	Education	Andhra University, Andhra Pradesh	75.00	9.79	58.54	Andhra University, Visakhapatnam, Andhra Pradesh
4.	Imparting training for 600 persons with disability (PWDS)	Skill Training	Delhi	79.20	20.40	79.20	National Handicapped Finance & Development Corpn.
5.	Skill development training programme for 710 Safai Karamcharis Scavangers and dependents	Skill Training	Delhi	208.20	42.23	168.95	National Safai Karamcharis Finance & Dev. Corpn
6.	Setting up of Centralized Kitchen facility for supplying nutritious meal for Aganwadi, Athal Village	Nutrition	Athal, Gujarat	75.00	75.00	75.00	Secretary, Education Daman Diu and Dadra & Nagar Haveli
7.	Construction of 4 Nos. pay & Use toilets at 4 locations in Surat, Gujarat	Swachh Bharat	Surat, Gujarat	86.38	36.38	86.38	Surat Municipal Corpn.
8.	Installation of handpumps under rural water supply scheme at Giridih District, Jharkhand	Rural Development	Girdih, Jharkhand	61.72	15.43	15.43	Deputy Commissioner Samaharanalay, Giridih
9.	Construction of 12 houses for the families affected by floods in Kerala	Disaster Management	North paravoor, Ernakulam, Kerala	67.20	16.80	16.80	Kerala State Poverty Eradic Mission (Kudumbashree)
10.	Construction of Comprehensive Retiring room for women at Kerala	Night Shelter	Perinthalmanna, Kerala	71.00	27.91	45.66	Perinthalmanna Municipality
11.	Construction of 12 houses in flood affected Venmani Gram Panchyat, Alappuzha	Disaster Management	Venmani Gram Panchayat, Kerala	67.20	50.40	50.40	Kerala State Poverty Eradic Mission (Kudumbashree)
12.	Empowerment of Tribal Youth in the District of Mandla in the State of Madhya Pradesh	Skill Training	Mandla, Madhya Pradesh	49.80	31.25	36.90	MPCON
13.	Purchase of one fully equipped ambulance for the Yanam yanam region region of UT of Puducherry	Health	Yaman region, Puducherry	44.50	43.48	43.48	Directorate of Health and Family Welfare services Puducherry



(₹ in Lakh)

		1			T	1	(₹ in Lakh)
SI. 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 expenditures on projects or programs (2) Over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing agency
14.	Construction of Night shelter at Thirunallar Temple Town	Night shelter	Thirunallar, Puducherry	70.00	17.50	17.50	District Collector, Karaikal, Govt. of Puducherry
15.	Renovation of Toilets of Sahibzada Jujhar Singh Boy's Hostel at Guru Nanakdev University, Amritsar	Education	Amritsar, Punjab	75.00	25.52	44.27	Guru Nanak Dev University, Amritsar
16.	Supply and installation of SPV LED Street Lighting 50 Nos. and SPV High Mast Lighting system at Pipar Town	Education	Pipar Town, Rajasthan	23.20	5.80	5.80	Nagar Palika Pipar
17.	Construction of 3 class rooms and toilet block at Govt. Sr. Sec. School Anupgarh Sriganganagar, Rajasthan	Education	Anupgarh, Rajasthan	35.70	20.35	27.13	Municipal Board Anupgarh, Rajasthan
18.	Procurement of 1.90 CM Auto Tippers 5 for Door to door garbage collection and transportation at Udaipur	Sustainability Development	Udaipur, Rajasthan	22.00	22.00	22.00	Nagar Nigam Udaipur
19.	Supply and installation of underground precast RC Bin for municipal solid waste at 10 location at Bundi	Sustainability Development	Bundi, Rajasthan	50.00	33.10	45.60	Nagar Nigam Bundi
20.	Construction of Night Shelter at Chunginaka Goverdhan Villas Udaipur	Night Shelter	Udaipur, Rajasthan	52.40	10.48	41.92	Nagar Nigam Udaipur
21.	Construction of Ladies night shelter at MBS Hospital Nayapura Kota	Night Shelter	Kota, Rajasthan	33.71	23.40	31.83	Municipal Corporation Kota
22.	Provision of tubes & fixture/ Replacement of existing lamps & Tubes by LED light of bus bhawan an Dept in Greater Hyderabad	Sustainability Development	Greater Hyderabad, Telangana	134.33	24.21	96.84	Telangana State Road Transport Corporation
23.	Construction of Modern toilet Complex at Ward No.4, Kutchanur Town Theni District, Tamil Nadu	Swachh Bharat	Kutchanur Town, Tamilnadu	37.50	18.75	28.13	Kutchanur Town Panchayat
24.	Construction of Night Shelter at Perungudi, Corpn. Road, Div. 186, at Chennai Kasturba Gandhi Govt. Hospital	Night Shelter	Kasturba Gandhi Hospital, Chennai Tamilnadu	38.65	15.46	38.65	Greater Chennai Corporation
25.	The improvement, renovation and beautification of canal road YI junction, Dehradun	Education/ promotion of Road Safety through Traffic Engineering	Canal Road YI Junction, Dehradun Uttarakhand	15.79	3.94	3.94	Mussoorie Dehradun Development Authority (MDDA)



(₹ in Lakh)

SI. 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 expenditures on projects or programs (2) Over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing agency
26.	Construction of toilets at 8 Police stations/posts/ police line for Dehradun District.	Swach Bharat	Dehradun, Uttarakhand	18.97	3.92	18.15	Senior Superintendent of Police Dehradun
27.	Construction of additional class rooms, Conference hall, toilet block and other facilities at Veerangna Jhalkari Bai Inter Colllege, Village Paraukha, Distt. Kanpur	Education	Village Paraukha, Kanpur, Uttar Pradesh	75.00	37.50	56.25	District Administration, Kanpur
	Total			1862.45	743.63	1351.13	

5. 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 ₹ 6321.96 lakh was allocated for implementation of socially beneficial proposals like Sanitation, Solid Waste Management, School Education, Health Care, Nutrition for Aspirational districts, Disaster Management, Rural Development Projects etc.in various states/cities all over the country and an amount of ₹ 5083.23 has been released during the year which includes CSR grant of ₹ 5000 lakh towards PM CARES fund and the balance amount is yet to be spent. Further, an amount of ₹ 743.63 lakh was also spent for the ongoing proposals of the previous period during 2018-19, 2017-18, 2016-17, 2015-16 and 2014-15.

The entire amount could not be utilized due to the reasons that in many proposals, concerned agencies could not achieve required physical/ financial progress and submit the utilization certificates for the CSR assistance to be 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 installments of the CSR assistance. Also, in some proposals, where CSR assistance has been sanctioned, documentation could not be completed by the concerned agencies in time and in view of this 1st installment of sanctioned CSR assistance couldn't be released.

6. 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 objectives/thrust areas identified in the CSR Policy approved by the Board of Directors of Company keeping in view provisions of DPE Guidelines and Companies Act on CSR. In line with the approved CSR Policy, the proposals are monitored by the concerned Regional Offices of HUDCO for ensuring the utilization of CSR assistance. The status of amount released and the status of project execution is reported to the CSR Committee of Board, periodically.

Sd/-M. Nagaraj (Chairman, CSR Committee and CMD, HUDCO) (DIN: 05184848)

Place: New Delhi
Dated: 22nd June, 2020



Annexure-6

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L74899DL1970G	O1005	276			
(ii)	Registration Date	25 th April,1970					
(iii)	Name of the Company	Housing and Urb	an De	velopment Corporation Limited			
(iv)	Category / Sub-Category of the			ares/Union Government Company			
` ′	Company	' '	,	, ,			
(v)	Address of the Registered	HUDCO Bhawan	, India	Habitat Centre, Lodhi Road,			
	office and contact details	New Delhi - 1100	003.				
		Phone No.: 011-2	246496	610-23			
		Fax: 011-246253	80				
		Email: cswhudco		9			
		Website: www.hudco.org					
(vi)	Whether listed company	Yes					
(vii)	Name, Address and Contact deta	etails of Registrar and Transfer Agent, if any					
	For Debts						
1.	K-Fin Technologies Private Limite	d	2.	Beetal Financial & Computer Services Private Limited			
	Selenium Tower B, Plot Nos. 31 - 32			Beetal House, 3rd floor, 99, Madangir,			
	Financial District,			Behind Local Shopping Centre,			
	Nanakramguda, Serilingampally,			Near Dada Harsukhdas Mandir,			
	Hyderabad, Rangareddi - 500032, T	elangana		New Delhi - 110062			
	Contact No.: 040-67162222			Phone No.: 011- 29961281-83			
	Email: einward.ris@kfintech.com			Email: beetal@beetalfinancial.com			
	Website: www.kfintech.com			Website: www.beetalfinancial.com			
	For Equity Shares						
1.	M/s Alankit Assignments Limited						
	Registrar and Share Transfer Agents	•					
	Alankit Heights, 4E/2, Jhandewalan	Extension,					
	New Delhi-110055,						
	Contact No. 011-4254-1234/1954,						
	Fax No. 011-4254-1201/2001						
	Email: rta@alankit.com						
	Website: www.alankit.com						

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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 three joint venture companies and one associate company, which covers under the definition of Associate as per Section 2(6) of the Companies Act, 2013.



SI. No.	Name and Address of the Company	CIN/GLN	Associate/ Joint Venture	% of shares held
1.	Shristi Urban Infrastructure Dev. Ltd.	U45203DL2005PLC137777	Joint Venture	40%
2.	Pragati Social Infrastructure & Dev. Ltd.	U45203WB2005PLC102656	Joint Venture	26%
3.	Signa Infrastructure India Ltd.	U45209TN2006PLC060804	Joint Venture	26%
4.	Ind Bank Housing Ltd. (IBHL)	L65922TN1991PLC020219	Associate	25%

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

(i) Category-wise Share holding

	Category of Shareholders	No. of Share		ne beginning o April, 2019)	f the year			at the end of the March, 2020)	he year	% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters		,		,		,			
1.	Indian									
(a)	Individual/ HUF	0	0	0	0	0	0	0	0	0
(b)	Central Government	1797841253		1797841253	89.81	1797841253		1797841253	89.81	
	The President of India through Secretary Ministry of Housing and Urban Affairs	1382841253	0	1382841253	69.08	1382841253	0	1382841253	69.08	0
	The President of India through Secretary Ministry of Rural Development	415000000	0	415000000	20.73	415000000	0	415000000	20.73	0
(c)	State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(e)	Banks / FI	0	0	0	0	0	0	0	0	0
(f)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (1)	1797841253	0	1797841253	89.81	1797841253	0	1797841253	89.81	0
2.	Foreign									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
	Total shareholding of Promoters (A) = (A)(1)+(A)(2)	1797841253	0	1797841253	89.81	1797841253	0	1797841253	89.81	0
B.	Public Shareholdin	g								
1.	Institutions									
(a)	Mutual Funds	17898016	0	17898016	0.89	14210563	0	14210563	0.71	(0.18)
(b)	Banks/ Fls	5556352	0	5556352	0.28	4054728	0	4054728	0.20	(0.08)
(c)	Central Government	0	0	0	0	0	0	0	0	0
(d)	State Government(s)	0	0	0	0	0	0	0	0	0



	Category of Shareholders	No. of Share		ne beginning o April, 2019)	f the year			at the end of the March, 2020)	he year	% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	32744087	0	32744087	1.64	36982847	0	36982847	1.85	0.21
(g)	FIIs	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i)	Others -Foreign Portfolio Investors	1349036	0	1349036	0.07	2898399	0	2898399	0.14	0.07
	-Alternative Investment Fund	0	0	0	0	0	0	0	0	0
	Sub-total (B)(1)	57547491	0	57547491	2.88	58146537	0	58146537	2.90	0.02
2.	Non- Institutions									
(a)	Bodies Corporates Indian/ Overseas	19541141	0	19541141	0.98	9929378	0	9929378	0.50	(0.48)
(b)	Individuals									
(i)	Individual shareholders Holding nominal share capital upto ₹ 1 lakh	96784801	3049	96787850	4.83	99352985	6483	99359468	4.96	0.13
(ii)	Individual shareholders Holding nominal share capital in excess of ₹ 1 lakh	16266524	0	16266524	0.81	21026309		21026309	1.05	0.24
(c)	Others									
(i)	Non-Resident Indians	3929768	0	3929768	0.20	3041598		3041598	0.15	(0.05)
(ii)	NBFCs Registered with RBI	1873597	0	1873597	0.09	2715379		2715379	0.14	0.05
(iii)	Employees/Office Bearer	1105322	0	1105322	0.06	943060		943060	0.05	(0.01)
(iv)	Resident (HUF)	6366731	0	6366731	0.32	6931358		6931358	0.35	0.03
(v)	Clearing Members	611336	0	611336	0.03	907673		907673	0.05	0.02
(vi)	Trusts	28987	0	28987	0.00	28787		28787	0.00	0.00
(vii)	Non-Resident Non- Repatriates	0	0	0	0	1029200		1029200	0.05	0.05
	Sub-total (B)(2)	146508207	3049	146511256	7.32	145905727		145912210	7.29	(0.02)
	Total Public Shareholding (B)=(B)(1)+(B)(2)	204055698	3049	204058747	10.19	204052264		204058747	10.19	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0		0	0	0
	Grand Total (A+B+C)	2001896951	3049	2001900000	100.00	2001893517		2001900000	100.00	-



(ii) Shareholding of Promoters

SI. No.	Shareholder's Name	No. of Shares held at the beginning of the year (As on 1st April, 2019)			No. of Share (As	% Change during the		
		No. of Shares	% of Total shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of Total shares of the Company	%of Shares Pledged / encumbered to total shares	year
1.	President of India	1797841253	89.81	0	1797841253	89.81	0	-
	Total	1797841253	89.81	0	1797841253	89.81	0	-

(iii) Change in Promoters' Shareholding

SI. No.			Shareholding of (As on 1	Change in Shareholding		Cumulative Shareholding during the year (As on 31st March, 2020)		
			No. of Shares	% of Total shares of the Company	No. of Shares	% Change	No. of Shares	% of Total shares of the Company
1	President of India							
	At the beginning of the year		1797841253	89.81	-	-	1797841253	89.81
	Date wise increase/decrease in Promoters shareholding during the year with reasons for increase/ decrease							
	Date Reason for increase/decrease		-	-	-	-	-	-
	At the end of the year		1797841253	89.81			1797841253	89.81

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI.	Top 10 Shareholders	Shareholding a	t the beginning of the year	Cumulative Shareholding during the year		
No.		No. of shares	% of the total shares of the company	No. of shares	% of the total shares of the company	
1.	HDFC LIFE INSURANCE COMPANY LIMITED- 30-Mar-2019	4078497	0.203731	-	-	
	Sale- 05-July-2019	(636)	(0.000031)	4077861	0.203699	
	Sale- 19-July-2019	(20510)	(0.001024)	4057351	0.202675	
	Sale- 16-Aug-2019	(1)	(0)	4057350	0.202674	
	Sale- 23-Aug-2019	(1)	(0)	4057349	0.202674	
	Sale- 06-Sep-2019	(2)	(0)	4057347	0.202674	
	Sale- 20-Sep-2019	(50)	(0.000002)	4057297	0.202672	
	Sale- 07-Feb-2020	(57297)	(0.002862)	4000000	0.19981	
	Sale- 21-Feb-2020	(400000)	(0.19981)	0	0	
	Purchase- 13-Mar-2020	4000000	0.19981	4000000	0.19981	
	At the end of the year	-	-	4000000	0.19981	
2.	ICICI BANK LIMITED- 30-Mar-2019	470544	0.023504	-	-	
	Purchase- 5-Apr-2019	996563	0.04978	1467107	0.073285	
	Purchase- 12-Apr-2019	14140	0.000706	1481247	0.073992	
	Purchase- 19-Apr-2019	224284	0.011203	1705531	0.085195	
	Purchase- 26-Apr-2019	9370	0.000468	1714901	0.085663	
	Sale- 3-May-2019	(979313)	(0.048919)	735588	0.036744	



SI.	Top 10 Shareholders	Shareholding a	t the beginning of the year	Cumulative Sha	areholding during the year
No.		No. of shares	% of the total shares of the company	No. of shares	% of the total shares of the company
	Purchase- 10-May-2019	73277	0.00366	808865	0.040404
	Sale- 17-May-2019	(54656)	(0.00273)	754209	0.037674
	Purchase- 24-May- 2019	24035	0.0012	778244	0.038875
	Purchase- 31-May-2019	114209	0.005705	892453	0.04458
	Purchase- 7-June-2019	4350	0.000217	896803	0.044797
	Purchase- 14-June- 2019	39351	0.001965	936154	0.046763
	Sale- 21-June-2019	(10244)	(0.000511)	925910	0.046251
	Sale- 29-June-2019	(28483)	(0.001422)	897427	0.044828
	Purchase- 5-July-2019	124153	0.006201	1021580	0.05103
	Purchase- 12-July-2019	634991	0.031719	1656571	0.082749
	Sale- 19-July-2019	(76915)	(0.003842)	1579656	0.078907
	Purchase- 26-July-2019	32457	0.001621	1612113	0.080529
	Sale- 2-Aug-2019	(6156)	(0.000307)	1605957	0.080221
	Sale- 9-Aug-2019	(60649)	(0.003029)	1545308	0.077192
	Sale- 16-Aug-2019	(12628)	(0.00063)	1532680	0.076561
	Sale- 23-Aug-2019	(19046)	(0.000951)	1513634	0.075609
	Sale- 30-Aug-2019	(601449)	(0.030043)	912185	0.045565
	Sale- 06-Sept-2019	(24961)	(0.001246)	887224	0.044319
	Purchase- 13-Sept-2019	1251	0.000062	888475	0.044381
	Purchase- 18-Sept-2019	45299	0.002262	933774	0.046644
	Purchase- 20-Sept-2019	4965	0.000248	938739	0.046892
	Sale- 27-Sept-2019	(1717)	(0.000085)	937022	0.046806
	Sale- 30-Sept-2019	(8601)	(0.000429)	928421	0.046376
	Purchase- 04-Oct-2019	22586	0.001128	951007	0.047505
	Sale- 11-Oct-2019	(19896)	(0.000993)	931111	0.046511
	Purchase- 18-Oct-2019	4107	0.000205	935218	0.046716
	Sale- 25-Oct-2019	(8898)	(0.000444)	926320	0.046272
	Sale- 01-Nov-2019	(6034)	(0.000301)	920286	0.04597
	Purchase- 08-Nov-2019	18795	0.000938	939081	0.046909
	Purchase- 15-Nov-2019	30484	0.001522	969565	0.048432
	Purchase- 22-Nov-2019	137890	0.006887	1107455	0.05532
	Purchase- 29-Nov-2019	30315	0.001514	1137770	0.056834
	Sale- 6-Dec-19	(7095)	(0.000354)	1130675	0.05648
	Purchase- 13-Dec-2019	8338	0.000416	1139013	0.056896
	Purchase- 20-Dec-2019	49372	0.002466	1188385	0.059362
	Sale- 27-Dec-2019	(34623)	(0.001729)	1153762	0.057633
	Sale- 31-Dec-2019	(21308)	(0.001064)	1132454	0.056568
	Sale- 03-Jan-2020	(233785)	(0.011678)	898669	0.04489
	Purchase- 17-Jan-2020	24937	0.001245	923606	0.046136
	Purchase- 24-Jan-2020	130894	0.006538	1054500	0.052674
	Sale- 31-Jan-2020	(68090)	(0.003401)	986410	0.049273
	Sale- 7-Feb-2020	(151125)	(0.007549)	835285	0.041724



SI.	Top 10 Shareholders	Shareholding a	t the beginning of the year	Cumulative Sha	areholding during the year
No.		No. of shares	% of the total shares of the company	No. of shares	% of the total shares of the company
	Purchase- 14-Feb-2020	36099	0.001803	871384	0.043527
	Sale- 21-Feb-2020	(871384)	(0.043527)	0	0
	Purchase- 13-Mar-2020	1030826	0.051492	1030826	0.051492
	Purchase- 28-Mar-2020	48368	0.002416	1079194	0.053908
	Sale- 31-Mar-2020	(71143)	(0.003553)	1008051	0.050354
	At the end of the year	-	-	1008051	0.050354
3.	LICI NEW ENDOWMENT PLUS- GROWTH FUND- 30-Mar-2019	30669292	1.532009	-	-
	Sale- 21-Feb-2020	(30669292)	(1.532009)	0	0
	Purchase- 13-Mar-2020	30669292	1.532009	30669292	1.532009
	At the end of the year	-	-	30669292	1.532009
4.	STATE BANK OF INDIA- 30-Mar-2019	4060675	0.202841	-	-
	Sale- 10-May-2019	(36000)	(0.001798)	4024675	0.201042
	Sale- 17-May-2019	(85000)	(0.004245)	3939675	0.196796
	Sale- 24-May-2019	(227000)	(0.011339)	3712675	0.185457
	Sale- 31-May-2019	(298292)	(0.0149)	3414383	0.170557
	Sale- 7-June-2019	(280000)	(0.013986)	3134383	0.15657
	Sale- 14-June-2019	(287000)	(0.014336)	2847383	0.142234
	Sale- 21-June-2019	(56500)	(0.002822)	2790883	0.139411
	Sale- 29-June-2019	(75000)	(0.003746)	2715883	0.135665
	Sale- 12-July-2019	(32000)	(0.001598)	2683883	0.134066
	Sale- 19-July-2019	(40000)	(0.001998)	2643883	0.132068
	Sale- 26-July-2019	(150000)	(0.007492)	2493883	0.124575
	Sale- 30-Aug-2019	(80000)	(0.003996)	2413883	0.120579
	Sale- 21-Feb-2020	(2413883)	(0.120579)	0	0
	Purchase- 13-Mar-2020	2413883	0.120579	2413883	0.120579
	At the end of the year	-	-	2413883	0.120579
5.	THE ORIENTAL INSURANCE COMPANY LIMITED- 30-March-2019	1572380	0.078544	-	-
	Sale- 21-Feb-2020	(1572380)	(0.078544)	0	0
	Purchase- 13-Mar-2020	1572380	0.078544	1572380	0.078544
	At the end of the year	-	-	1572380	0.078544
6.	AXIS BANK LIMITED- 30-March-2019	571382	0.028541	-	-
	Sale- 5-April-2019	(33371)	(0.001666)	538011	0.026875
	Sale- 12-April-2019	(10527)	(0.000525)	527484	0.026349
	Purchase- 19-April-2019	25894	0.001293	553378	0.027642
	Sale- 26-April-2019	(62187)	(0.003106)	491191	0.024536
	Sale- 3-May-2019	(20771)	(0.001037)	470420	0.023498
	Purchase- 10-May-2019	9663	0.000482	480083	0.023981
	Purchase- 17-May-2019	1628	0.000081	481711	0.024062
	Sale- 24-May-2019	(4695)	(0.000234)	477016	0.023828



SI.	Top 10 Shareholders	Shareholding a	t the beginning of the year	Cumulative Sha	reholding during the year
No.		No. of shares	% of the total shares of the company	No. of shares	% of the total shares of the company
	Purchase- 31-May-2019	116959	0.005842	593975	0.02967
	Sale- 7-June-2019	(4975)	(0.000248)	589000	0.029422
	Purchase- 14-June-2019	5626	0.000281	594626	0.029703
	Sale- 21-June-2019	(8084)	(0.000403)	586542	0.029299
	Purchase- 29-June-2019	30048	0.0015	616590	0.0308
	Purchase- 05-July-2019	9223	0.00046	625813	0.03126
	Sale- 12-July-2019	(68529)	(0.003423)	557284	0.027837
	Purchase- 19-July-2019	7282	0.000363	564566	0.028201
	Sale- 26-July-2019	(3021)	(0.00015)	561545	0.02805
	Purchase- 02-Aug-2019	57	0.000002	561602	0.028053
	Sale- 09-Aug-2019	(8649)	(0.000432)	552953	0.027621
	Purchase- 16-Aug-2019	2893	0.000144	555846	0.027765
	Sale- 23-Aug-2019	(2865)	(0.000143)	552981	0.027622
	Sale- 30-Aug-2019	(28282)	(0.001412)	524699	0.02621
	Sale- 06-Sept-2019	(5801)	(0.000289)	518898	0.02592
	Sale- 13-Sept-2019	(5341)	(0.000266)	513557	0.025653
	Purchase- 18-Sept-2019	742	0.000037	514299	0.02569
	Purchase- 20-Sept-2019	1512	0.000075	515811	0.025766
	Sale- 27-Sept-2019	(134345)	(0.00671)	381466	0.019055
	Purchase- 30-Sept-2019	180752	0.009029	562218	0.028084
	Sale- 04-Oct-2019	(63071)	(0.00315)	499147	0.024933
	Sale- 11-Oct-2019	(9301)	(0.000464)	489846	0.024469
	Sale- 18-Oct-2019	(41251)	(0.00206)	448595	0.022408
	Purchase- 25-Oct-2019	23656	0.001181	472251	0.02359
	Sale- 01-Nov-2019	(17929)	(0.000895)	454322	0.022694
	Purchase- 08-Nov-2019	30593	0.001528	484915	0.024222
	Purchase- 15-Nov-2019	4668	0.000233	489583	0.024455
	Sale- 22-Nov-2019	(908)	(0.000045)	488675	0.02441
	Sale- 29-Nov-2019	(1400)	(0.000069)	487275	0.02434
	Purchase- 06-Dec-2019	22271	0.001112	509546	0.025453
	Sale- 13-Dec-2019	(2379)	(0.000118)	507167	0.025334
	Purchase- 20-Dec-2019	1824	0.000091	508991	0.025425
	Sale- 27-Dec-2019	(1596)	(0.000079)	507395	0.025345
	Sale- 31-Dec-2019	(1970)	(0.000098)	505425	0.025247
	Sale- 03-Jan-2020	(570)	(0.000028)	504855	0.025218
	Purchase- 17-Jan-2020	17728	0.000885	522583	0.026104
	Sale- 24-Jan-2020	(16190)	(0.000808)	506393	0.025295
	Purchase- 31-Jan-2020	8478	0.000423	514871	0.025719
	Sale- 07-Feb-2020	(6476)	(0.000323)	508395	0.025395
	Purchase- 14-Feb-2020	45292	0.002262	553687	0.027658
	Sale- 21-Feb-2020	(553687)	(0.027658)	0	0
	Purchase- 13-Mar-2020	517423	0.025846	517423	0.025846



SI.	Top 10 Shareholders	Shareholding a	t the beginning of the year	Cumulative Sha	areholding during the year
No.		No. of shares	% of the total shares of the company	No. of shares	% of the total shares of the company
	Sale- 28-Mar-2020	(15115)	(0.000755)	502308	0.025091
	Purchase- 31-Mar-2020	20986	0.001048	523294	0.026139
	At the end of the year	-	-	523294	0.026139
7.	WISDOMTREE INDIA INVESTMENT PORTFOLIO, INC 30-Mar-2019	1147491	0.05732	-	-
	Purchase- 05-Apr-2019	13743	0.000686	1161234	0.058006
	Purchase- 12-Apr-2019	13746	0.000686	1174980	0.058693
	Purchase- 24-May-2019	13617	0.00068	1188597	0.059373
	Purchase- 31-May-2019	22706	0.001134	1211303	0.060507
	Purchase- 07-June-2019	36296	0.001813	1247599	0.06232
	Sale- 19-July-2019	(36400)	(0.001818)	1211199	0.060502
	Sale- 02-Aug-2019	(18240)	(0.000911)	1192959	0.059591
	Sale- 16-Aug-2019	(18228)	(0.00091)	1174731	0.05868
	Sale- 18-Sept-2019	(18212)	(0.000909)	1156519	0.057771
	Sale- 04-Oct-2019	(13659)	(0.000682)	1142860	0.057088
	Sale- 18-Oct-2019	(31878)	(0.001592)	1110982	0.055496
	Sale- 25-Oct-2019	(27258)	(0.001361)	1083724	0.054134
	Sale- 01-Nov-2019	(40875)	(0.002041)	1042849	0.052092
	Sale- 08-Nov-2019	(45372)	(0.002266)	997477	0.049826
	Sale- 22-Nov-2019	(13593)	(0.000679)	983884	0.049147
	Sale- 29-Nov-2019	(13593)	(0.000679)	970291	0.048468
	Sale- 20-Dec-2019	(18128)	(0.000905)	952163	0.047562
	Sale- 27-Dec-2019	(27240)	(0.00136)	924923	0.046202
	Sale- 31-Dec-2019	(18160)	(0.000907)	906763	0.045295
	Sale- 17-Jan-2020	(13629)	(0.00068)	893134	0.044614
	Sale- 31-Jan-2020	(13626)	(0.00068)	879508	0.043933
	Sale- 7-Feb-2020	(18184)	(0.000908)	861324	0.043025
	Sale- 14-Feb-2020	(13635)	(0.000681)	847689	0.042344
	Sale- 21-Feb-2020	(847689)	(0.042344)	0	0
	Purchase- 13-Mar-2020	788560	0.03939	788560	0.03939
	Sale- 28-Mar-2020	(7)	(0)	788553	0.03939
	At the end of the year	-	-	788553	0.03939
8.	SBI MAGNUM MIDCAP FUND- 30-Mar-2019	17781540	0.888233	-	-
	Sale-10-May-2019	(150000)	(0.007492)	17631540	0.88074
	Sale- 17- May-2019	(463000)	(0.023128)	17168540	0.857612
	Sale- 24- May-2019	(37000)	(0.001848)	17131540	0.855764
	Sale- 31- May-2019	(1000000)	(0.049952)	16131540	0.805811
	Sale- 29-Nov-2019	(726293)	(0.03628)	15405247	0.769531
	Sale- 06-Dec-2019	(273707)	(0.013672)	15131540	0.755858
	Sale- 17-Jan-2020	(1000000)	(0.049952)	14131540	0.705906
	Sale- 21-Feb-2020	(14131540)	(0.705906)	0	0



SI.	Top 10 Shareholders	Shareholding a	t the beginning of the year	Cumulative Sha	areholding during the year
No.		No. of shares	% of the total shares of the company	No. of shares	% of the total shares of the company
	Purchase- 13-Mar-2020	14131540	0.705906	14131540	0.705906
	At the end of the year	-	-	14131540	0.705906
9.	INFINA FINANCE PRIVATE LTD- 30-Mar-2019	1785000	0.089165	-	-
	Purchase- 21-June-2019	50000	0.002497	1835000	0.091662
	Purchase- 05-July-2019	75000	0.003746	1910000	0.095409
	Purchase- 12-July-2019	50000	0.002497	1960000	0.097906
	Purchase- 18-Sept-2019	100000	0.004995	2060000	0.102902
	Purchase- 18-Oct-2019	63355	0.003164	2123355	0.106066
	Purchase- 01-Nov-2019	100000	0.004995	2223355	0.111062
	Purchase- 13-Dec-2019	220461	0.011012	2443816	0.122074
	Purchase- 17-Jan-2020	150072	0.007496	2593888	0.129571
	Purchase- 24-Jan-2020	108412	0.005415	2702300	0.134986
	Purchase- 31-Jan-2020	599950	0.029969	3302250	0.164955
	Purchase- 07-Feb-2020	50	0.000002	3302300	0.164958
	Purchase- 14-Feb-2020	100000	0.004995	3402300	0.169953
	Sale- 21-Feb-2020	(3402300)	(0.169953)	0	0
	Purchase- 13-Mar-2020	3402300	0.169953	3402300	0.169953
	Sale- 28-Mar-2020	(431003)	(0.021529)	2971297	0.148423
	Sale- 31-Mar-2020	(269818)	(0.013478)	2701479	0.134945
	At the end of the year	-	-	2701479	0.134945
10.	LODHA FINSERV PVT LTD- 30-Mar-2019	569721	0.028459	-	-
	Sale- 12-April-2019	(13561)	(0.000677)	556160	0.027781
	Purchase- 19-April-2019	11112	0.000555	567272	0.028336
	Sale- 26-April-2019	(13220)	(0.00066)	554052	0.027676
	Purchase- 03-May-2019	15669	0.000782	569721	0.028459
	Sale- 10-May-2019	(7827)	(0.00039)	561894	0.028068
	Purchase- 17-May-2019	3058	0.000152	564952	0.02822
	Purchase- 24-May-2019	4769	0.000238	569721	0.028459
	Sale- 19-July-2019	(47708)	(0.002383)	522013	0.026075
	Sale- 26-July-2019	(58076)	(0.002901)	463937	0.023174
	Purchase- 02-Aug-2019	105784	0.005284	569721	0.028459
	Sale- 22-Nov-2019	(59296)	(0.002961)	510425	0.025497
	Sale- 29-Nov-2019	(84518)	(0.004221)	425907	0.021275
	Purchase- 06-Dec-2019	143814	0.007183	569721	0.028459
	Sale- 24-Jan-2020	(19285)	(0.000963)	550436	0.027495
	Sale- 31-Jan-2020	(19765)	(0.000987)	530671	0.026508
	Purchase- 07-Feb-2020	39050	0.00195	569721	0.028459
	Sale- 21-Feb-2020	(254035)	(0.012689)	315686	0.015769
	Purchase- 28-Feb-2020	314	0.000015	316000	0.015785
	Purchase- 13-Mar-2020	253721	0.012674	569721	0.028459
	At the end of the year	200721	0.012014	569721	0.028459



(v) Shareholding of Directors and Key Managerial Personnel (KMP):

SI. No.	Name	Shareholding at the beginning of the year (1st April, 2019)/ Shareholding at the end of the year (31st March, 2020)		Transaction Increase/ Decrease in Shareholding		Reason	du	llative Shareholding during the year 31 st March, 2020)	
		No. of Shares	% of Total shares of the Company				No. of Shares	% of Total shares of the Company	
1.	Shri M. Nagaraj, Chairman & Managing Director (Additional Charge) & Director (Corporate Planning)	0	0	-	-	-	0	0	
2.	Shri D. Guhan, Director (Finance) (w.e.f. 31st December, 2019)	0	0	-	-	-	0	0	
3.	Dr. M. Ravi Kanth, Chairman & Managing Director (Upto 20 th December, 2019)	0	0	-	-	-	0	0	
4.	Shri Rakesh Kumar Arora, Director (Finance) (Upto 30 th November, 2019)	0	0	-	-	ı	0	0	
5.	Shri Shyam Sunder Dubey Government Nominee Director (w.e.f. 8 th August, 2019)	0	0	-	-	1	0	0	
6.	Shri Amrit Abhijat Government Nominee Director	0	0	-	-	-	0	0	
7.	Smt. Jhanja Tripathy, Government Nominee Director (Upto 8 th August, 2019)	0	0	-	-	-	0	0	
8.	Dr. S. K. Nanda, Part-time Non-official Independent Director	0	0	-	-	-	0	0	
9.	Smt. Pratima Dayal, Part-time Non-official Independent Director	0	0	-	-	-	0	0	
10.	Shri Mukesh M Arya, Part-time Non- official Independent Director (upto 16th June, 2019)	0	0	-	-	-	0	0	
11.	Prof. Chetan V Vaidya, Part-time Non- official Independent Director (Upto 16th June, 2019)	0	0	-	-	ı	0	0	
12.	Shri Amarishkumar G Patel, Part-time Non-official Independent Director (Upto 11 th August, 2019)	0	0	-	-	-	0	0	
13.	Smt. Arshi Ahmad Ali, Executive Director (Finance) Chief Financial Officer From 18.02-2019 to 31-12-2019 (F/N)	0	0	-	-	-	0	0	
14.	Shri Harish Kumar Sharma, Company Secretary (KMP)	0	0	-	-	-	0	0	

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment- (As per Ind AS)

(in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Public Deposits	Total Indebtedness
Indebtedness at the beginning of the final	ncial year as on 01.04.2	2019		
i) Principal Amount	2,00,20,24,83,698.96	3,95,38,55,11,843.96	2,89,16,14,235.00	5,98,47,96,09,777.92
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	3,51,47,10,644.00	6,25,13,00,992.00	38,53,08,984.00	10,15,13,20,620.00
Total (i+ii+iii)	2,03,71,71,94,342.96	4,01,63,68,12,835.96	3,27,69,23,219.00	6,08,63,09,30,397.92



(in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Public Deposits	Total Indebtedness			
Change in Indebtedness during the financial year							
Addition	13,20,52,22,790.00	1,38,41,09,19,413.00	17,07,29,949.00	1,51,78,68,72,152.00			
Reduction	12,04,86,54,043.90	1,20,76,93,05,735.00	1,35,90,41,090.00.	1,34,17,70,00,868.90			
Net Change	1,15,65,68,746.10	17,64,16,13,678.00	(1,18,83,11,141.00)	17,60,98,71,283.10			
Indebtedness at the end of the financial y	ear						
i) Principal Amount	2,01,72,39,62,005.06	4,10,95,74,35,779.96	1,68,46,87,684.00	6,14,36,60,85,469.02			
ii) Interest due but not paid	0	0	0	0			
iii) Interest accrued but not due	3,14,98,01,084.00	8,32,09,90,734.00	40,39,24,394.00	11,87,47,16,212.00			
Total (i+ii+iii)	2,04,87,37,63,089.06	4,19,27,84,26,513.96	2,08,86,12,078.00	6,26,24,08,01,681.02			

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In ₹)

S.	Particulars of Remuneration	Nam	e of MD/WTD/ Ma	anager		Total
No.		Shri M. Nagaraj	Shri D. Guhan*	Dr. M. Ravi Kanth	Shri Rakesh Kumar Arora	Amount
1.	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39,78,668	11,44,536	95,17,669	88,13,185	2,34,54,058
(b)	Value of perquisites u/s 17(2) Incometax Act, 1961	6,09,557	57,838	22,11,509	1,46,250	30,25,154
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	
2.	Stock Option	-	-	-	-	
3.	Sweat Equity	-	-	-	-	
4.	Commission - as % of profit - others, specify	-	-	-	-	
5.	Others, please specify	-	-	-	-	
	Total (A)	45,88,225	12,02,374	1,17,29,178	89,59,435	2,64,79,212
	Overall Ceiling as per the Act	Provisions of Sec company.	tion 197 as to ceilir	ng on managerial rem	nuneration not app	licable to the

^{*} Shri D. Guhan joined as DF, HUDCO on 31st December, 2020 (A/N)

B. Remuneration to other Directors:

(in ₹)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount	
1.	Independent Directors	Shri Mukesh M. Arya	Prof. Chetan V. Vaidya	Shri Amarishkumar G. Patel	Dr. S. K. Nanda	Smt. Pratima Dayal	
	Fee for attending Board and Committee meeting(s)	1,00,000	35,000	1,60,000	5,85,000	5,55,000	14,35,000
	Commission						
	Others – Fee for Professional Services						
	Total (1)	1,00,000	35,000	1,60,000	5,85,000	5,55,000	14,35,000



(in ₹)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount	
1.	Independent Directors	Shri Mukesh M. Arya	Prof. Chetan V. Vaidya	Shri Amarishkumar G. Patel	Dr. S. K. Nanda	Smt. Pratima Dayal	
2.	Other Non-Executive Directors*	-	-	-	-	-	-
	Fee for attending Board and Committee meeting(s)	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	1,00,000	35,000	1,60,000	5,85,000	5,55,000	14,35,000

^{*} 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 Personnel other than Managing Director/ Whole Time Director/ Manager

(in ₹)

S. No.	Particulars of Remuneration		Key Managerial Personnel			
		CEO	Smt. Arshi Ahmad Ali* CFO	Shri Harish Kumar Sharma Company Secretary		
1.	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,26,649	32,25,457	33,52,106	
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961		504	6,39,611	6,40,115	
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-		
2.	Stock Option	Not	-	-		
3.	Sweat Equity	Applicable	-	-		
4.	Commission - as % of profit - others, specify		-	-		
5.	Others, please specify		-	-		
	Total		1,27,153	38,65,068	39,92,221	

^{*} Smt. Arshi Ahmad Ali worked as CFO during the period from 18.12.2019 to 31.12.2019 (A/N)

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Туре	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

Туре	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DE	EFAULT				
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/-

M. Nagaraj

Chairman & Managing Director

(DIN: 05184848)

Place: New Delhi
Dated: 26th August, 2020

Annexure-7

Declaration regarding compliance of Code of Conduct by Directors and Senior Management Personnel of the Company

The Company has adopted Code of Conduct for Directors and Senior Management Personnel, which is available on Company's Website at www.hudco.org.

I hereby declare that for the year under review the members of Board of Directors and Senior Management Personnel have affirmed compliance with the HUDCO's Code of Conduct and Ethics.

For and on behalf of the Board of Directors

Sd/-

M. Nagaraj

Chairman & Managing Director

(DIN: 05184848)

Place: New Delhi
Dated: 26th August, 2020



Annexure-8

Management's replies on the comments of the Statutory Auditors on the Standalone Financial Statements and Annexure to the Auditor's Report for the year 2019-20

A. Auditor's Report

Point No.	Management Reply
Emphasis of Matters	
Point no. 4 (i)	Position has been explained in para 3 of Note: 40- Explanatory Notes to Accounts.
Point no. 4 (ii)	Position has been explained in para 38 of Note: 40- Explanatory Notes to Accounts.
Report on other Legal and Regulatory Requirement	s
Point no.15,16,17	Statement of Facts, so no comments are required.
Required by section 143(3) of the Act	
Point no. 17 (a)-(f)	Statement of Facts, so no Comments are required.
Point no. 17 (g) (i)-(iii)	Position has been explained vide para no.2(a), para no. 36 and para no. 15 of Note
ANID Di	40- Explanatory Notes to Accounts.
NHB Directions	
Point No. 18	Position has been explained in para No.14 of Notes to Accounts 40

B. Annexure of Auditor's Report

i) Annexure A

Point No.	Management Reply
(i) (a to c)	Noted for Suitable Action. Physical verification of 7 Regional Offices was delayed due to COVID-19 and the same have been conducted.
(ii) to(vi), (vii)-a & b (viii) to (xvi)	No Comments are required.
(vii)- c)	The matters have been taken up with appropriate authority for decision/ rectification/ deletion/ adjustment of demand raised by them.
(vii)- d)	Position has been explained vide para no.15 of Note 40- Explanatory Notes to Accounts.

ii) Annexure B

Point No.	Management Reply
Point No.1 to 3	Statement of facts, so no comments are required.

For and on behalf of the Board of Directors

Sd/-M. Nagaraj Chairman & Managing Director

(DIN: 05184848)

Place: New Delhi
Dated: 25th August, 2020



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, 2020.

The preparation of financial statements of **Housing and Urban Development Corporation Limited** for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Audit 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 26 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Housing and Urban Development Corporation Limited** for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Sd/-

(Rina Akoijam)

Principal Director of Audit (Infrastructure)

New Delhi

Place : New Delhi

Dated : 03rd September, 2020



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of consolidated financial statements of **Housing and Urban Development Corporation Limited** for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Audit General of India under section 139 (5) read with section 129 (4) of the act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) 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 26 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Housing and Urban Development Corporation Limited for the year ended 31 March 2020 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Housing and Urban Development Corporation Limited for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to Shristi Urban Infrastructure Development Limited being private entity for appointment of their statutory auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the statutory auditor nor conducted the supplementary audit of this company. 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Sd/-

(Rina Akoijam)

Principal Director of Audit (Infrastructure)

New Delhi

Place : New Delhi

Dated: 04th September, 2020



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

- 1. We have audited the Standalone Financial Statements of Housing and Urban Development Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020,and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the Statement of Cash Flows for the year then ended and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- 2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

- 4. We draw attention to the following matter in the Notes to the Standalone financial statements:
 - i) The company has recognised interest income on "No Lien AGP Account" amounting to ₹ 27.20 crore [₹ 26.62 crore for the previous year ended 31st March 2019] for the year ended 31st March 2020. The same has been shown in Note 27 (Other Income) under head 'Interest on Construction Project'.
 - The balance outstanding as at the end of the year is ₹ 462.63 crore (debit) in "No Lien AGP Account". The company is in discussion with MoHUA for recovery/reimbursement of outstanding amount as well as booking of expenses.[Refer Para 3 of Note 40]
 - Our opinion is not modified in respect of this matter.
 - ii) We draw your attention to Note 38 to the Standalone financial results which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve in the subsequent period.
 - Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:



Sr. No	Key Audit Matter	Auditor's Response
1.	Ind AS 109 on Financial Instruments establishes a comprehensive framework for determining expected credit losses, accuracy of classification, recognition, de-recognition and measurement requirements for all the financial assets and liabilities. Considering the materiality of the amounts involved, Possible effect from the pandemic COVID-19, the significant management judgement required in estimating the expected credit losses as well as measuring Financial Assets and Financial Liabilities and such estimates and judgments being inherently subjective, this matter has been identified as a key audit matter for the current year audit. (Refer note no. 6, 7, 8, 9, 10, 11,15, 16, 17, 18, 19, 32, 35, 36 & 38)	Principal Audit Procedures Our procedures included, but were not limited to the following: Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating Expected credit losses (ECL), recognition, derecognition and measurement of Financial Assets as well as Financial Liabilities, for classifying financial assets portfolio into stages based on credit risk. Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the expected credit losses and measuring Financial Assets and Financial Liabilities. Selected the sample and tested the operating effectiveness of the internal control, relating to recognition, measurement and de-recognition of, financial assets and financial liabilities and calculation of ECL. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording financial assets / liabilities and calculation of ECL in accordance with the said Ind AS.

Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report for the year ending 31st March 2020 is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. 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 standalone financial statements that give a true and fair view of the financial position, financial performance, other Comprehensive income, Changes in Equity, and Cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind ASs) specified under Section 133 of the Act. This

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responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- 8. In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.
- 9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- 10. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- 11. As Part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the
 circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on
 whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and
 the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and contents of the Standalone Financial Statements, including the disclosures, and whether the standalone financial statements representing the underlying transactions and events in a manner that achieves fair representation.
- 12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.
- 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters

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in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 15. As required by the Companies (Auditor's Report) Order, 2016 ("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-"A", a statement on the matters specified in Paragraph 3 and 4 of the said Order, to the extent applicable.
- 16. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the Annexure 'B' on the directions issued by the Comptroller and Auditor General of India.
- 17. 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 purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Statement of Profit and loss [including Other Comprehensive income], Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard ("Ind- As") specified under Section 133 of the Act;
 - e) The provisions of section 164(2) in respect of disqualifications of directors of the Companies Act, 2013 are not applicable to the Company being Government Company in terms of notification no. G.S.R. 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs.
 - f) With respect of the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'C'; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position on its Standalone financial statements; (Refer Para 2(a) of Note no 40)
 - ii. The Company does not have any material foreseeable losses on long terms contracts including derivative contracts; (Refer Para 36 of Note no 40)
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protections Fund by the Company; (Refer Para 15 of Note no 40)

NHB Directions

18. The Company is complying with National Housing Bank's (NHB) credit concentration norms in respect of loans to private sector agencies. However, in case of loans to State Governments/State Governments Agencies/Central Government Agencies, the said norms have been relaxed by the NHB vide various letters (Refer Para no.14 of Note No.40); the same is complied with except in case of Investment in equity shares of Housing Finance Company Indbank Housing Limited (Investee company) where investment in 25% of equity capital of investee company has been made instead of prescribed limit of 15%.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

> Sd/-Prem Behari Gupta Partner

(Membership No. : 080245) UDIN: 20080245AAAAAL3407

Place of signature : New Delhi Date : 26th June, 2020



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Annexure referred to in Paragraph "15" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Housing and Urban Development Corporation Limited on the Standalone Financial Statements for the year ended March 31st, 2020).

- (i). In respect of Fixed assets:
 - The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As per information and explanation given to us, there is a regular programme of physical verification of all fixed assets once every year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As per the information given by the management, physical verification of the fixed assets has not been conducted at 7 Regional Offices (RO's) i.e Bangalore, Chandigarh, Dimapur, Jaipur, Jammu, Mumbai, NCR Delhi during the year. Further, the discrepancies observed wherever the physical verification was conducted, were not material and have been appropriately accounted for in the books.
 - c) The title / lease deeds of the immovable properties are held in the name of the Company except in case of Leasehold Land/ Flats/ building measuring 11521.53 square meters having cost of ₹ 33.99 crore and Freehold Land/ flats/ building measuring 5718.03 square meters having cost of ₹ 6.51 crore, of which title/ lease deeds are pending for execution in the name of the Company.
- (ii). The nature of business of the company does not require it to have any inventory. Hence, the requirements of clause (ii) of Paragraph 3 of the said order, are not applicable to the company.
- (iii). According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to any companies, firm, limited liability partnerships or other parties covered in the register required to be maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence, reporting under clauses (iii) (a), (b) and (c) is not applicable to the company.
- (iv). In our opinion and according to the information and explanation given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of Investments made or loans or guarantee or security provided to the parties covered under Section 186.
- (v). The Company has accepted deposits from public. In our opinion and according to the information and explanation 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 provision of Section 73 to 76 and other relevant provision 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 explanation given to us and according to the records produced before us for verification, the company has generally been regular in depositing with appropriate authorities, the undisputed statutory dues including Provident fund, Income tax, Wealth tax, GST and any Other Statutory dues applicable to it;
 - b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income tax, Sales tax/ Value Added Tax, Service Tax, GST and any other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable;
 - According to the information and explanations given to us, the Income tax, wealth tax and services taxes dues which are pending on account of dispute are as under:

Name of the Statue	Nature of Dues	Amount (in ₹ crore)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disputed Income-tax demand	20.30#	AY 1996-97, AY 1998-99	Add. CIT and High Court
Income Tax Act, 1961	Disputed Income-tax demand	20.55#	AY 2004-05 and AY 2015-16	ITAT and Add. CIT

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Name of the Statue	Nature of Dues	Amount (in ₹ crore)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disputed Income-tax demand	40.65#	AY 2010-11 to AY 2012-13 and AY 2014-15	ITAT
Income Tax Act, 1961	Disputed Income-tax demand	37.70#	AY 2013-14, AY 2016-17 and AY 2017-18	CIT(A)
Income Tax Act, 1961	Disputed Income-tax demand	77.53#	AY 1998-99 to AY 2004-05, AY 2007-08 and AY 2008-09	Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	73.90#	AY 2005-06 to AY 2009-10	Add. CIT, ITAT and Supreme Court
Income Tax Act, 1961	Disputed Income-tax demand	13.38#	AY 1997-98	CBDT and Add. CIT
Wealth Tax Act, 1957	Wealth Tax and Interest	0.01@	AY 1995-96	Add. CIT
Service Tax - Finance Act, 1994	Disputed Service tax demand	2.32*	FY2007-08 to FY 2017-18	Assistant/ Deputy/ Joint Commissioner of Service Tax/ GST
Service Tax - Finance Act, 1994	Disputed Service tax demand	2.49*	FY 2004-05 to FY 2007-08	High Court
Service Tax - Finance Act, 1994	Disputed Service tax demand	2.23*	FY 2005-06 to FY 2008-09	CESTAT
	Total	291.06		

- # Against disputed Income tax demand amounting to ₹ 284.01 crore, ₹ 279.79 crore has been adjusted by authorities or paid by the Company under protest from time to time and remaining ₹ 4.22 crore has not been paid.
- @ Wealth tax demand amounting to ₹ 0.01 crore paid under Protest by the Company.
- * In respect of disputed Service Tax demand amounting to ₹ 7.04 crore, ₹ 2.63 crore has been paid by the Company under protest from time to time and remaining ₹ 4.41crore has not been paid.
- 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 (5) of section 125 of the Companies Act, 2013 has been transferred. The unclaimed amount lying in other financial liabilities includes interest of ₹ 0.04 crore as on March, 31st 2020, 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 bonds / deposits / debentures has not been completed yet. (Refer Para 15 of Note 40).
- (viii). In our opinion and as per the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks and Government or debenture holders;
- (ix). According to the information and explanation given to us, the company has raised the money through bonds issue, and term loan. The proceeds of such bonds issue, and terms loan have been utilized for the purpose for which they were issued;
- (x). According to the information and explanation given to us and as represented by the management and based on our examination of the books and records of the company and in accordance with the Generally Accepted Auditing Practices in India, no case of frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi). The provisions of Section 197 of the Companies Act, 2013 relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of MCA Notification no. G.S.R. 463 (E) dated 5th June 2015;
- (xii). In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence, the requirement of clause 3(xii) of the order is not applicable;
- (xiii). In our opinion and according to the information and explanation given to us, transactions during the year with related parties were approved by the Audit Committee and are in compliance with Section 177 of the Companies Act, 2013 where applicable and since



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the said transactions were in the ordinary course of business of the Company and were at arm length basis, the provisions of Section 188 are not applicable, and the details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian accounting standards (Ind AS);

- (xiv). According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv). In our opinion and according to the information and explanations given to us, the company has not entered into any non cash transaction with director or persons connected with him;
- (xvi). According to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. However, the Company being a Housing Finance Company, is registered with National Housing Bank vide Registration No. 01.0016.01 by which NHB has granted status of Housing Finance Company (HFC) to the Company on 31st July 2001.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta

Partner

(Membership No. : 080245) UDIN: 20080245AAAAAL3407

Place of signature : New Delhi
Date : 26th June, 2020



ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph "16" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Housing and Urban Development Corporation Limited on the Standalone Financial Statements for the year ended 31st March, 2020)

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 Limited for the year 2019-20 issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013

SR. NO	AREAS TO BE EXAMINED	REPLY FOR THE AREAS EXAMINED
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	The Company has the system in place to process all the accounting transactions through IT systems with some exceptions. It has been observed that all the base calculation like finalization of PDS Interest, Interest Payable on bonds and Borrowings, Depreciation etc. are processed outside IT systems i.e through excel sheets. Once the calculations are finalized then final vouchers are passed through various IT System. During the course of verification on test check basis, we have not come across any major calculation mistakes. As informed to us company is using Lenova Server, Weblogic, Linux OS and Developer forms/Oracle for maintaining the Holfin in which accounting entries/ vouchers are routed through. The company is also in process of implementation of ERP.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc. made by a lender to the company's inability to repay the loan? If yes, the financial impact may be stated.	During the Financial Year 2019-20, no cases of restructuring of an existing loan or case of waiver/write-off of debts/loans/Interest etc. made by a lender to the company has been observed. However the company has restructured 2 loans accounts amounting to ₹ 853.94 crore during the year. The principal outstanding as on 31 March 2020 was ₹ 883.21 crore in respect of these 2 restructured accounts. Further, during the year under audit, company has waived off/ written-off of debts/ loans/interest etc. due to the borrower's inability to repay the loan on account of default resolution in 2 loan accounts amounting to ₹ 241.50 crore.
3.	Whether funds received/ receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	On the basis of selective audit procedures, we have observed that the funds received/ receivable for specific schemes from Central/State agencies were properly accounted for /utilized as per its term and conditions.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/Prem Behari Gupta
Partner
pership No : 080245)

(Membership No. : 080245) UDIN: 20080245AAAAAL3407

Place of signature : New Delhi Date : 26th June, 2020



ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED**("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

- 3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- 4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.
- 5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

Place of signature

: New Delhi

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta

Partner

Place of signature : New Delhi (Membership No.: 080245)
Date : 26th June, 2020 UDIN: 20080245AAAAAL3407

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of **Housing and Urban Development Corporation Limited** for the year ended 31st March, 2020 in accordance with the directions/ sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta

Partner

Date : 26th June, 2020 (Membership No.: 080245)



BALANCE SHEET AS AT 31ST MARCH, 2020

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	As at 31st March, 2020	As at 31st March, 2019
- 1	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	6	222.67	111.10
(b)	Bank Balance other than (a) above	_	200.14	228.94
(c)	Derivative Financial Instruments	7	1.61	15.42
(d)	Receivables		6.24	4.40
	- Trade Receivables - Other Receivables	8	6.24 5.22	4.42 15.62
(e)	Loans	9	74,267.92	70,963.71
(f)	Investments	10	233.51	535.51
(g)	Other Financial Assets	11	697.90	458.41
(9)	Sub Total (1)		75,635.21	72,333.13
2	Non-Financial Assets	-		,0000
(a)	Current Tax Asset (Net)	12	1.99	12.85
(b)	Investment Property	13A	19.28	20.21
(c)	Property, Plant and Equipment	13B	45.27	49.95
(d)	Capital Work-in-Progress	13B	51.56	38.59
(e)	Other Intangible Assets	13C	0.28	0.41
(f)	Other Non-Financial Assets	14	373.40	374.20
	Sub Total (2)		491.78	496.21
	TOTAL ASSETS (1+2)		76,126.99	72,829.34
II	LIABILITIES AND EQUITY			
Α	Liabilities			
1	Financial Liabilities	_		
(a)	Derivative Financial Instruments	7	-	0.13
(b)	Payables Taraba Baraba	45		
(i)	Trade Payable	15		
	 Total outstanding dues of Micro Enterprises and Small Enterprises Total outstanding dues of creditors other than Micro Enterprises and Small 		-	-
	Enterprises		0.11	0.16
(ii)	Other Payables			
(11)	- Total outstanding dues of Micro Enterprises and Small Enterprises		0.09	0.26
	- Total outstanding dues of creditors other than Micro Enterprises and Small			
	Enterprises		17.39	14.22
(c)	Debt Securities	16	53,991.49	51,236.78
(d)	Borrowings	17	7,276.65	8,322.02
(e)	Deposits	18	168.47	289.16
(f)	Other Financial Liabilities	19	1,639.42	1,384.62
()	Sub Total (A-1)		63,093.62	61,247.35
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)		-	-
(b)	Provisions	20	220.65	179.96
(c)	Deferred Tax Liabilites (Net)	21	413.55	404.24
(d)	Other Non-Financial Liabilities	22	55.68	42.02
	Sub Total (A-2)	_	689.88	626.22
	Sub Total (A)	L	63,783.50	61,873.57
В	Equity		0.004.00	0.001.00
(a)	Equity Share Capital	23	2,001.90	2,001.90
(b)	Other Equity	24	10,341.59	8,953.87
	Sub Total (B)	-	12,343.49	10,955.77
	TOTAL LIABILITIES AND EQUITY (A+B)		76,126.99	72,829.34
	o Accounts	1 to 40		
ote: Tr	ne Notes referred to above form an integral part of the Financial Statements			

For and on behalf of the Board

Sd/-Sd/-Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848 Harish Kumar Sharma D. Guhan **Company Secretary Director Finance** ACS 6557 DIN 06757569

As per our Separate report of even date attached

For Prem Gupta & Co. **Chartered Accountants**

(Firm Registration No. 000425N)

Sd/-Prem Behari Gupta Partner

Place of signature: New Delhi : 26th June, 2020

(Membership No. 080245)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	Year ended 31 st March, 2020	Year ended
- 1	INCOME			
Α	Revenue from Operations			
(a)	Interest Income	25	7,482.57	5,465.5
(b)	Dividend Income		3.79	3.5
(c)	Rental Income		35.54	29.2
(d)	Fees and Commision Income		6.27	46.6
(e)	Net Gain on Fair Value changes	26	-	
(f)	Sale of Services		3.95	2.6
.,	Total Revenue from Operations (A)		7,532.12	5,547.6
В	Other Income	27	39.52	43.5
	Total Income I (A+B)		7,571.64	5,591.2
- 11	EXPENSES		,	-,
(a)	Finance Cost	28	4,847.81	3,070.5
(b)	Fees and Commission Expense		2.55	7.2
(c)	Net Loss on Fair Value Changes	26	19.21	21.9
(d)	Employee Benefit Expense	29	239.02	224.1
(e)	Impairment on Financial Instruments	30	155.76	327.2
(f)	Depreciation, Amortization & Impairment	00	5.71	5.3
(g)	Corporate Social Responsibilities		56.93	4.2
(9) (h)	Other Expenses	31	70.12	67.4
(11)	Total Expenses II (a to h)	31	5,397.11	3,728.0
ш	Profit/ (Loss) Before Tax (I-II)	-	2,174.53	1,863.2
IV	Tax Expense:	-	2,174.55	1,003.2
IV	(i) Current Tax		452.00	504.0
			453.00	584.9
	(ii) Deferred Tax		14.91	98.7
	(iii) Adjustment of tax of earlier years (Net)	-	(1.80)	(0.62
.,	Total Tax Expenses IV (i+ii+iii)	-	466.11	683.0
V	Profit/ (Loss) for the Period (III-IV)		1,708.42	1,180.1
VI	Other Comprehensive Income			
(i)	Items that will not be reclassified to profit or loss		(00.04)	(0.04
<i>(</i> 11)	Re-measurement gains (losses) on defined benefit plans		(22.24)	(6.86
(ii)	Income tax relating to items that will not be reclassified to profit or loss		5.60	2.4
	Sub-total (i+ii)		(16.64)	(4.46
	Other Comprehensive Income (VI)		(16.64)	(4.46
	Total Comprehensive Income for the period (V+VI)		1,691.78	1,175.6
	Earning per equity share (for continuing operations)			
	(Refer S.No. 28 of Note 40 - Explanatory Note)			
	Basic (₹)		8.53	5.9
	Diluted (₹)		8.53	5.9
es to	Accounts	1 to 40		
	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** ACS 6557

Sd/-D. Guhan **Director Finance** DIN 06757569

Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. **Chartered Accountants**

(Membership No. 080245)

(Firm Registration No. 000425N)

Sd/-Prem Behari Gupta Partner

Place of signature: New Delhi Date : 26th June, 2020



STATEMENT OF CHANGES IN EQUITY

(a) Equity Share Capital

Equity share of ₹ 10/- each fully Issued, Subscribed and Paid up	₹ in crore
As at 31⁵ March, 2019	2,001.90
As at 31⁵t March. 2020	2.001.90

(b) Other Equity

							ŀ			
				Oth€	Other Reserves			Retained Earning	Earning	
S.No.	S.No. Particulars	Securities Premium (Bonds) *	Debenture/ Bonds Redemption Reserve **	Capital (KfW) Reserve	Welfare Reserve	Special Reserve ***	Reserve for Bad & Doubtful Debt	General Reserve	Surplus	Total
∢	Balance as at 1st April, 2018	1.26	2,557.38	59.96	72.07	3,845.19		1,405.08	0.15	7,941.09
Ξ	Profit during the period								1,180.15	1,180.15
(ii)	Other Comprehensive Income for the period								(4.46)	(4.46)
(E)	Transferred to Surplus from General Reserve									
(iv)	Transferred from Surplus to DRR		439.83						(439.83)	1
(>)	Transferred from Surplus to General reserve		ı						-	1
(Š	Transferred from Surplus to Special Reserve					450.00		'	(450.00)	1
(vii)	Transferred from Surplus to Reserve for Bad & Doubtfull Debt					•	86.86		(86.86)	'
(viii)	Less: Interim Dividend								135.13	135.13
(xi)	Less: Dividend Tax								27.78	27.78
ပ	Balance as at 31st March, 2019	1.26	2,997.21	96'69	72.07	4,295.19	98.98	1,405.08	36.24	8,953.87
(<u>i</u>)	Final Dividend for the year 2018-19								(30.03)	(30.03)
(ii)	Dividend Distribution Tax for the year 2018-19								(6.17)	(6.17)
(iii)	Profit during the period								1,708.42	1,708.42
(iv)	Other Comprehensive Income for the period								(16.64)	(16.64)
(v)	Total Comprehensive Income for the period								1,691.78	1,691.78
(vi	Transferred to Surplus from General Reserve							-	-	1
(vii)	Transferred from Surplus to DRR		439.83						(439.83)	1
(viii)	Transferred from Surplus to General reserve								-	1
(ix)	Use of Reserve for Bad & Doubtful Debts against Principal Waiver						(86.86)			(86.86)
×	Transferred from Surplus to Special Reserve					200.00			(200.00)	1
(X	Transferred from Surplus to Reserve for Bad & Doubtfull Debt						93.08		(93.08)	1



				Othe	Other Reserves			Retained	Retained Earning	
S.No.	PARTICULARS	Securities Premium (Bonds) *	Debenture/ Bonds Redemption Reserve **	Capital (KfW) Reserve	Welfare Reserve	Special Reserve ***	Reserve for Bad & Doubfful Debt	General Reserve	Surplus	Total
(iix)	Less: Interim Dividend								150.14	150.14
(XIII)	Less: Dividend Tax								30.86	30.86
	Balance as at 31st March, 2020	1.26	3,437.04	96.65	72.07	4,795.19	93.08	1,405.08	477.91	10,341.59
*	Securities Premium Account represent the premi	um received on	premium received on issue of Tax Free Bonds through private placement	Bonds through p	rivate placem	ent.				
* *	(1) 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.	013 dated 11.0 alent to 50% of the bonds as per of the above cirustants.	0. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affairs (MCA), the company had to create a Debenture / Bond equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the spective bonds as per the then prevalent SEBI Debt Regulations and Section 117 C of the Companies Act, 1956. The creation of DRR ance of the above circular.	y the Ministry of ds issued (based t SEBI Debt Regu	Corporate A d on repaymer ulations and S	ffairs (MCA), 1 nt tenure of re ection 117 C c	the company has spective bonds of the Compani	ad to creats) through pess Act, 1956	e a Debent ublic issue, 3. The creat	ure / Bond before the ion of DRR
* *	(2) The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalaent 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 and 2015-16.	oportionate De Iemption of resl	benture / Bond Repective bonds; and	edemption Reser d equivalent to 25	rve on Bonds 5% on bonds i:	issued upto the ssued during t	ne financial yea he financial yea	ar 2012-13, ar 2013-14 (equivalaent and 2015-16	to 50% on
* * *	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) amounting to ₹181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act,1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹4613.44 crore.	51 and u/s 29C f NHB Act, 198	Act,1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1996-97) amounting to ₹181.7 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹4613.44 crore.	7 (upto Financial` ear 1997-98 onw	Year 1996-97 ards) amounti) amounting tc ng to ₹4613.4	.₹181.75 crore 4 crore.	and Creat	ed and Mai	ntained u/s
Notes	Notes to Accounts			1 to 40						
Note:	Note: The Notes referred to above form an integral part of the Financial Statements	of the Financia	Statements							
								For and o	For and on behalf of the Board	the Board
	Sd/- Harish Kumar Sharma Company Secretary ACS 6557		iO O	Sd/- D. Guhan Director Finance DIN 06757569				Chairman (Sd/- M. Nagaraj Chairman & Managing Director DIN 05184848	j g Director 48
						As	As per our Separate report of even date attached	ate report	of even dat	e attached
								For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)	For Prem Gupta & Co. Chartered Accountants gistration No. 000425N)	upta & Co. countants . 000425N)
Place Date	Place of Signature : New Delhi .: 26 th June, 2020							(Мег	Sd/- Prem Behari Gupta Partner (Membership No. 080245)	Sd/- Prem Behari Gupta Partner ership No. 080245)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in crore)

S.No.	Particulars	Year Ended 31 st March, 2020	Year Ended 31 st March, 2019
Α	Operating activities		
	Profit before tax	2,174.53	1,863.21
l	Adjustments to reconcile profit before tax to net cash flows:		
(i)	Depreciation & amortisation	5.71	5.30
(ii)	Impairment on financial instruments	155.76	327.27
(iii)	Unrealised foreign exchange gain/loss and EIR on borrowings	6.26	2.97
(iv)	Unrealised loss/ (gain) on investment held for trading	5.53	(8.26)
(v)	Change in the fair value of hedged item	13.68	30.21
(vi)	Dividend income	(3.79)	(3.51)
(vii)	Interest on investment (Bonds)	(21.88)	(22.01)
(viii)	Provision for employee benefits	18.45	0.94
(ix)	Provision for Interest under Income Tax Act	2.00	0.55
(x)	Loss/ (Profit) on sale of Fixed Assets (Net)	(0.01)	0.01
(xi)	EIR on Advances	3.75	0.04
(xii)	Discounting of security deposit and deposit for services	(0.05)	0.01
(xiii)	Discounting of Interest Income on Staff Advances	(2.66)	(2.77)
(xiv)	Discounitng of Employee cost of Staff advances	2.27	2.52
l	Operating Profit before Working capital changes	2,359.55	2,196.48
l	Working capital changes		
(i)	Loans	(3,549.98)	(24,185.49)
(ii)	Derivatives	-	-
(iii)	Trade receivables, financial and non financial assets	25.12	(39.85)
(iv)	Liability and provisions	286.05	(773.09)
l	Sub Total	(879.26)	(22,801.95)
l	Income tax paid (Net of refunds)	(456.99)	(598.30)
l	Net cash flows from/(used in) operating activities - A	(1,336.25)	(23,400.25)
В	Investing activities		
(i)	Purchase of fixed and intangible assets	(15.49)	(8.25)
(ii)	Proceeds from sale of property and equipment	2.58	0.04
(iii)	Investments at fair value through profit and loss	91.76	22.27
(iv)	Dividend received	3.79	3.51
_	Net cash flows from/(used in) investing activities - B	82.64	17.57
С	Financing activities		
(i)	Change in borrowings	1,582.39	23,584.80
(ii)	Dividends paid including DDT	(217.21)	(162.91)
l	Net cash flows from financing activities - C	1,365.18	23,421.89
l	Net increase in cash and cash equivalents (A + B + C)	111.57	39.21
l	Cash and cash equivalents - Opening Balance	111.10	71.89
	Cash and cash equivalents - Closing Balance	222.67	111.10
	ents of Cash & Cash Equivalents		
A	Cash and Cash Equivalents		
(i)	Cash and Revenue Stamps in hand		
(ii)	Bank Deposits (3 months and less than 3 months) *	176.86	14.27
(iii)	Balances in Current account with:		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks *	45.79	96.35
(iv)	Cheque/Demand draft in hand Total A	222.67	0.46 111.10

* Earmarked Balances in Cash & Cash Equivalents are ₹ 188.46 crore (previous year ₹ 106.22 crore)

For and on behalf of the Board

Sd/-Harish Kumar Sharma Company Secretary ACS 6557 Sd/-D. Guhan Director Finance DIN 06757569

Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Place of signature : New Delhi Partner
Date : 26th June, 2020 Prem Behari Gupta

(Membership No. 080245)



NOTES FORMING PART OF ACCOUNTS

1. Corporate information

Housing and Urban Development Corporation Limited is a listed public limited company (Government of India undertaking) domiciled in India and incorporated on 25th April, 1970 under the provisions of Companies Act, 1956. The Company is a Housing Finance Company ('HFC') registered with the National Housing Bank ('NHB'). The Company is primarily engaged in the business of financing Housing and Urban development activities in the country. The Company's registered office is at Core 7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003.

2. Application of New Indian Accounting Standards (Ind As)

All the Indian Accounting Standards issued and notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules 2015 (as amended) till the financial statements are authorised have been considered in preparing the standalone Ind AS Financial Statements.

3. Standard/Amendments issued but not yet effective

No amendments is issued during March 2020 which are yet effective_

4. Significant accounting policies

4.1. Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1st April 2017.

4.2. Basis of preparation and Presentation

The standalone Ind As financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets (equity instruments classified as Fair Value Through P&L Account etc.) and financial liabilities (derivatives etc.) and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

4.3. Investment in associates and joint ventures

The Company records the investments in associates and joint ventures at cost less impairment loss, if any.

On disposal of Investment in associate, and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the standalone statement of profit and loss.

4.4. Use of estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4.5. Cash and cash equivalents

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance, which are subject to an insignificant risk of changes in value.

4.6. Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.



Income and expenses in foreign currencies are recorded by the Company at the exchange rates prevailing on the date of the transaction.

At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange (RBI Reference Rate) prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss in the period in which they arise.

4.7. Revenue recognition

4.7.1 Interest income

As per Ind AS 109, Interest income, for all debt instruments measured is recorded using the effective interest rate (EIR). The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company has recognized any fees that are incrementally directly attributable to the loans on the basis of Straight Line Basis co -terminus with the term of loan.

Interest income in Non-Performing Assets and /or Stage 3 in Financial Assets is recognized only on cash/receipt basis.

4.7.2 Dividends

Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

4.7.3 Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

4.7.4 "Revenue from Contracts with Customers" which includes but not limited to Consultancy, trusteeship & Consortium, charges on Construction Projects, Management Development Program or any other income is recognized as per Ind As 115 on "Revenue from Contracts with Customers"

4.8. Borrowing costs

Borrowing costs directly attributable to the acquisition are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

4.9. Investment properties

The Company has elected to continue with the carrying value for all of its investment property as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1st April, 2017as per Ind AS 40- 'Investment Property'.

Recognition

Investment properties are measured initially at cost, including transaction costs. The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent Measurement (Depreciation)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates building component of Investment property over useful life prescribed



under Part C of Schedule-II to the Companies Act 2013. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

De-recognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of profit or loss in the period of de–recognition on disposal.

4.10. Property, plant and equipment (PPE) and Intangible assets

Recognition

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at 31st March, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1st April, 2017.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment (PPE) is charged on Straight line method either on the basis of rates arrived at with the reference to the useful life of the assets arrived at based on useful life prescribed under Part C of Schedule-II of the Companies Act, 2013.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss account when the asset is derecognized.

Intangible assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible Assets comprising of Computer Software are stated at Cost less accumulated amortization.

4.11. Depreciation and amortization

- a) Depreciation is provided over the useful life of the PPE set as per Schedule-II of Companies Act 2013 and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value effective from 1st April, 2014.
- b) On PPE costing upto ₹ 5000 per item are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- c) Books purchased during the year are clubbed under Library Books and depreciation thereon is provided @ 100%.
- d) Computer software is amortized over a period of five years on a straight-line basis.

4.12. Leases

a) Company as a lessee

(i) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.



- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right -of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

4.13. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments other than which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind As 103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

(i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.



De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.14. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from retained earnings, net of any related income tax effects.

4.15. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.16. Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance



with the principles laid down in Ind As 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due:-

 Stage - 1
 0-30 days

 Stage - 2
 31-90 days

 Stage - 3
 Above 90 days.

The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provisions 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 the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification Loans

The company allows concessions or modification of loan term as a response to the borrowers financial difficulties rather than taking possession or to other wise enforce collection of security. The company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case by case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.

b) Non-financial assets

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-inuse) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



4.17. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

- (a) The Company acts as a channelizing 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 Financial 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 other than Govt. agencies or development partners, 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 "Financial Liabilities" and is utilized as per the terms of the agreement.

4.18. Employee benefits

- (a) Expenditure on company 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 Company's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
- (b) The Company's obligation towards sick leave, earned leave, leave travel concession, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.

4.19. Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

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.



Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.20. Dividend and Tax on Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.21. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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.

4.22. Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle
 the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- · A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable and recognised when realization of income is virtually certain.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that



affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

5.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

5.3 Effective Interest Rate (EIR) method

The company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

5.4 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation



of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.5 Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.6 Revenue from contract with Customers

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or services, transfer of significant risks and rewards to the customer, etc.

5.7 Leases

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.



NOTE 6: CASH AND CASH EQUIVALENTS

(₹ in crore)

S.No.	PARTICULARS		As at 31st March, 2020	As at 31 st March, 2019
Α	Cash and Cash Equivalents			
(i)	Cash and Revenue Stamps in hand		-	-
(ii)	Bank Deposits (3 months and less than 3 months) **		176.86	14.27
(iii)	Balances in Current account with:			
	- Reserve Bank of India		0.02	0.02
	- Scheduled Banks *\$		45.79	96.35
(iv)	Cheque/Demand draft in hand		-	0.46
		Total A	222.67	111.10
В	Bank balance other than above			
(i)	Bank Deposits (More than 3 months & upto 12 months) *** # %		123.73	133.40
(ii)	Bank Deposits (More than 12 months) **** #		76.41	95.54
		Total B	200.14	228.94

^{\$} Balances with Banks in current accounts maintained with various Banks.

Components of Cash & Cash Equivalents : Earmarked balances with Bank

S.No.	Particulars	As at 31 st March, 2020	As at 31 st March, 2019
*	Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.11	3.61
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.07	0.07
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	2.99	79.44
(vi)	Interim Dividend Balance	0.45	0.09
(vii)	Unclaimed Dividend	0.03	0.01
(viii)	Unclaimed Bonds	7.86	8.37
(ix)	Human Settlement Management Institute Study Fund	-	0.27
	Sub Total - Balances in Current Accounts With Scheduled Banks	11.60	91.95
**	Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	3.81	3.62
(ii)	Credit Linked Subsidy Scheme #	133.40	7.02
(iii)	Sagar Co-operative Housing Society #	0.26	0.24
(iv)	Human Settlement Management Institute Study Fund #	-	3.38
(v)	Rajiv Rinn Yojana	0.85	0.01
(vi)	Liquid Assets Fixed Deposits ^	38.54	-
	Sub Total - Bank Deposits (3 months & Less than 3 months)	176.86	14.27

[^] In the extraordinary circumstances of COVID 19 Pandemic and consequent lockdown since 23.03.2020, the entire requirement of investment (₹ 38.42 crore) for the purpose of maintenance of Liquid Assets in compliance of NHB Guidelines was placed in Fixed Deposit (₹ 38.50 crore) with lien marked in favour of Trustees for Liquid Assets maintenance (under intimation to NHB). As on date, investment w.r.t. maintenance of Liquid Assets is ₹ 17.25 crore in Fixed Deposits and ₹ 17.29 crore in T-Bills in compliance of NHB Regulations.

[%] Includes Deposit with EXIM Bank in terms of swap arrangment in respect of ADB Loan.



*** Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months):

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i)	Rajiv Rinn Yojana #	37.77	32.53
(ii)	Human Settlement Management Institute Study Fund #	3.88	-
(iii)	Heritage Project - Retail Finance #	1.84	1.72
(iv)	Vikat Hotel	0.34	-
(v)	SPIL#	-	0.32
(vi)	BSUP Project	3.23	3.03
(vii)	OCRPMO	0.28	0.27
	Sub Total - Bank Deposits (More than 3 months & upto 12 months)	47.34	37.87

Note: Short term deposits are made for varying periods upto one year depending on short term liquidity requirements of HUDCO and earn interest at respective short term deposit rates.

**** Components of Bank balances - Earmarked Bank Deposits (More than 12 months):

S.No.	Particulars	As at 31 st March, 2020	As at 31st March, 2019
(i)	Under lien with Bank of India, Cayman Islands branch, USA #	76.41	95.54

[#] Includes Interest accrued but not due.



(₹ in crore)

NOTE 7: DERIVATIVE FINANCIAL INSTRUMENTS

			As a	As at 31st March, 2020		As at 31st	As at 31st March, 2019
S.No.	Particulars	Notional amounts	Fair value assets	Fair value Iiabilities	Notional amounts	Fair value assets	Fair value Iiabilities
		1	2	3	1	2	3
	PARTI						
4	Currency Derivatives:						
_	- Currency Swaps						
(a)	USAID - II						
	- with ICICI Bank	17.17	1.61	•	24.04	1	0.13
(q)	Axis Bank	1	•	•	436.30	15.28	•
=	- Forward Contract						
	Total (A)	17.17	1.61	•	460.34	15.28	0.13
В	Interest rate derivatives:						
	- Interest Rate Swaps						
(a)	Axis Bank	-	-	•	436.30	0.14	•
	Total (B)	-	•	•	436.30	0.14	-
	Total Part I (A)+(B)	17.17	1.61	•	896.64	15.42	0.13
	Part II Included in above (Part I) are Derivatives held for Hedging and Risk Management purposes as follows:						
4	Fair value hedging:	-	•	•	1	1	•
	Sub-total A	-	-	•	-	-	-
В	Cash flow hedging:	_	•	•	1	1	-
	Sub-total B	_	-	-	-	-	1
O	Net Investment hedging:	-	-	•	-	-	-
	Sub-total C	-	•	•	1	1	•
٥	Undesignated derivatives	17.17	1.61	-	896.64	15.42	0.13
	Sub-total D	17.17	1.61	•	896.64	15.42	0.13
	Total Part II (A)+(B)+(C)+(D)	17.17	1.61	-	896.64	15.42	0.13
	Total derivative financial instruments	17.17	1.61	•	896.64	15.42	0.13

The table above shows fair value of Derivative financial instruments recorded as Assets/ Liabilities together with their Notional amounts. The Notional amounts indicate the value of transactions outstanding at the period end and are not indicative of market or credit risk Note: 1

The fair value of the derivative financial instruments are those as informed by the counter parties (generally Banks). 2

The Company holds derivative financial instruments such as foreign exchange forward contracts, currency swaps or currency option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency liabilities/ forecasted cash flows denominated in foreign currencies. Derivatives are used exclusively for hedging and not as trading or speculative instruments. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. The counter party for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. 4

The Company's risk management strategy and how it is applied to manage risk are explained in Note 36 of Notes to Accounts.



Offsetting

Financial assets subject to offsetting, netting arrangements

Particulars	Offsetting r	Offsetting recognised on the balance sheet	the balance	Netting pote	Netting potential not recognised on the balance sheet	gnised on the	Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential	Assets recognised on the balance sheet₹	Recognised in the balance sheet	After consideration of netting potential
At 31st March, 2020	1.61		1.61	•	•	ı	1.61	1.61	1
At 31st March, 2019	15.42		15.42	•	-	ı	15.42	15.42	ı

^{*} There is no offsetting done in Balance sheet, therefore amount shown as NIL

Financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting	Offsetting recognised on the Balance Sheet	the Balance	Netting pote	ential not recog balance sheet	Netting potential not recognised on the balance sheet	Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities *	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
Derivative liabilities									
At 31st March, 2020	٠	1	1	•	'	1	1	ı	'
At 31st March, 2019	0.13	-	0.13	1	•	•	0.13	0.13	'

^{*} There is no offsetting done in Balance sheet, therefore amount shown as NIL.



NOTE 8: RECEIVABLES

(₹ in crore)

S.No.	PARTICULARS		As at 31st March, 2020	As at 31 st March, 2019
ı	TRADE RECEIVABLES			
(i)	- Considered good - Unsecured	23.07	-	21.26
(ii)	- Less: Credit impaired	16.83	-	16.84
	Sub-total (I)		6.24	4.42
II	OTHER RECEIVABLES			
(i)	- Considered good - Unsecured	6.70	-	17.10
(ii)	- Less: Credit impaired	1.48	-	1.48
	(Refer S.No. 23 of Note 40 - Explanatory Note)		5.22	15.62
	Sub-total (II)		5.22	15.62
	Total (I+II)		11.46	20.04

Footnote:

S.No.	PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
1	- Considered good - Secured	-	-
	- Considered good - Unsecured	29.77	38.36
	- Credit impaired	18.31	18.32
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



(₹ in crore)

NOTE 9 : LOANS

S.No.	PARTICULARS			As at 31st	at 31st March, 2020				•	\s at 31st	As at 31st March, 2019		
		Amortised	At	At fair value	6	Subtotal	Total	Amortised	At	At fair value		Subtotal	Total
		Cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			Cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss		
		1	2	3	4	5=(2+3+4)	(2+1)=9	-	2	3	4	5=(2+3+4)	6=(1+5)
(i) A	Term Loans												
(a)	Loans & advances	77,163.37		•		•	77,163.37	73,855.97	•	•	•	•	73,855.97
(q)	Loans (Secured against HUDCO Public Deposit)	•	1	'	1		•	•	ı		1	•	•
▣	Others												
(a)	Staff loans *	44.36	1	'	•		44.36	47.02	-	'	•	•	47.02
	Total (A) Gross	77,207.73	•	'	•	•	77,207.73	73,902.99	•	•	•	•	73,902.99
	Less: Impairment loss allowance (Refer S.No. 5(b), 13 and 29 of Note 40 - Explanatory Note) #	2,939.81	-	-	•	•	2,939.81	2,939.28		1	•	1	2,939.28
	Total (A) Net	74,267.92	-	-	•	•	74,267.92	70,963.71	1	-	•	•	70,963.71
	Note: Company has only 'Amortised cost category' to present in this schedule	'Amortised	cost category' tα	bresen	t in this schedu	le.							
≘ 8	Secured by tangible assets.	9,948.08	•	'	1	1	9,948.08	4,362.00	1	'	1	•	4,362.00
(E)	Secured by intangible assets.	•	•	'	1	1		•	ı	'	1	•	
(E)	Covered by State Govt. Guarantees @	66,813.07	•	'	1	•	66,813.07	48,873.21	1	•	ı	•	48,873.21
<u>(v</u>	Unsecured \$	446.58	1	'		•	446.58	20,667.78	•	'	•	•	20,667.78
	Total (B) - Gross	77,207.73	-	'	•	•	77,207.73	73,902.99	•	1	•	•	73,902.99
3	Less: Impairment Loss Allowance (Refer S.No. 5(b), 13 and 29 of Note 40 - Explanatory Note) #	2,939.81	•	1	•		2,939.81	2,939.28	•	1	•	1	2,939.28
	Total (B) - Net	74,267.92	1	'	•	•	74,267.92	70,963.71	1	1	•	•	70,963.71
<u>ခ</u>	Public Sector	74,320.21	1	1	•	•	74,320.21	70,581.69	1	1	•	•	70,581.69
▣	Other than Public Sector	2,887.52	1	'	•	•	2,887.52	3,321.30	•	-	•	•	3,321.30
	Total (C) - Gross	77,207.73	1	'	•	•	77,207.73	73,902.99	•	'	•	•	73,902.99
	Less: Impairment Loss Allowance (Refer S.No. 5(b), 13 and 29 of Note 40 - Explanatory Note) #	2,939.81	1	1	•	•	2,939.81	2,939.28	1	1	•	1	2,939.28
	Total (C) - Net	74,267.92	•	•	•	•	74,267.92	70,963.71	•	•	٠	•	70,963.71

^{# @ @}

Includes secured by way of Mortgage of ₹ 34.17 crore (previous year 2018-19 ₹ 38.06 crore).
Includes provision on Undrawn commitment of ₹ 0.46 crore as on 31st March, 2020 and ₹ 0.46 crore in 31st March, 2019.
Includes ₹ 5.61 crore of Loans secured through Bank Gurantee.
Includes loan of ₹ 20,000 crore extended to BMTPC, raised by issue of "GOI Fully Services Bonds" repayment of which shall be met by Govt. of India through suitable provision in the Budget of Ministry of Housing & Urban Affairs.



9(a)(1): Impairment allowance for loans and advances to customers

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. The policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 9(a)(4)(vi).

31st March, 2020

(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	ı	-
Medium_Risk	1,510.59	360.70	-	1,871.29
Low_Risk	41,482.17	460.51	41.17	41,983.85
Grand Total	42,992.76	821.21	41.17	43,855.14

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	159.10	-	-	159.10
Medium_Risk	4,847.52	-	143.05	4,990.57
Low_Risk	22,803.54	1,726.04	5.85	24,535.42
Grand Total	27,810.16	1,726.04	148.90	29,685.09

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	0.55	-	2,701.49	2,702.04
Low_Risk	-	-	5.61	5.61
Grand Total	0.55	-	2,718.54	2,719.09

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	181.76	-	-	181.76
Medium_Risk	101.44	3.87	19.04	124.35
Low_Risk	-	-	-	-
Grand Total	283.20	3.87	19.04	306.11

31st March, 2019

(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	835.92	-	-	835.92
Low_Risk	39,973.92	-	87.89	40,061.81
Grand Total	40,809.84	-	87.89	40,897.73

(ii) Government - Urban Infrastructure

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	190.98	-	-	190.98
Medium_Risk	5,378.00	143.05	-	5,521.05
Low_Risk	22,993.09	-	37.79	23,030.88
Grand Total	28.562.07	143.05	37.79	28.742.91



(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	1.53	-	3,123.57	3,125.10
Low_Risk	-	-	5.61	5.61
Grand Total	1.53	-	3,140.62	3,142.15

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	189.58	-	-	189.58
Medium_Risk	109.44	3.29	20.30	133.03
Low_Risk	220.09	-	-	220.09
Grand Total	519.11	3.29	20.30	542.70

9(a)(2)

(i) Government - Housing

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Housing lending is, as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	14,849.57	339.92	88.57	15,278.05
New assets originated or purchased	27,387.26	-	-	27,387.26
Assets derecognised or repaid (excluding write offs)	1,720.19	46.72	0.68	1,767.58
Transfers from Stage 2	293.20	(293.20)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2019	40,809.84	-	87.89	40,897.73
High grade	-	-	-	-
New assets originated or purchased	4,983.56			4,983.56
Assets derecognised or repaid (excluding write offs)	1,979.43		46.72	2,026.15
Transfers from Stage 1	(987.43)	987.43		-
Transfers from Stage 2				-
Transfers from Stage 3				
Changes to contractual cash flows due to modifications not resulting in derecognition				
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	42,826.54	987.43	41.17	43,855.14



NOTE 9 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	1.61	0.36	88.57	90.54
New assets originated or purchased	2.96	-	-	2.96
Assets derecognised or repaid (excluding write offs)	0.52	-	0.68	1.20
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	0.36	(0.36)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition			-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2019	4.41	-	87.89	92.30
ECL allowance as at 31st March, 2019	4.41	-	87.89	92.30
High grade	-	-	-	-
New assets originated or purchased	8.69			8.69
Assets derecognised or repaid (excluding write offs)	0.19		46.72	46.91
Transfers from Stage 1	(8.80)	8.80		-
Transfers from Stage 2				-
Transfers from Stage 3				
Changes to contractual cash flows due to modifications not resulting in derecognition				
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	4.11	8.80	41.17	54.08

(ii) Government - Urban Infrastructure

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Urban lending is, as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	29,392.47	786.09	93.71	30,272.27
New assets originated or purchased	3,594.05	-	-	3,594.05
Assets derecognised or repaid (excluding write offs)	4,877.41	187.00	59.00	5,123.42
Transfers from Stage 1	(3.08)	-	3.08	-
Transfers from Stage 2	599.09	(599.09)	-	-
Transfers from Stage 3			-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(143.05)	143.05	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2019	28,562.07	143.05	37.78	28,742.91
Gross carrying amount as at 31st March, 2019	28,562.07	143.05	37.78	28,742.91
High grade	-	-	-	-
New assets originated or purchased	5,122.45	-	-	5,122.45
Assets derecognised or repaid (excluding write offs)	4,148.32	-	31.94	4,180.26
Transfers from Stage 1	(2,682.81)	2,682.81	-	-
Transfers from Stage 2	-	(143.05)	143.05	-
Transfers from Stage 3	-		-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	26,853.39	2,682.81	148.90	29,685.09



(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	0.75	0.20	93.71	94.66
New assets originated or purchased	0.10	-	-	0.10
Assets derecognised or repaid (excluding write offs)	0.09	0.05	59.00	59.14
Transfers from Stage 1	-	-	3.07	3.07
Transfers from Stage 2	0.01	(0.15)		(0.14)
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications	-	0.01	-	0.01
not resulting in derecognition				
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2019	0.77	0.01	37.78	38.56
ECL allowance as at 31st March, 2019	0.77	0.01	37.78	38.56
High grade	-	-	-	-
New assets originated or purchased	51.27	-	-	51.27
Assets derecognised or repaid (excluding write offs)	0.30	-	31.94	32.24
Transfers from Stage 1	(49.81)	49.81	-	-
Transfers from Stage 2	-	(0.01)	34.33	34.32
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications	-	-	-	-
not resulting in derecognition				
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	1.93	49.81	40.17	91.91

(iii) Non - Government

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Non - Government lending is, as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	2.49	5.86	3,405.27	3,413.62
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	0.96	5.86	183.56	190.37
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	81.09	81.09
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2019	1.53	-	3,140.62	3,142.15
Gross carrying amount as at 31st March, 2019	1.53	-	3,140.62	3,142.15
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	0.99	-	180.57	181.56
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	241.50	241.50
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	0.55	-	2,718.54	2,719.09



NOTE 9 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	0.03	0.09	2,487.78	2,487.90
New assets originated or purchased	-	-	403.09	403.09
Assets derecognised or repaid (excluding write offs)	0.01	0.09	72.08	72.18
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	32.44	32.44
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2019	0.02	-	2,786.35	2,786.37
ECL allowance as at 31st March, 2019	0.02	-	2,786.35	2,786.37
High grade	-	-	-	-
New assets originated or purchased	-	-	174.68	174.68
Assets derecognised or repaid (excluding write offs)	0.00	-	102.26	102.26
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	172.38	172.38
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	0.02	-	2,686.39	2,686.41

(iv) Retail

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	534.90	8.95	22.48	566.33
New assets originated or purchased	26.71	0.58	-	27.29
Assets derecognised or repaid (excluding write offs)	46.72	1.82	2.38	50.92
Transfers from Stage 1	(3.17)	2.31	0.86	-
Transfers from Stage 2	6.39	(6.89)	0.50	-
Transfers from Stage 3	1.00	0.16	(1.16)	-
As at 31st March, 2019	519.11	3.29	20.30	542.70
Gross carrying amount as at 31st March, 2019	519.11	3.29	20.30	542.70
High grade	-	-	-	-
New assets originated or purchased	15.08	0.41	-	15.49
Assets derecognised or repaid (excluding write offs)	250.06	0.85	1.17	252.08
Transfers from Stage 1	(3.00)	2.80	0.20	-
Transfers from Stage 2	1.33	(1.86)	0.53	-
Transfers from Stage 3	0.75	0.07	(0.82)	-
Gross carrying amount as at 31st March, 2020	283.21	3.86	19.04	306.11



(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	0.30	0.21	20.49	21.00
New Assets originated or purchased	0.87	-	-	0.87
Assests derecognised or repaid (excluding write offs)	0.11	0.04	0.99	1.14
Transfer from Stage 1	(0.00)	0.04	0.85	0.89
Transfer from Stage 2	0.02	(0.16)	0.50	0.36
Transfer from Stage 3	0.01	0.01	(0.58)	(0.56)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2019	1.09	0.06	20.27	21.42
ECL allowance as at 31st March, 2019	1.09	0.06	20.27	21.42
High Grade	-	-	-	-
New Assets originated or purchased	0.04	-	-	0.04
Assests derecognised or repaid (excluding write offs)	0.86	0.01	1.16	2.03
Transfer from Stage 1	(0.01)	0.04	0.21	0.24
Transfer from Stage 2	0.02	(0.04)	0.54	0.52
Transfer from Stage 3	-	-	(0.82)	(0.82)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2020	0.28	0.05	19.04	19.37

NOTE: 9(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- The Company's definition and assessment of default and cure.
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Company considers there has been a significant increase in credit risk of an exposure.
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis.
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

NOTE: 9(a)(4)(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

NOTE: 9(a)(4)(ii) Probability of default

The 12 month probability of default is calculated using incremental NPA approach.

NOTE: 9(a)(4)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.



NOTE: 9(a)(4)(iv) Loss given default

The Company segments its lending products into smaller homogeneous portfolios (Government - Housing, Government - Urban Infrastructure, Non Government and Retail), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type) as well as borrower characteristics.

NOTE: 9(a)(4)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

NOTE: 9(a)(4)(vi) Grouping financial assets measured on a collective basis

As explained in Note 4.16, the Company calculates ECLs on collective or individual basis .

The Company calculates ECLs on collective basis on following asset classes:

- Government Housing
- Government Urban Infrastructure
- Non Government
- Retail

The Company calculates ECLs on individual basis on all Stage 3 assets of Non Government portfolio.

NOTE 9B: Overview of modified Loans

From a risk management point of view, once an asset is modified, the company's relevant department for distressed assets continues to monitor the exposure until it is completely and ultimately derecognised.

The table below include Stage 1 and 2 assets that were modified and therefore, treated as forborne during the period, with related modification gain/loss suffered by the company.

(₹ in crore)

	2019-20	2018-19
Amortised Cost (before impairment) of financial assets modified during the period	883.21	438.90
Net modification (loss)/ gain	1.53	1.06

The modification of financial assets have resulted in Notional gain in fair value of future expected cash flows which has not been recognised.



(₹ in crore)

NOTE 10: INVESTMENTS

s.	PARTICULARS			As at 31st	As at 31st March, 2020						4s at 31st	As at 31st March, 2019			
O		Amortised Cost	Atı	At fair value		Subtotal	Others	Total	Amortised Cost	Atí	At fair value		Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Through Designated profit or at fair loss value through profit or loss					Through other comprehensive income	Through profit or loss	Through Designated profit or at fair value loss through profit or loss			
<															
-	Mutual funds														
⊜	IIFCL Assets Management Company Limited (IAMCL)*	•	1	66.18	1	66.18	•	66.18	•	1	65.61	1	65.61	İ	65.61
7	Debt Securities														
€	8.15% A P Power Finance Corporation Ltd. Bonds **	'	ı	1	•	i	1	1	292.01	1		•	1	i	292.01
က	Equity Instruments														
€	1,00,000 equity shares of Sri KPR Industries Limited (Quoted)		1	0.10	•	0.10	1	0.10	1	ı	0.17	•	0.17	i	0.17
€	20,000 equity shares of TN Urban Finance Infrastructure Dev. Corporation. Ltd. (Unquoted)	•	,	1.20	1	1.20	1	1.20	•	1	1.01	1	1.01		1.01
I	77,00,000 equity shares of Cent Bank Home Finance Ltd. (Unquoted)	•	,	7.14	•	7.14	ı	7.14	•	,	12.48	•	12.48	•	12.48
<u>(i)</u>	1,00,000 equity shares of Intra Consolid (India) Limited (Unquoted) @	•	,	0.10	1	0.10	ı	0.10	1	1	0.10	ī	0.10		0.10
3	1,00,000 equity shares of Nagarjuna Ceramics Ltd. *** (Unquoted) @	•	1	0.10	•	0.10	ı	0.10	•	,	0.10	ı	0.10	•	0.10
<u>(Š</u>	1,00,000 equity shares of Marnite Polycast Ltd. (Unquoted) @		1	0.10	'	0.10	1	0.10	1	ı	0.10	•	0.10	•	0.10
(VIII)	1,00,000 equity shares of Periwal Bricks Ltd. (Unquoted) @	'	ı	0.10	•	0.10	1	0.10	•	1	0.10	•	0.10	i	0.10
(VIII)	71,900 equity shares of Trans Fibre Pipes (I) Ltd. (Unquoted) @		1	0.07	'	0.07	1	0.07	•	ı	0.07	•	0.07	•	0.07
(i)	1,25,68,829 equity shares of Cochin International Airport Ltd. (including 25,68,829 Right issue of Cochin International Airport Ltd Shares of ₹ 10/- each at premium of ₹ 40/- per share) FV ₹ 10/- per share (Unquoted)		•	41.48		41.48	•	41.48		•	46.98		46.98	ī	46.98
€	1,99,00,000 equity shares of National Industrial Corridor Development Corporation (Earlier DMICDC) (Unquoted)	'	•	115.42	•	115.42		115.42		•	110.79	•	110.79		110.79



NOTE 10: (Contd.)

s.	PARTICULARS			As at 31st	As at 31st March, 2020						As at 31st	As at 31st March, 2019			
O		Amortised Cost		At fair value		Subtotal	Others	Total	Amortised Cost	Atf	At fair value		Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Through Designated profit or at fair loss value through profit or loss					Through other comprehensive income	Through profit or loss	Through Designated profit or at fair value loss through profit or loss			
(xi)	44,58,406 equity shares of Electrosteel Limited (Unquoted)	,	1	,	•	,		,		1	4.46		4.46		4.46
4	Associates														
Ξ	25,00,000 equity shares of Indbank Housing Limited (Quoted)	'	•	ī	1	•	2.50	2.50	1	•	1	1	1	2.50	2.50
(E)	1,30,000 equity shares of Pragati Social Infrastructure Development Ltd. (Unquoted)		•	i	•	i	0.13	0.13	1	•				0.13	0.13
(iii)	20,00,000 equity shares of Shristi Urban Infrastructure Development Ltd. (Unquoted)	•	,	1	•	ı	2.00	2.00	•	1	•	•	ı	2.00	2.00
<u>(i)</u>	13,000 equity shares of Signa Infrastructure India Ltd. (Unquoted)	•	,	1	1	i	0.01	0.01	•		•	1	ı	0.01	0.01
	Total gross (A)	-	1	231.98	-	231.98	4.64	236.62	292.01	1	241.97	•	241.97	4.64	538.62
m ≘	Investments outside India		•	,			,	,	,	1	,		,	,	1
(E)	Investments in India		,	231.98		231.98	4.64	236.62	292.01		241.97		241.97	4.64	538.62
	Total gross (B)	-	-	231.98	-	231.98	4.64	236.62	292.01	-	241.97	-	241.97	4.64	538.62
	Total (A) to tally with (B)	•	•	231.98	•	231.98	4.64	236.62	292.01	-	241.97	•	241.97	4.64	538.62
O	Less: Allowance for Impairment loss (C)														
€	Equity Instruments @		•	0.47	•	0.47	•	0.47	•	•	0.47	•	0.47	,	0.47
€	Associate	,	,	٠	•		2.64	2.64	٠	•	'	•	'	2.64	2.64
۵	(For FY 2019-20, Refer S.No. 10 of Note 40 - Explanatory Note) Total Net D = (A) -(C)	' 	•	231.51	•	231.51	2.00	233.51	292.01	•	241.50	•	241.50	2.00	535.51

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

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 29 B of National Housing Bank Act, 1987.

Share Certificates sent for correction but not received back. HUDCO has filled complaint against the company with Registrar of Companies, Andhra Pradesh on 02.07.1998.

The fair value of these investments are ₹1. The investments and impairment thereon have been shown at Gross Value

AP Power Finance Corporation Ltd. Is classified at amortized cost. There is no impairment loss in respect of investments at amortized cost. All other investments are measured at fair value through profit and Loss Account.



NOTE 11: OTHER FINANCIAL ASSETS

(₹ in crore)

S. No.	PARTICULARS	As at 31st March, 2020	As at 31 st March, 2019
Α	Advances		
(i)	Deposit for Services	0.58	0.31
	Total (A)	0.58	0.31
В	Recoverables		
(i)	Recoverable from Andrews Ganj Project {(AGP) (Refer S.No. 3 of Note 40 - Explanatory Note)	429.49	398.03
(ii)	Advance for works *	14.06	14.06
(iii)	Amount recoverable from Tax Department	7.84	26.57
(iv)	Amount recievable on Redemption of Investment	226.59	-
(v)	1% Interest sub-vention subsidy	-	0.10
(vi)	Work-in-Progress		
	- Andrewz Ganj Project (Refer S.No. 3 of Note 40- Explanatory Note)	19.34	19.34
	Total (B)	697.32	458.10
	Total (A+B)	697.90	458.41

Includes amount on account of Andrews Ganj Project.

13.97 13.97

NOTE 12: CURRENT TAX ASSETS

S. No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
(a)	Advance Income Tax (Including TDS)	456.99	598.30
(b)	Less: Provision for Income Tax	455.00	585.45
	Provision for Income Tax (Net)	1.99	12.85



(₹ in crore)

NOTE 13 A: INVESTMENT PROPERTY

Net carrying amount as at the end of the year 31st March, 2019 15.65 20.21 2.82 1.72 0.02 **NET BLOCK** Net carrying amount as at the end of the year 31st March, 2020 19.28 as at 14.93 2.69 1.64 Accumulated Depreciation and impairment as at the end of the 31* March, 2020 20.18 30.28 5.39 4.62 0.09 Addition Deduc-Adjustments during the year **DEPRECIATION / AMORTISATION** Addition during the year 0.93 0.13 0.72 0.08 Accu-mulated De pre-ciation and impair-ment 31st March, 2019 as at 29.35 19.46 5.26 4.54 0.09 Deduc-Adjustments during the year tion 2.39 0.05 1.44 0.90 Addition 0.14 0.75 96.0 0.09 1st April, 2018 30.76 as at 18.76 5.89 5.12 0.99 At cost at the end of 31st March, 2020 49.56 35.11 8.08 6.26 0.11 Deduc-tion Adjustments during the year Addition Addition during the year GROSS BLOCK At cost at the end of as at 31st March, 2019 35.11 the year 49.56 8.08 6.26 0.11 Deduc-Adjustments during the year 4.35 90.0 1.42 2.87 Addition Addi-tion during the year as at 1st April, 2018 35.17 53.91 8.08 9.13 1.53 Building (Leasehold) Building (Freehold) Flat (Leasehold) Flat (Freehold) ITEMS Total S. No. ≘ ≘ \equiv

The Company's investment properties consist of building and flats situed in India. The management has determined that the investment properties consist of office and residences based on the nature, characteristics and risk of each

As at 31 March 2020, the fair values of the properties are ₹ 495.36 crore (Previous year ₹ 494.71 crore). These valuations are based on valuations performed by the independent valuer. The rental Income from Investment property during 2018-19 being to the tune of ₹ 35.54 crore (Previous year ₹ 28.98 crore).

The Company has no restrictions on the realisability of its investment proprerties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Fair value hierarchy disclosures for investment properties have been provided in Note 35.3 of Notes to accounts.

	S.No. Investment properties	Valuation technique	Range (weighted average)	Fair Value (₹ in crore)
-	Jaipur (Jyoti Nagar, Lal Kothi) **	Market Value	•	2.84
α	Chennai (CMDA Tower)	Market Value	%8	40.49
m	Bhopal (Parayavas Bhavan) **	Composite Rate Method	9%	3.35
4	Mumbai (Shreyas Chambers)	Market Approach	•	23.13
2	Bhubaneshwar(Deendayal Bhawan)	Commercial Use Technique	4.56%	4.99
9	Jammu (Hudco Bhawan, Rail Head Complex) **	Income Approach	%6	9.00
	Ahmedabad (Satej Appartments)	Composite Rate Method	3.50%	1.08
· ∞	Ahmedabad (Trupti Appartments) **	Composite Rate Method	3.50%	1.25
6	Bhikaji Cama Place, Delhi **	Rental method	8.50%	409.23
-	Total			495.36

Due to COVID 19 pandemic valuation of property has not been carried out. However management has considered previous year fair value *



NOTE 13 B: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

SNo	S.No. ITEMS				GRO	GROSS BLOCK	×							DEPRECI	DEPRECIATION / AMORTISATION	RTISATIO	z			NET BLOCK	OCK
		At cost	Addition	Adjust	ment he ve	At cost	ddition	Adjustments		At cost	Accu-	Addition	Adjust	Adjustments A	Adjustments Accumulated Addition	_	Adjus	Adjustments A	Accumulated	Net	Net
		-pegin-		Addi-	Deduc-	end of		Addi- Deduc-	_				Addi-	_	ation and		Addi-		and impair-	amonut	amount
		ning of			tion	the year		tion	-	the year	ation and				impairment		tion	tion	ment as at he	as at the	as at the
											ment			· -	of the year			,	year	year	year
		as at				as at				as at	as at				as at				as at	as at	as at
		1st April, 2018				31st March,				31st March,	1st April,				31 st March, 2019				31st March, 2020	31st March, 31st March, 2020 2019	31 st March, 2019
⋖	TANGIBLE							T													
Ξ	Land (Freehold)	5.93	•	•	•	5.93	•	•	•	5.93	•	•		•	•	•	,	•	•	5.93	5.93
€	Land (Leasehold) * #	12.13	0.28	•	•	12.41		•	2.61	9.80	2.35	0.13	0.02	•	2.50	0.13	0.01	0.16	2.48	7.32	9.91
	Building (Freehold)	6.54	•	•		6.54		•	•	6.54	3.39	0.15	•	•	3.54	0.14		•	3.68	2.86	3.00
<u>§</u>	Building (Leasehold) #	48.84	0.70	90.0		49.60		0.10	'	49.70	28.59	0.98	0.04	•	29.61	1.08		•	30.69	19.01	19.99
Ξ	Flat (Freehold) #	3.69		2.87		99:9		•	•	99.9	2.57	0.12	1.45	•	4.14	0.11	'	•	4.25	2.31	2.42
Ē	Flat (Leasehold) #	3.84	0.94	1.42		6.20		•	•	6.20	2.56	0.09	06.0	•	3.55	0.13	'	•	3.68	2.52	2.65
()	Air conditioner & Cooler	2.55	0.04	'	0.03	2.56	0.07	'	0.04	2.59	1.85	0.18	'	0.03	2.00	0.15		0.04	2.11	0.48	0.56
(iii)	Office Equipments	23.10	2.03	•	1.28	23.85	1.04	0.02	40.1	23.87	18.75	2.20	'	1.23	19.72	2.23	0.02	0.99	20.98	2.89	4.13
Ξ	Furniture & Fixtures	5.24	0.73	•	0.07	2.90	0.58	•	0.04	6.44	4.50	0.23	•	0.07	4.66	0.36		0.04	4.98	1.46	1.24
×	Vehicle	1.83	•	'	'	1.83	0.57	'	0.34	2.06	1.66	0.04	'	'	1.70	0.19	'	0.32	1.57	0.49	0.13
(X	Library Books	1.00	0.01	•	•	1.01	0.02	'	•	1.03	1.00	0.01	'	•	1.01	0.01	'	•	1.02	0.01	
×	Miscellaneous Assets	3.81	0.04	•		3.85	0.08	•	0.04	3.89	3.81	0.04	'	•	3.85	0.08	•	0.04	3.89		
	Total A	118.50	4.77	4.35	1.38	126.24	2.36	0.12	4.11	124.61	71.03	4.17	.41	1.33	76.28	4.61	0.03	1.59	79.33	45.28	49.96
ш	Less: Grants																				
€	Building	•	•	•	'	•	•	'	•	'	•	'	'	•	•	'	'	•	•	•	•
€	Air Conditioner	'		'	'	•	•	'	•	•	•	'	'	•	'	•	'	•	•	•	•
▣	Office Equipment	0.07	•	•	•	0.07	•	•	•	0.07	90.0	•	'	•	90.0	•	,	•	90.0	0.01	0.01
3	Furniture & Fixture	•		•	•	•		•	•	•	•	•	'	•	•		'	•	'	•	
Ξ	Vehicle	•		•	•	•		•	•	•	•	•	•	•	•		'	•	•	•	•
Ē	Library Books	•		•	•	•		•	•	•	•	•	•	•	•		'	•	•	•	•
<u></u>	Miscellaneous Assets	0.01	-	•	•	0.01	•	-	•	0.01	0.01	•	•	•	0.01	-	'	-	0.01	-	
	Total B	0.08	•		•	0.08	•		-	0.08	0.07	•	•	•	0.07	•	-	•	0.07	0.01	0.01
	Total A-B	118.42	4.77	4.35	1.38	126.16	2.36	0.12	4.11	124.53	96.02	4.17	2.41	1.33	76.21	4.61	0.03	1.59	79.26	45.27	49.95
ပ	Capital Work-in-progress	35.09		3.50		38.59	13.10	•	0.13	51.56		•	•	•	•	•	-	•	•	51.56	38.59
	Total A-B+C	153.51	4.77	7.85	1.38	164.75	15.46	0.12	4.24	176.09	20.96	4.17	2.41	1.33	76.21	4.61	0.03	1.59	79.26	96.83	88.54

Includes land of ₹36,69,624.20 on perpetual lease (Previous year ₹36,69,624.20) 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 ₹40,49,87,631.74 (Area 17239.56 Sq. Mt.) (previous year ₹40,49,87,631.74) are yet to be executed.

NOTE 13 C: OTHER INTANGIBLE ASSETS

	Ţ	ing	= E	the	o Jo	sar	<u></u>	_	<u>ئ</u>	6		0.41
NET BLOCK	Net	g carrying	amonut	as at the	end of	the year	as at	31st	March	201		
NET	Net	carrying	amonnt	as at the	end of	the year	as at	31st	March,	2020		0.28
	Accumulated	Depreci-	ation and	impairment	as at the end	of the year	as at	31st	March, 2020			2.07
	Adjustments	during the year	the year Addition Deduc-	tion								•
ISATION	dition /	during du	e year Ad									0.13
DEPRECIATION / AMORTISATION	Adjustments Accumulated Addition Adjustments Accumulated		ation and th	impairment	as at the end	of the year	as at	31st	March, 2019			1.94
DEPREC	ents /	e year	-peduc-	tion								•
	Adjustm	during th	Addition Deduc-									0.14
	Addition	during										•
	Accu-	mulated	Depreci- the year	ation and	impair-	ment	as at	ts_	April,	2018		1.80
	At cost	at the	end of	the year			as at	318	March,	2020		2.35
	-		Deduc-	tion								•
	Adjustments	during the year	the year Addition Deduc-									
CK												
SOSS BLOCK	At cost	at the	end of	the year			as at	31st	March,	2019		2.35
GR	ments	during the year	ddition Deduc-	tion								0.01
	Adjust	during 1	Addition									'
	At cost Addition Adjustments	_	_	_	_	_	_			_		-
	At cost	at the	begin-	ning of	the year		as at	ts_	April,	2018		2.36
ITEMS											INTANGIBLE	Software
S.No.		_						_				



NOTE 14: OTHER NON FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2020	As at 31 st March, 2019
Α	Advances			
(a)	Advance against Capital purchases		0.62	1.32
(b)	Advance against CSR Expenditure		3.25	1.92
(c)	Prepaid Expenses		11.71	22.39
(d)	Unamortized Deposit for Services		0.07	0.03
В	Other loans and advances			
(a)	Advances to Employees		44.09	36.67
(b)	Income Tax payment		295.34	296.98
(c)	Interest Tax Payments under litigation		-	-
(d)	Service Tax payment under litigation	2.63		2.63
(e)	Less : Provision on Service tax	2.49		2.49
			0.14	0.14
(f)	Others	19.73		16.30
(g)	Less : Provision	1.55		1.55
			18.18	14.75
	Tota	I A + B + C	373.40	374.20

NOTE 15: PAYABLES

S.No.	PARTICULARS	As at 31st March, 2020	As at 31 st March, 2019
Α	Trade Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises *	-	-
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.11	0.16
	Sub-total A	0.11	0.16
В	Other Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises * (Refer S.No. 16 of Note 40 - Explanatory Note)	0.09	0.26
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	17.39	14.22
	Sub-total B	17.48	14.48
	Total (A + B)	17.59	14.64

^{*} The outstanding payable to MSME is inclusive of interest due on the principal amount remaining unpaid to any MSME suppiler, if any, beyond the scheduled date of payment. However, for the period ended 31st March, 2020 and 31st March, 2019 the interest due on principal amount remaining unpaid to MSME is Nil.



NOTE 16: DEBT SECURITIES

Ŀ									
S. No.	Io. PARTICULARS		As at 31st March, 2020	larch, 2020			As at 31st N	As at 31st March, 2019	
		Amortised Cost	At fair value Designated through at fair value Profit or Loss through profit or loss	Designated at fair value through prof- it or loss	Total	Amortised Cost	At fair value through Profit or Loss	Designated at fair value through prof- it or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
€	Secured Secured								
(a)	Bonds								
<u> </u>	Tax free bonds [Refer Details of Debt Securities - (A) (I)]	17,333.51	•	•	17,333.51	17,327.98	•	•	17,327.98
(E)	Special priority sector bonds - I [Refer Details of Debt Securities - (A) (II)]	20.10	1	1	20.10	27.35	1	1	27.35
=	Unsecured								
(a)	Bonds								
<u> </u>	HUDCO Bonds - Non Cumulative redeemable at par	14,719.46	•		14,719.46	11,347.57	•	•	11,347.57
	[Refer Details of Debt Securities - (B) (I (a))]								
=—) HUDCO Bonds - Cumulative redeemable at par	674.78	•	•	674.78	674.57	•	•	674.57
	[Refer Details of Debt Securities - (B) (I (b))]								
(E)	Special priority sector bonds - II [Refer Details of Debt Securities - (B) (I (c))]	43.64	1	1	43.64	59.31	1	ı	59.31
<u>(š</u>) PMAY (U)- Gol fully serviced Bonds	20,000.00			20,000.00	20,000.00	•	•	20,000.00
	[Refer Details of Debt Securities - (B) (I (d))]								
	Sub-total A	52,791.49	-	-	52,791.49	49,436.78	-	•	49,436.78
<u>B</u>) From Other Parties								
€	COMMERCIAL PAPER								
(a)	5.60% HUDCO Commercial Paper Bonds 2019 Series -E	1,200.00	•		1,200.00	•	•	•	•
	(Value Date 29.01.2020 and Maturity Date 29.05.2020 for 121 days)								
(q)	7.39% HUDCO Commercial Paper Bonds 2018 Series - E	•	•	•	•	800.00	•	•	800.00
	(Value Date 07.02.2019 and Maturity Date 28.05.2019 for 110 days)								
(၁)	7.38% HUDCO Commercial Paper Bonds 2018 Series -F	•	•	•	•	1,000.00	•	1	1,000.00
	(Value Date 08.03.2019 and Maturity Date 28.05.2019 for 81 days)								
	Sub-total B	1,200.00	-	-	1,200.00	1,800.00	-	-	1,800.00
	Sub-total A + B	53,991.49		•	53,991.49	51,236.78	•	•	51,236.78
<u>O</u>	Debt securities in India	53,991.49	•	•	53,991.49	51,236.78	•	•	51,236.78
	Debt securities outside India	•	•	•	•	•	•	•	1
	Sub-total C	53,991.49	•	•	53,991.49	51,236.78	•	•	51,236.78
	Total (C) to tally with (A + B)	53,991.49	•	•	53,991.49	51,236.78	•	•	51,236.78

Note: The company has only "Amortised cost category" to present this schedule.



S.No.	PARTICULARS			As at 31st March, 2020	As at 31st March, 2019
4	SECURED BONDS				
(a)	TAX FREE BONDS	Date of Allotment	Date of redemption		
	8.71% Tax free bonds 2013 (Tranche - III) Series - 3A *	24.03.2014	24.03.2034	8.76	8.76
	8.96% Tax free bonds 2013 (Tranche - III) Series - 3B *	24.03.2014	24.03.2034	41.54	41.54
	8.76% Tax free bonds 2013 (Tranche - II) Series - 3A *	13.01.2014	13.01.2034	286.54	286.54
	9.01% Tax free bonds 2013 (Tranche - II) Series - 3B *	13.01.2014	13.01.2034	671.16	671.16
	8.49% Tax free bonds 2013 (Tranche - I) Series - 3A *	25.10.2013	25.10.2033	35.51	35.51
	8.74% Tax free bonds 2013 (Tranche - I) Series - 3B *	25.10.2013	25.10.2033	88.85	88.85
	7.39% Tax free bonds 2015 (Tranche - II) Series - 2A ***	15.03.2016	15.03.2031	1,024.94	1,024.94
	7.69% Tax free bonds 2015 (Tranche - II) Series - 2B ***	15.03.2016	15.03.2031	610.05	610.05
	7.39% Tax free bonds 2015 (D) ***	22.02.2016	22.02.2031	211.50	211.50
	7.39% Tax free bonds 2015 (Tranche - I) Series - 2A ***	08.02.2016	08.02.2031	69.606	69.606
	7.64% Tax free bonds 2015 (Tranche - I) Series - 2B ***	08.02.2016	08.02.2031	526.15	556.15
	8.73% Tax free bonds 2013 (Tranche - III) Series - 2A *	24.03.2014	24.03.2029	28.47	28.47
	8.98% Tax free bonds 2013 (Tranche - III) Series - 2B *	24.03.2014	24.03.2029	128.42	128.42
	8.58% Tax free bonds 2013 (Tranche - II) Series - 2A *	13.01.2014	13.01.2029	127.39	127.39
	8.83% Tax free bonds 2013 $$ (Tranche - II) Series - 2B *	13.01.2014	13.01.2029	123.75	123.75
	8.51% Tax free bonds 2013 (Tranche - I) Series - 2A *	25.10.2013	25.10.2028	799.27	799.27
	8.76% Tax free bonds 2013 (Tranche - I) Series - 2B *	25.10.2013	25.10.2028	815.00	815.00
	8.56% Tax free bonds 2013 Series - 1 *	02.09.2013	02.09.2028	190.80	190.80
	7.19% Tax free bonds 2012 (Tranche - II) Series - 2 *	28.03.2013	28.03.2028	109.39	109.39
	7.51% Tax free bonds 2012 (Tranche - I) Series - 2 *	16.02.2013	16.02.2028	1,274.24	1,274.24
	8.20% Tax free bonds 2011 (Tranche - I) Series - 2 *	05.03.2012	05.03.2027	2,518.30	2,518.30
	8.16% Tax free bonds 2011 (C - II) *	22.12.2011	22.12.2026	47.67	47.67
	7.83% Tax free bonds 2011 (B - II) *	11.11.2011	11.11.2026	66.51	66.51
	7.75% Tax free bonds 2011 (A - II) *	21.10.2011	21.10.2026	10.81	10.81
	7.04% Tax free bonds 2015 (Tranche - II) Series - 1A ***	15.03.2016	15.03.2026	48.16	48.16
	7.29% Tax free bonds 2015 (Tranche - II) Series - 1B ***	15.03.2016	15.03.2026	105.35	105.35
	7.02% Tax free bonds 2015 (Tranche - I) Series - 1A ***	08.02.2016	08.02.2026	117.21	117.21
	7.27% Tax free bonds 2015 (Tranche - I) Series - 1B ***	08.02.2016	08.02.2026	128.45	128.45
	7.00% Tax free bonds 2015 (C) **	09.10.2015	09.10.2025	108.50	108.50



NOTE 16: Contd.)

S.No.	PARTICULARS			As at 31st March, 2020	As at 31st March, 2019
		Date of Allotment	Date of redemption		
	7.07% Tax free bonds 2015 (B) **	01.10.2015	01.10.2025	1,029.00	1,029.00
	7.19% Tax free bonds 2015 (A) **	31.07.2015	31.07.2025	151.00	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	24.03.2014	24.03.2024	18.37	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	24.03.2014	24.03.2024	47.36	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	13.01.2014	13.01.2024	504.93	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	13.01.2014	13.01.2024	439.63	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	25.10.2013	25.10.2023	269.58	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	25.10.2013	25.10.2023	361.79	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 *	28.03.2013	28.03.2023	97.62	97.62
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 *	16.02.2013	16.02.2023	920.10	920.10
	8.10% Tax free bonds 2011 (Tranche - I) Series - 1 *	05.03.2012	05.03.2022	2,166.42	2,166.42
	8.09% Tax free bonds 2011 (C - I) *	22.12.2011	22.12.2021	47.86	47.86
	7.62% Tax free bonds 2011 (B - I) *	11.11.2011	11.11.2021	137.66	137.66
	7.51% Tax free bonds 2011 (A - I) *	21.10.2011	21.10.2021	4.77	4.77
	Sub-Total A - I (a)			17,388.47	17,388.47
(q)	Unamortised fees, charges & Other Expenses			(54.96)	(60.49)
	Sub-Total A - I			17,333.51	17,327.98
				-	:

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.

The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a firsVsecond charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue.

The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of the amount mobilised under the issue and interest thereon. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.

=	SPECIAL PRIORITY SECTOR BONDS - I	Date of Allotment		
	SPS Bond series C (Bank of India)	31.03.1998	20.10	27.35
	{Refer Sub detail of SPS Bonds - I (a)(i)}	=	20.10	27.35

The repayment dates for SPS bonds series C is semi annual: for series C from 10.12.2015 to 10.06.2022.

Bonds are secured by lien over Certificate of Deposits for US \$ 4.03 million (Previous year US \$ 5.47 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.



NOTE 16: (Contd.)

S	PARTICULARS			As at	Asat
		,		31st March, 2020	31st March, 2019
В	UNSECURED BONDS				
l (a)	HUDCO Bonds- Non Cumulative redeemable at par	Date of Allotment	Date of redemption		
	6.79% Taxable (F) 2019	17.01.2020	14.04.2023	1,400.00	•
	6.99% Taxable (E) 2019	11.09.2019	11.11.2022	1,370.00	•
	7.05% Taxable (D) 2019	13.08.2019	13.10.2022	1,190.00	•
	7.34% Taxable (C) 2019	18.07.2019	16.09.2022	1,250.00	•
	7.62% Taxable (B) 2019	20.06.2019	15.07.2022	1,000.00	•
	7.61% Taxable (A) 2019	07.06.2019	22.06.2022	1,485.00	
	8.34% Taxable (E) 2018	11.01.2019	11.07.2022	1,000.00	1,000.00
	8.23% Taxable (D) 2018	28.12.2018	15.04.2022	930.00	930.00
	8.40% Taxable (C) 2018	11.12.2018	11.04.2022	00.086	00.086
	8.46% Taxable (B) 2018	05.12.2018	15.02.2022	1,000.00	1,000.00
	7.63% Taxable (A) 2018	03.04.2018	03.05.2021	100.00	100.00
	7.68% Taxable (G) 2017	27.03.2018	05.04.2021	460.00	460.00
	7.14% Taxable (B) 2017	22.11.2017	22.12.2020	700.00	700.00
	7.70% Taxable (F) 2017	19.03.2018	19.03.2020	•	1,500.00
	7.05% Taxable (A) 2017	14.07.2017	14.08.2020	400.00	400.00
	7.59% Taxable (G) 2016	21.03.2017	21.06.2020	265.00	265.00
	6.80% Taxable (E) 2016	18.11.2016	18.05.2020	700.00	200.00
	7.21% Taxable (D) 2016	25.10.2016	25.04.2020	200.00	200.00
	7.35% Taxable (C) 2016	22.09.2016	22.01.2020	•	00.009
	6.81% Taxable (F) 2016	13.01.2017	13.01.2020	•	00.009
	7.36% Taxable (B) 2016	16.09.2016	30.11.2019	•	700.00
	7.64% Taxable (E) 2017	12.03.2018	12.06.2019	,	715.00
	7.06% Taxable (C) 2017	11.12.2017	11.06.2019	•	205.00
	Sub-total B - I (a)			14,730.00	11,355.00
	Unamortised fees, charges & Other Expenses			(10.54)	(7.43)
	Total B - I (a)			14,719.46	11,347.57
(Q) -	HUDCO Bonds- Cumulative redeemable at par	Date of Allotment	Date of redemption		
	7.73% Taxable (D) 2017	21.02.2018	15.04.2021	675.00	675.00
	Unamortised fees, charges & Other Expenses			(0.22)	(0.43)
	Total B - I (b)			674.78	674.57
(c)	SPECIAL PRIORITY SECTOR BONDS - II	Date of Allotment			
	SPS Bond - II (EXIM Bank)	06.12.1999		43.64	59.31
	{Refer Sub detail of SPS Bonds-II (a)(ii)} Total B-I(c)			43.64	59.31
	In lieu of the USD deposit of USD 50 million with Exim Bank under the swap arrangement in respect of ADB loan, 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 (₹ 43.64 crore as on 31.03.2020), which are continuously the loan maturity colorable of the underlying ADB loan from 15.12.2013, 2003 to 15.03.2020	wap arrangement in re 50% w.e.f. 15.12.2013 45 12 2002 to 15 06	spect of ADB loan, Ex 3) for ₹ 217 crore (₹ 43	im Bank has subscribe 1.64 crore as on 31.03.	d to 12.75% Special 2020), which are co-
	terriminas with the loan matunity schedule of the underlying ADB loan, noil	13.12.2002 10 13.00.	2022.		



NOTE 16: (Contd.)

S.No.	PARTICULARS			As at 31st March, 2020	As at 31st March, 2019
(p) I	PMAY (U)- Gol fully serviced Bonds #	Date of Allotment	Date of redemption		
	8.37% Taxable (VI) 2018 @	25.03.2019	25.03.2029	5,000.00	5,000.00
	8.41% Taxable (V) 2018 @	15.03.2019	15.03.2029	5,320.00	5,320.00
	8.58% Taxable (IV) 2018 @	14.02.2019	14.02.2029	2,563.10	2,563.10
	8.38% Taxable (III) 2018 @	30.01.2019	30.01.2029	2,066.90	2,066.90
	8.52% Taxable (II) 2018 @	28.11.2018	28.11.2028	2,050.00	2,050.00
	8.60% Taxable (I) 2018 @	12.11.2018	12.11.2028	3,000.00	3,000.00
	Unamortised fees, charges & Other Expenses			1	1
	Total B - I (d)			20,000.00	20,000.00
@ #		000 crore extended to	BMTPC, raised by is	sue of "Government of	India fully serviced
	portide strait de met by Government of mala by making sundable provisions in the budget of Ministry of Housing and Ordan Arians.	II IIIe Daader oi iviiiist	וא טו חטעוואן מומ טוא	all Alialis.	

Sub- Details of Special Priority Sector Bonds

Redemption Details			10th June, 2022	10th December, 2021	10th June, 2021	10th December, 2020	10th June, 2020				15th June, 2022	15th December, 2021	15th June, 2021	15th December, 2020	15th June, 2020	
Frequency of repayment					Seriii-Ariinaai								Seilli-Ailliual			
Rate of Interest as on 31.03.2020			@ 1 year	4 350 bps p.a.	Currently the	ROI IS 9.69% p.a.						000	12.30%			
Amount of Bonds to be redeemed	5		4.20	4.20	4.00	4.00	3.70	20.10			9.27	00.6	8.72	8.45	8.20	43.64
No. of Bonds to be redeemed			84	84	80	80	74				927	006	872	845	820	
Rate on drawal			12.00%	12.00%	12.00%	12.00%	12.00%				12.75%	12.75%	12.75%	12.75%	12.75%	
		NDS - I	31.03.1998	31.03.1998	31.03.1998	31.03.1998	31.03.1998	ty Sector Bonds - I		II - SQN	06.12.1999	06.12.1999	06.12.1999	06.12.1999	06.12.1999	y Sector Bonds - II
S.No. Date of drawal / Institution	Secured Loans	SPECIAL PRIORITY SECTOR BONDS - I	SPS Bond Series C (Bank of India) 31.03.1998	SPS Bond Series C (Bank of India)	Total Special Priority Sector	Unsecured Loans	SPECIAL PRIORITY SECTOR BONDS - II	SPS Bond Series II (EXIM Bank)	Total Special Priority Sector							
S.No.	(a)	Ξ							(a)	(ii)						



(₹ in crore)

NOTE 17: BORROWINGS (OTHER THAN DEBT SECURITIES)

									,
S.No.	PAKIICULARS		As at 31st I	As at 31st March, 2020			As at 31st N		
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
∢	Term loans								
-	Secured								
(a)	From Banks								
Ξ	Bank of India * {Refer Sub detail of Borrowings (A) I}	30.15	,		30.15	40.99	•	•	40.99
(q)	From other parties								
(=)	National Housing Bank ** {Refer Sub detail of Borrowings (A) II}	2,788.64	•		2,788.64	2,623.92			2,623.92
	Total Secured Loans A (I)	2,818.79	-	-	2,818.79	2,664.91	-	•	2,664.91
=	Unsecured								
€	From Banks								
⊜	8.01% p.a. Karnataka Bank	•	•	•	•	499.78		•	499.78
◉	6.50% p.a. from Karnataka Bank (ST) (repayable on or before 17.06.2020)	200.00	•	•	500.00	•	•	•	•
(6.75% p.a. from Federal Bank Ltd. (ST) (repayable on or before 18.04.2020)	499.96	•	•	499.96	•		•	•
<u>(</u> i)	6.75% p.a. from Bank of India (ST) (repayable on or before 31.03.2021)	1,120.04		•	1,120.04	•	•	•	•
3	6.75% p.a. from Punjab National Bank (ST) (repayable on or before 22.03.2021)	700.00	'	1	700.00	•		1	
(<u>×</u>	8.25% p.a. State Bank of India	•	,	•	•	2,254.00	•	•	2,254.00
(Viii)	8.10% p.a. Jammu & Kashmir Bank (repayable on 12.04.2019)	•			•	200.00	•	•	200.00
(<u>x</u>	8.15% p.a. Indian Overseas Bank (repayable on or before 25.06.2019)	•	•	•	•	52.85	•	•	52.85
$\widehat{\times}$	FCTL/FCDL/FCNR (B)								
	7.34% p.a. From Axis Bank (FCTL) (repayable on 05.06.2019) *** \$	•	1	•	•	449.61	•	•	449.61
(B)	From Other Parties								
Ξ	LOANS FROM FINANCIAL INSTITUTIONS:								
	India Infrastructure Finance Company Ltd. \$\$@	1,294.00	•	•	1,294.00	1,500.00	•	•	1,500.00
<u>=</u>	US Capital Market' (Guaranteed by USAID & Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan) {Refer Sub detail of Borrowings (B) IV iii (a) and (b)								
	USAID II								
	6 months LIBOR for US \$ + 0.035% p.a. (USAID-2)								
(a)	Swapped with ICICI Bank #	18.85		•	18.85	24.21	•	•	24.21
(q)	Unswapped Portion	60.13	•	•	60.13	54.97		•	54.97
	USAID I								
	6 months LIBOR for US \$ + 0.18% p.a.(USAID-1) ##	20.72	•		20.72	22.84		•	22.84



NOTE 17: (Contd.)

S.No.	o. PARTICULARS		As at 31st N	As at 31st March, 2020			As at 31st N	As at 31st March, 2019	
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	Amortised At fair value Designated Cost through at fair value profit or through loss profit or loss	Designated at fair value through profit or loss	Total
(E)	Japan Bank for International Corporation (JBIC) ### {Refer Sub detail of Borrowings (B) IV (i)}								
(a)	Unswapped Portion of JBIC	91.73	•		91.73	108.87	•	•	108.87
<u>§</u>	Asian Development Bank (ADB) ### ^ {Refer Sub detail of Borrowings (B) IV (ii)}								
	6 months LIBOR for US \$ +0.40% p.a.	152.44	•		152.44	189.98	•	•	189.98
	Total unsecured Loans A (II)	4,457.86	•	•	4,457.86	5,657.11		•	5,657.11
	Total Loans A (I+II)	7,276.65	•		7,276.65	8,322.02	•		8,322.02
8	Borrowings in India	6,932.79	•		6,932.79	7,921.15	•	•	7,921.15
	Borrowings outside India	343.87	•	•	343.87	400.87	•	•	400.87
		7,276.65	•	•	7,276.65	8,322.02	•	•	8,322.02
	Total (B) to tally with (A)	7,276.65	•	•	7,276.65	8,322.02	•	•	8,322.02

Note: The company has only "Amortised cost category" to present this schedule

- Secured by lien over Certificate of Deposits for US \$ 6.04 million (Previous year US \$ 8.21 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 10.06.2023
- Secured by Bank guarantee for an amount of ₹1,175 crore (previous year ₹1,175.00 crore) [being 25% of loan amount of ₹4,700 crore (previous year ₹4,700 crore) sanctioned/disbursed by NHB and repayable upto 01.04.2031] 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, ₹ 4,987.12 crore mobilised during 2013-14 and ₹5,000 crore mobilised during 2015-16.
- *** Availed in INR equivalent to US \$ 65 million through USD denominated FCTL.
- Currency and Interest rate swap for US \$65 million executed with AXIS Bank on 04.06.2018 effective from 06.06.2018 (upto 05.06.2019) with swap premium @ 7.34% p.a. (fixed) (IRS @ 4.50% p.a. p.a. payable on monthly basis and Option premium @ 2.84% i.r.o Principal hedge payable upfront at the time of availment).
- ₹ 1,294 crore availed on 19.03.2020 @6.57% p.a. (Fixed) payable quarterly, for a period of 3 years i.e., repayable on 19.03.2023 by way of bullet repayment. \$\$
- ₹ 1,500 crore availed on 31.08.2018 @8.35% p.a.,with discounting to quarterly levels (i.e., @8.10% p.a. on quarterly basis), subject to reset on annual basis, repaid on 03.09.2019 by way of bullet repayment. (6)
- Principal only Swap for US \$ 4.50 million (Outstanding US \$ 2.50 million as on 31.03.2020) with ICICI Bank was executed on 16.07.2018 effective from 18.07.2018 (for 4.5 years upto 14.09.2022) at spot rate of ₹ 68.68 and swap premium of 4.2479%, payable semi-annually.
- "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 ##
- ### Guaranteed by Cental Government as to the repayment of principal and interest.
- HUDCO had availed a loan of US \$ 100 million from Asian Development Bank (ADB) (US \$ 50 million during the years 1997-98 and 1998-99 and the balance US \$ 50 million during 1999-2000). These Ioans are guaranteed by the Government of India and repayable in half yearly installments by June 2022
 - Bonds (1) for ₹ 100 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 350 bps, presently @ 9.69%), outstanding as on 31.03.2020, being ₹ 20.10 crore. Further, in lieu of These dollar funds were placed as deposits with Bank of India, Cayman Island Branch, USA (US \$ 50 million) and EXIM Bank (US \$ 50 million) in terms of agreements with these Banks. The deposits are co-terminus with the loan maturity schedule of the underlying ADB loan. In lieu of the USD deposit of US \$ 20 million, Bank of India has subscribed to 12.00% Special Priority Sector USD deposit of US 💲 30 million, Bank of India has extended a loan of ₹ 150 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 340 bps, presently @ 9.69%), outstanding as on 31.03.2020, being ₹ 30.17 crore. Similiarily, in lieu of the balance US \$ deposit of USD 50 million, 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 (₹43.64 crore as on 31.03.2020), which are co-terminus with the loan maturity schedule of the underlying ADB loan.



NOTE 17: (Contd.)

Sub-D	Sub-Details of Borrowings						
S.No.	Institution/ Date of drawal	Rate on drawal	Amount Drawn	Amount Out- standing	Rate of Interest as on 31.03.2020	Frequency of repayment	Redemption Details
⋖	Secured Loan						
_	Bank of India - 15.02.1999	12.50%	150	30.15	@ 1 year G-Sec + 340 bps p.a. Currently the ROI is 9.69% p.a	Semi-Annual (10th June &10th Dec.)	Repayable from 10.06.2020 to 10.06.2022
	Total - Bank of India			30.15			
=	National Housing Bank - 28.06.2019	8.45%	009	561.00	0.0845		1st April, 2031
	- 28.06.2019	4.68%	400	355.00	0.0468		1st April, 2026
	- 31.08.2017	4.86%	200	371.70	0.0486		1st July, 2027
	- 30.06.2017	4.86%	200	248.34	0.0486		1st April, 2027
	- 22.03.2017	5.11%	1000	692.20	0.0511	Quarterly (1st Apr.,	1st Jan., 2027
	- 15.01.2015	7.35%	221	107.60	0.0735	Jul., Oct. & Jan.)	1st Jan., 2025
	- 08.01.2015	7.35%	229	111.40	0.0735		1st Jan., 2025
	- 26.12.2014	7.35%	200	230.57	0.0735		1 st Oct., 2024
	- 03.06.2014	7.10%	195	28.71	0.071		1st April, 2021
	- 02.06.2014	6.85%	555	82.12	0.0685		1st April, 2021
	Total National Housing Bank			2788.64			
В	Unsecured Loan						
S. No.	Institution/ Date of drawal	Foreign Currency	Amount drawn (in foreign Curren- cy amounts in Millions)	Amount Out- standing in INR ₹ in crore	Rate of Interest as on 31.03.2020	Frequency of repayment	Redemption Details
Δ	LOANS IN FOREIGN CURRENCY:						
(3)	- Loan from JBIC - 28.03.1997	YAC	1,157.16				
	- 27.03.1998	ЛРY	406.00				
	- 31.03.1999	JPY	944.65				
	- 22.06.1999	ЛРY	1,159.92				
	- 16.11.1999	JPY	241.34				
	- 17.03.2000	JPY	3,613.47		2 10% p. p. (fixed)	louis A	Repayable from
	- 06.10.2000	JPY	09.79		2.10% p.a. (lixeu)	Selli-Aliidal	20.07.2023
	- 10.11.2000	ЛРY	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	1,293.46	91.73			
	Total JBIC			91.73			



NOTE 17: (Contd.)

S.No.	Institution/ Date of drawal	Foreign Currency	Amount drawn (in foreign Currency amounts in Millions)	Amount Outstanding in INR ₹ in crore	Rate of Interest as on 31.03.2020	Frequency of repayment	Redemption Details
E	- Loan from Asian Development Bank						
	- 31.12.1997	\$SN	20.00				
	- 13.11.1998	\$SN	30.00				
	Swapped US \$ outstanding Loan out of above with Bank of India	\$ ⊗∩	10.07	76.50	@ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is 2.286.28%.	Semi-Annual	Repayable from 15.06.2020 to 15.06.2022
	- 06.12.1999	\$ S N	20.00		13 Z.Z0000 /0 p.a.		
	Swapped US \$ outstanding Loan out of above with EXIM Bank	\$SN	10.07	75.94			
	Total Asian Development Bank			152.44			
(iii)	- Loan from US Capital Market						
(a)	- USAID-1				12.50% p.a.	Semi-Annual	Repayable from
	- 24.09.1999	\$ S N	10.00				23.09.2020 to 23.09.2029
	Swapped US \$ outstanding Loan out of above with EXIM Bank	\$ SN	4.75	20.72			
(q)	- USAID-2						
	- 28.09.2000	\$SN	20.00	1	@ 6M Libor for US	Semi-Annual	Repayable from
	Swapped US \$ outstanding Loan out of above				\$ + 0.035% p.a. Currently the ROI		15.09.2020 to
	with ICICI Bank	\$SN	2.50	18.85	is 0.77288% p.a. in		
	Unswapped US \$ outstanding Loan out of above	NS \$	8.00	60.13	addition Principal only swap premium @ 4.2479%		
	Total USAID			99.70			
	Total Foreign Currency Loans			343.87			



NOTE 18: DEPOSITS

(₹ in crore)

S. No.	PARTICULARS		As at 31st March, 2020			As at 31st March, 2019			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Public Deposits @ 6.55% to 9.00% p.a.	168.47	-	-	168.47	289.16	-	-	289.16
	(Refer S.No. 20 and 36 L(i) of Note 40- Explanatory Note)								
	TOTAL A	168.47	-	-	168.47	289.16	-	-	289.16

Note: The company has only "Amortised cost category" to present this schedule

Details of Deposits

(₹ in crore)

S. No.	PARTICULARS	As at 31st March, 2020	
Α	PUBLIC DEPOSITS		
(i)	@ 6.55% p.a. to 9.00% p.a. [Refer Sub Details of Deposits]	23.40	168.88
	Repayable over a period of two to five years		
(ii)	@ 6.55% p.a. to 9.00% p.a. [Refer Sub Details of Deposits]	145.07	120.28
	Repayable within one year		
	TOTAL	A 168.47	289.16

Sub Details of Deposits

S. No.	Institution/ Date of drawal	Amount Outstanding (₹ in crore)	Redemption Details
Α	Public Deposits repayable for more than 12 months		
	- April 2024 - March, 2025	0.07	5 11 111 1 1 1 1
	- April 2023 - March, 2024	2.04	Repayable within two to five year.
	- April 2022 - March, 2023	2.27	youn
	- April 2021 - March, 2022	19.16	
	Sub Total A	23.54	
В	Public Deposits repayable within 12 months		
	- October, 2020 to March, 2021	50.40	
	- September, 2020	18.89	
	- August, 2020	4.07	
	- July, 2020	20.43	Repayable within one year
	- June, 2020	40.18	
	- May, 2020	4.37	
	- April, 2020	6.73	
	Sub Total B	145.07	
	Total Public Deposits *	168.61	

^{*} Ind AS Adjustments in Total Public deposits is for ₹ 0.14 crore.



NOTE 19: OTHER FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2020	As at 31 st March, 2019
Α	Interest accrued but not due			
(i)	Secured loans		314.98	351.47
(ii)	Unsecured loans		872.49	663.66
		Sub-total A	1,187.47	1015.13
В	Others			
(i)	Security and other deposits		10.02	10.83
(ii)	Security, Earnest money and other deposits		6.08	2.23
(iii)	Unclaimed liability #			
(a)	-Dividend	0.48		0.10
(b)	-Debentures	-		-
(c)	-Bonds	0.50		1.50
(d)	-Public Deposits	0.62		2.40
(e)	-Interest accrued and due on Debenture	-		-
(f)	-Interest accrued and due on Bonds	7.81		7.29
(g)	-Interest accrued and due on Public Deposits	0.11		0.18
	Sub-total B (iii) (a + b +	c + d + e + f + g)	9.52	11.47
(iv)	KfW R & D account		39.73	41.91
(v)	KfW Interest account		9.87	9.87
(vi)	Amount received from KfW		97.55	97.55
(vii)	Grant / Subsidy received from different Ministries/Agencies		4.66	7.59
(viii)	Amt payable to Ministry - BCP		1.24	1.20
(ix)	Amount Payable to Staff		91.50	60.28
(x)	Other Expenses on Borrowings Payable		0.02	0.02
(xi)	Other Liabilities *		181.76	126.54
		Total A + B	1,639.42	1,384.62
* Ir	ncludes amount on account of Andrews Ganj Project		0.03	0.03

Includes amount on account of Andrews Ganj Project

NOTE 20: PROVISIONS

S.No.	PARTICULARS	As at 31st March, 2020	As at 31 st March, 2019
A	Provision for ampleyee benefits	31" Warch, 2020	31" Walch, 2019
А	Provision for employee benefits		
(i)	Leave encashment	41.96	34.03
(ii)	Post retirement medical benefit	158.21	143.43
(iii)	Welfare expenses	1.90	1.77
(iv)	Gratuity (Funded)	2.14	0.73
(v)	Provident Fund (Funded)	16.44	-
	(Refer S.No. 13 of Note 40 - Explanatory Notes)		
	Total A -	- B 220.65	179.96

Liability towards Investors Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 will be determined on the respective due dates. Dividend on equity shares and Principal & interest on application money/ Debentures/ Bonds/ PDS aggregating to ₹ 9.52 crore (Previous Year ₹ 11.4 crore) were due and unclaimed as on 31.03.2020. During the year 2019-20, an amount of ₹ 0.03 crore (previous year ₹ 0.19 crore) has been transferred to IEPF after completion of statutory period of seven years. {Refer S.No. 15 of Note 40 - Explanatory Notes}



NOTE 21: DEFERRED TAX LIABILITY

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
Α	Deferred Tax Liabilities	1,237.35	1,540.07
В	Deferred Tax Assets	823.80	1,135.83
	Net Deferred Tax Liabilities (A - B)	413.55	404.24

(Refer S.No. 19 of Note 40- Explanatory Note)

Details of Deferred Tax

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
	Liabilities		
(a)	Derivative Financial Instruments	0.40	5.39
(b)	Investments	23.24	25.58
(c)	Property, Plant and Equipment	3.93	5.30
(d)	Debt Securities	16.54	23.88
(e)	Deposits	0.04	0.16
(f)	Other Financial Liabilities	8.34	11.57
(g)	Other Non- Financial Liabilities	0.32	0.44
(h)	Other Equity	1,184.54	1,467.75
	Total Deferred Tax Liabilities	1,237.35	1,540.07
	Assets		
(a)	Loans	751.33	1,044.44
(b)	Receivable	4.24	5.88
(c)	Other Financial Assets	2.20	3.97
(d)	Other Non-Financial Assets	4.31	5.98
(e)	Derivative Financial Instruments	0.00	0.05
(f)	Borrowings	6.19	12.63
(g)	Provisions	55.53	62.88
	Total deferred Tax Assets	823.80	1,135.83
	Net Deferred Tax Liability	413.55	404.24

NOTE 22: OTHER NON-FINANCIAL LIABILITIES

S.No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
Α	Amount received in advance	1.16	1.16
В	Other Liabilities	50.40	36.34
С	Revenue received in advance	3.41	3.86
D	Unamortised Security Deposit	0.70	0.65
E	Finance Lease Liability	0.01	0.01
	Total A + B + C + D + E	55.68	42.02



NOTE 23: EQUITY SHARE CAPITAL

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
Α	Authorised		
	2,500,000,000 equity shares of ₹ 10/- each		
	(previous year 2,500,000,000 equity shares of ₹ 10/- each)	2,500.00	2,500.00
В	Issued, Subscribed and Paid up		
	2,001,900,000 equity shares of ₹ 10/- each		
	fully paid-up in cash (previous year 2,001,900,000 equity		
	shares of ₹ 10/- each fully paid-up in cash)	2,001.90	2,001.90
		2,001.90	2,001.90

Note 23 (a) Reconciliation of the number of outstanding equity shares :

The reconciliation of the number of shares outstanding and the amount of the share capital as at the beginning and at the end of the year.

S.No.	PARTICULARS	As at 31st March, 2020		As at 31st March,	2019
		Number of Shares	(₹ in crore)	Number of Shares	(₹ in crore)
(a)	Shares at the beginning of the year	2,001,900,000	2,001.90	2,001,900,000	2,001.90
(b)	Add: Shares issued during the year	-	-	-	-
(c)	Shares at the end of the year (c) = (a+b)	2,001,900,000	2,001.90	2,001,900,000	2,001.90

Note: 23 (b) Rights attached to Equity Shares:

The shareholders of the Company are entitled to receive dividend as and when Declared by the company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to the shareholders of a listed company, under the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Memorandum of Association and Articles of Association of the Company.

Note: 23 (c) Shares in the company held by each shareholder holding more than 5 percent shares:

S.No.	Name of Shareholder	As at 31st March, 2020		As at 31st March	, 2019
		Number of Shares	% of Holding	Number of shares held	% of Holding
1	The President of India through :				
(a)	Ministry of Housing and Urban Affairs	1,382,841,253	69.08	1,382,841,253	69.08
(b)	Ministry of Rural Development	415,000,000	20.73	415,000,000	20.73
	Sub Total 1 (a+b)	1,797,841,253	89.81	1,797,841,253	89.81
2	Others	204,058,747	10.19	204,058,747	10.19
	Total (1+2)	2,001,900,000	100.00	2,001,900,000	100.00



(₹ in crore)

NOTE 24 : OTHER EQUITY

(4.46)135.13 27.78 (6.17)(16.64)1,180.15 (30.03)1,691.78 7,941.09 8,953.87 ,708.42 150.14 (86.86)Total 135.13 27.78 1,708.42 0.15 (4.46)36.24 (30.03)(6.17)(93.08) 150.14 1,180.15 (86.86)1,691.78 Surplus (16.64)(439.83)(450.00)(439.83)(500.00)Retained Earning 1,405.08 General 1,405.08 Reserve for Bad & 86.86 86.86 93.08 Reserve Doubtful (86.86)Debt Reserve *** 4,295.19 3,845.19 450.00 500.00 Special Other Reserves Reserve Capital Welfare 72.07 72.07 59.96 59.96 Reserve (KfW) Redemption Debenture/ 2,557.38 439.83 2,997.21 439.83 Bonds Securities 1.26 1.26 (Bonds) * Premium Jse of Reserve for Bad & Doubtful Debts against Transferred from Surplus to Reserve for Bad & Transferred from Surplus to Reserve for Bad & Dividend Distribution Tax for the year 2018-19 Transferred to Surplus from General Reserve Transferred to Surplus from General Reserve Other Comprehensive Income for the period Transferred from Surplus to General reserve Transferred from Surplus to Special Reserve Transferred from Surplus to Special Reserve Transferred from Surplus to General reserve Other Comprehensive Income for the period Total Comprehensive Income for the period Final Dividend for the year 2018-19 Transferred from Surplus to DRR Balance as at 31st March, 2019 Transferred from Surplus to DRR Balance as at 1st April, 2018 Profit during the period Profit during the period ess: Interim Dividend Less: Interim Dividend Less: Dividend Tax Principal Waiver S.No. PARTICULARS Doubtfull Debt Doubtfull Debt =(iix) $\overline{\mathbb{R}}$ **▼** □ □ □ ≥ ≥ ∋ □ $\stackrel{\text{(X)}}{\cong}$ Ω \equiv \equiv \geq **∑ (∑** (E) $\stackrel{\text{(X)}}{\underline{\times}}$ $\widehat{\mathbb{X}}$

Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.

30.86

30.86

10,341.59

477.91

1,405.08

93.08

4,795.19

72.07

59.96

3,437.04

1.26

Balance as at 31st March, 2020

Less: Dividend Tax

(iiix

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(1) 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.

(2) The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalaent 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 and 2015-16. *

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) amounting to ₹181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹ 4613.44 crore. **



NOTE 25: INTEREST INCOME

(₹ in crore)

S.No.	PARTICULARS	Year	ended 31st Mar	Year ended 31st March, 20		ch, 2019	
		On financial assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest income on securities classified as sets at fair value through profit and loss	On financial assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest income on securities classified as sets at fair value through profit and loss
(i)	Interest on Loans	-	7,456.64	-	-	5,435.86	-
	Less: Interest waived off	-	0.74	-	-	0.61	-
	Net Interest on Loans- Sub Total (i)	-	7,455.90	-	-	5,435.25	-
(ii)	Interest Income from Investments	-	21.89	-	-	22.01	-
(iii)	Interest on Deposits with Banks/Financial Institution						
	- Scheduled Bank - Indian Branches	-	0.04	-	-	2.08	-
	- Scheduled Bank - Foreign Branches	-	2.42	-	-	3.18	-
	- Financial Institution	-	2.32	-	-	3.07	-
	Interest on Deposits- Sub Total (iii)	-	4.78	-	-	8.33	-
(iv)	Interest on Loan against Public Deposits	-	-	-	-	-	-
	Total (i+ii+iii+iv)	-	7,482.57	-	-	5,465.59	-

NOTE 26: NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Α	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
(ii)	On financial instruments classified at fair value through profit or loss		
	- Investments	(5.53)	8.26
	- Derivatives	(13.68)	(30.21)
	Total A	(19.21)	(21.95)
В	Total Net gain/ (loss) on fair value changes		
(i)	Fair Value changes:		
	- Realised	-	3.27
	- Unrealised	(19.21)	(25.22)
	Total Net gain/(loss) on fair value changes(B) to tally with (A)	(19.21)	(21.95)

Note: Fair value changes in this schedule are other than those arising on account of accrued interest income/ expense.



NOTE 27: OTHER INCOME

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2020	Year ended 31 st March, 2019
(i)	Net gain/ (loss) on derecognition of property, plant and equipment	0.01	-
(ii)	Other Income on loans	-	-
(iii)	Interest on Staff Advances	4.28	5.58
(iv)	Interest on Income tax Refund	2.50	2.57
(v)	Interest on Construction Project (Refer S.No. 3(b)(vi) of Note 40 - Explanatory Note)	27.20	26.62
(vi)	Overhead Charges on Construction Project	0.07	0.11
(vii)	Management Development Programme	1.13	1.22
(viii)	Miscellaneous Income	4.23	7.48
(ix)	Excess Provision of Interest on short Income tax written back	0.10	-
	Total	39.52	43.58

NOTE 28: FINANCE COSTS

S.No.	PARTICULARS	Year ended 31st	March, 2020	Year ended 31st	Year ended 31st March, 2019		
		On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost		
(i)	Interest on Debt Securities						
(a)	Secured	-	1,397.50	-	1,396.24		
(b)	Unsecured	-	2,871.86	-	942.16		
(ii)	Interest on borrowings (other than Debt Securities)						
(a)	Secured	-	186.09	-	170.73		
(b)	Unsecured						
	- Indian	-	353.30	-	473.33		
	- Foreign	-	14.88	-	18.15		
(iii)	Interest on deposits	-	18.88	-	38.52		
(iv)	Interest on Income Tax	-	2.00	-	0.72		
(v)	Net Loss in Foreign Currency Translation and Transaction	-	3.03	-	30.17		
(vi)	Others - Interest on Security Deposit & Deposit for Services	-	(0.05)	-	0.01		
(vii)	PDS Brokerage	-	0.32	-	0.48		
	Total	-	4,847.81	-	3,070.51		



NOTE 29: EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2020		Year ended 31 st March, 2019		
		Directors *	Total	Directors *	Total	
(i)	Salaries and wages **	1.27	206.36	1.37	188.87	
(ii)	Gratuity **	(0.03)	2.13	0.01	15.90	
(iii)	Contribution to provident and other funds **	0.09	19.73	0.10	9.74	
(iv)	Staff welfare expenses	-	3.16	-	2.46	
(v)	Insurance **	-	0.18	-	0.60	
(vi)	Group saving linked Insurance premium	-	0.02	-	0.02	
(vii)	Staff Development/Training	0.01	0.31	-	0.16	
(viii)	Administrative Charges - Provident/ Hudco Pension Fund	-	0.35	-	0.34	
(ix)	HUDCO Pension Fund **	0.09	6.75	0.02	5.94	
(x)	Contribution to Benevolent Fund	-	0.03	-	0.09	
	Total	1.43	239.02	1.50	224.12	

 ^{*} Included in total.

NOTE 30: IMPAIRMENT ON FINANCIAL INSTRUMENTS

S.No.	PARTICULARS	Year ended 31	st March, 2020	Year ended 31st March, 201		
		On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	
(i)	Loans	-	0.53	-	244.53	
(ii)	Investments	-	-	-	-	
(iii)	Other Assets - Provision on Debtors	-	0.56	-	1.65	
	- Provision on advances		0.03		-	
(iv)	Principal Waiver / Written Off	-	154.64	-	81.09	
	Total	-	155.76	-	327.27	

^{**} Includes provision / payment for directors.



NOTE 31: OTHER EXPENSES

S.No.	PARTICULARS	Year ended 31st	March, 2020	Year ended 31st March, 2019			
		Directors	Total	Directors	Total		
Α	ADMINISTRATIVE						
(i)	Office Rent	-	1.18	-	1.19		
(ii)	Repairs & Maintenance to Building	-	11.21	-	11.07		
(iii)	Repairs & Maintenance to Other Assets	-	1.00	-	1.69		
(iv)	Repairs & Maintenance to Vehicle	-	0.33	-	0.32		
(v)	Loss on sale of Fixed Assets (Net)	-	-	-	-		
(vi)	Loss on sale of Investment	-	0.21	-	-		
(v)	Loss on sale of Fixed Assets (Net)	-	-	-	0.01		
(vi)	Insurance	-	0.14	-	0.15		
(vii)	Rates & Taxes	-	2.29	-	4.05		
(viii)	Travelling	0.25	3.62	0.40	3.55		
(ix)	Legal & Professional Fee	-	5.98	-	8.33		
(x)	Auditors Remuneration :						
(a)	Audit Fees						
	- Current Year	-	0.23	-	0.23		
	- Previous Year (Arrears)	-	-	-	-		
(b)	Tax Audit Fees						
	- Current Year	-	0.10	-	0.10		
	- Previous Year (Arrears)	-	-	-	-		
(c)	Other Services	-	0.17	-	0.22		
(d)	Reimbursement of expenses	-	0.02	-	0.02		
(xi)	Electricity	-	2.15	-	2.19		
(xii)	Printing, Stationery & Photocopying	-	1.14	-	1.36		
(xiii)	Postage, Telegram, Telephone & Telex	-	2.22	-	1.70		
(xiv)	Advertisement, Publicity & Sponsorship	-	3.25	-	4.29		
(xv)	Exhibition & Conference (Net)	-	0.12	-	0.26		
(xvi)	Subscription & Membership	-	0.14	-	0.13		
(xvi)	Donation	-	-	-	-		
(xvii)	Miscellaneous #	0.15	32.27	0.26	24.93		
	Total A	0.40	67.77	0.66	65.79		
В	OTHER EXPENSES						
(i)	Grant in Aid/ R & D expenditure	-	0.20	-	0.10		
(ii)	Expenses on Consultancy	-	0.27	-	0.19		
(iii)	Expenses on Management Development Programme	-	1.24	-	0.70		
(iv)	Research and Development Plan	-	0.64	-	0.65		
	Total B	-	2.35	-	1.64		
	Total (A+B)	0.40	70.12	0.66	67.43		

[#] Includes ₹ 0.14 crore (Previous year ₹ 0.24 crore) on acount of Sitting fee paid to Directors.



NOTE 32: CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in crore)

Particulars	1 st April, 2019	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2020
Debt securities	51,236.78	2752.08	-	-	2.63	53,991.49
Borrowings other than debt Securities	8,322.02	(1048.68)	(11.82)	14.85	0.28	7276.65
Deposits	289.16	(121.01)	-	-	0.32	168.47
Total Liabilities from financing activities	59,847.96	1582.39	(11.82)	14.85	3.23	61,436.61
Particulars	1 st April, 2018	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2019
Debt securities	28,643.98	22,588.40	-	-	4.40	51,236.78
Borrowings other than debt Securities	7,007.00	1,284.49	0.47	29.70	0.36	8,322.02
Deposits	625.66	(336.98)	-	-	0.48	289.16
Total Liabilities from financing activities	36,276.64	23,535.91	0.47	29.70	5.24	59,847.96

NOTE 33: CAPITAL

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are safety and security of share capital and maximize the shareholder wealth.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator Viz., NHB. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

Regulatory Capital

	2020	2019
	(₹ in crore)	(₹ in crore)
Tier I (NOF)	12,354.41	10,698.97
Tier II	9.41	6.87
Risk Wtd. Assets	21,713.14	19,088.42
	2020	2019
CRAR	(%)	(%)
CRAR - Tier I Capital	56.90	56.05
CRAR - Tier II Capital	0.04	0.04
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-



NOTE 34: REVENUE FROM THE CONTRACTORS WITH CUSTOMERS(IND AS - 115)

Particulars	2019-20	2018-19	
	(₹ in crore)	(₹ in crore)	
Sale of Services			
- Consultancy, Trusteeship and Consortium	3.95	2.67	
Fees and Commission Income	6.27	46.62	
Total revenue from contracts with customers	10.22	49.29	
Timing of revenue recognition			
Services transferred at a point in time	6.27	46.62	
Services transferred over time	3.95	2.67	

The company has not recognized any contract balances as at the reporting date.

NOTE 35: FAIR VALUE MEASUREMENT

35.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

35.2. Valuation governance

The Company's fair value methodology and the governance over its models include a number of controls and other procedures to ensure enough safeguards and maintain its quality and adequacy. All new product initiatives (including their valuation methodologies) are as per the approved policy of the Company. The on-going measurement on fair value estimates is reviewed by the appropriate functional department of the Risk management and related finance functions.

35.3. Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

	31 st March, 2020			31 st March, 2019				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Derivative financial instrument								
Interest rate swaps	-	-	-	-		0.14	-	0.14
Currency swaps	-	1.61	-	1.61	-	15.28	-	15.28
Forward Contract	-	-	-	-	-	-	-	-
Total derivative financial instruments	-	1.61	-	1.61	-	15.42	-	15.42
Financial assets at fair value through profit or loss								
Mutual fund	-	66.18	-	66.18	-	65.61	-	65.61
Equities	-	0.10	165.23	165.33	-	0.17	175.72	175.89
Total financial assets at FVTPL	-	66.28	165.23	231.51	-	65.78	175.72	241.50
Total assets measured at fair value	-	67.89	165.23	233.12	-	81.20	175.72	256.92



(₹ in crore)

	31 st March, 2020			31st March, 2019				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value								
Derivative financial instruments								
Currency swaps	-	-	-	-	-	0.13	-	0.13
Interest rate swaps	-	-	-	-	-	-	-	-
Total derivative financial instruments	-	-	-	-	-	0.13	-	0.13
Total financial liabilities measured at fair value	-	-	-	-	-	0.13	-	0.13
Assets for which fair value are disclosed								
Investment property (Refer Note 13A)	-	495.36	-	-	-	494.71	-	-

35.4. Valuation techniques

Mutual fund

Mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme.

Equity instruments

Equity instruments are not actively traded on public stock exchanges but the active prices on a regular basis are available. Such instruments are classified as Level 2. Other equity instruments are fair valued based on the average of the discounted cash flow method and Net assets value (as provided by independent valuer). It is classified as Level 3.

Interest rate swaps, Currency swaps and Forward rate contracts

The most frequently applied valuation techniques include forward pricing and swap models and forward contract using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are classified under Level 2.

35.5. Valuation adjustments and other inputs and considerations

Credit valuation adjustments (CVA)

The Company calculates CVA on a counterparty basis over the entire life of the exposure.

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2019 or 2020.

35.6. Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

Particulars	2019-2020	2018-2019
Type of adjustment	(₹ in crore)	(₹ in crore)
Credit value adjustment	0.13	0.07
Total	0.13	0.07



35.7.Transfer between level 1 and level 2

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2019 and 31 March 2020.

35.8. Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. The Company requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in crore)

31 st March, 2020	At 1 st April, 2019	Purchase	Sales	Issuances	Net interest income, net trading income and other income	At 31 st March, 2020	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL)							
Equities	175.89	-	4.46	-	(6.31)	165.33	(6.10)
Total financial assets designated at FVTPL	175.89	-	4.46	-	(6.31)	165.33	(6.10)
Total financial assets measured at fair value	175.89	-	4.46	-	(6.31)	165.33	(6.10)
31 st March, 2019	At 1 st April, 2018	Purchase	Sales	Issuances	Net interest income, net trading income and other income	At 31 st March, 2019	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL)							
Equities	160.59	-	1.45	4.46	15.56	175.89	12.29
Total financial assets designated at FVTPL	160.59	-	1.45	4.46	15.56	175.89	12.29
Total financial assets measured at fair value	160.59	-	1.45	4.46	15.56	175.89	12.29

35.9. Changes in key assumptions and range of inputs

- (a) Net Asset Value (NAV) Method: The Net Asset Value Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on the valuation date.
- (b) "Discounted Projected Cash Flow" valuation technique is used to calculate Impact on fair value of level 3 financial instruments measured at fair value using the following unobservable input such as Discount Rate, Recovery rates, Interest Rate and Revenue from operations to ascertain the change.
- (c) To arrive at fair value of unquoted investments average of Net asset Value (NAV) and Discounted Projected Cash flow as on 31.03.2020 is taken.

The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation.



All changes in the fair market value would be reflected in the Statement of profit and loss based on the classification FVTPL.

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities.

March 2020

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% -10%	5% increase (decrease) in growth rate would result in an increase/(decrease) in fair value by: ₹ 150.87 crore.
	Weighted Average Cost of Capital (WACC)	12% - 15%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹ 10.96 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.21 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.21 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.21 crore).

March 2019

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	3% - 6%	5% increase (decrease) in growth rate would result in an increase (decrease) in fair value by: ₹ 62.34 crore.
	Weighted Average Cost of Capital (WACC)	11% - 15%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹ 12.58 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 0.02 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 0.02 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 0.02 crore).

35.10. Quantitative analysis of significant unobservable inputs

Interest rate volatility

Interest Rate volatility measures the expected future variability of a market price. It is generally quoted as a percentage; a higher number represents a more volatile instrument, for which larger swings in price (or interest rate) are expected. Volatility is a key input used to estimate the future prices for the underlying instrument (equity share). Interest rate volatility varies from time to time and therefore, it is not viable to make reliable and meaningful general statements about volatility levels.

Discount Rates

Discount rates are used for calculating the present value of future cash flows. In discounted cash flow models, discount rates are used as the direct reflection of the expected rate of return of the investments made by the company in the due course of the business. Hence, these rates reflect the net present value of an asset. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.



Recovery Rates

Recovery rates reflect the estimated loss that the company will suffer given expected defaults (Non-performing Assets). The recovery rate is given as a percentage and reflects the opposite of loss severity (i.e. 100% recovery reflects 0% loss severity). In line with the operation of the Company, probability of Non-performing assets to loss assets plays an important role to ascertain the recovery rates. Higher loss severity levels / lower recovery rates indicate lower expected cash flows upon the default of the instruments. Recovery rates for complex, less liquid instruments are usually unobservable and are estimated based on historical data.

Revenue from operations

Revenue is the value of all sales of goods and services recognized by a company in a period. Revenue (also referred to as Sales, Turnover, or Income) forms the beginning of a company's Income Statement and often considered the "Top Line" of a business. Growth in revenue from operation directly impacts the profitability of the company, as operation expenses are deducted from a company's revenue to arrive at its profit.

35.11. Sensitivity of fair value measurements to changes in unobservable market data

Sensitivity of fair value measurements to changes in unobservable market data cannot be ascertained due to potential off-sets from economic or accounting hedge relationships in place.

35.12. Fair value of financial instruments not measured at fair value

Set out a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

	Carrying		31st Ma	rch, 2020		Carrying	31 st March, 2019			
Particulars	amount	Level 1	Level 2	Level 3	Total	amount	Level 1	Level 2	Level 3	Total
Turtiouluis	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	in crore	in crore	in crore	in crore	in crore	in crore	in crore	in crore	in crore	in crore
Financial assets:										
Cash and cash equivalent	222.67	-	222.67	-	222.67	111.10	-	111.10	-	111.10
Bank balances other than cash and cash equivalent	200.14	-	200.14	-	200.14	228.94	-	228.94	-	228.94
Trade Receivables	6.24	-	6.24	-	6.24	4.42	-	4.42	-	4.42
Loans and advances to customers	74,267.92	-	-	74,267.92	74,267.92	70,963.71	-	0.00	70,963.71	70,963.71
Financial investments – at amortised cost	0.00	-	-	-	0.00	292.01	-	-	292.01	292.01
Other financials assets	697.90	-	-	697.90	697.90	458.41	-	-	458.41	458.41
Total financial assets	75,372.87	-	427.05	74,965.82	75,691.54	72058.59	-	344.46	71714.13	72058.59
Financial liabilities										
Trade payables	0.11	-	0.11	-	0.11	0.16	-	0.16	-	0.16
Debt securities	53,991.49	-	18,924.34	39,652.22	58,576.56	51,236.78	-	19,144.02	34,094.51	53,238.53
Borrowing other than debt securities	7,276.65	-	-	7,276.65	7,276.65	8322.02	-	-	8,322.02	8,322.02
Deposits	168.47	-	-	168.47	168.47	289.16	-	-	289.16	289.16
Other financial liability	1639.42	-	-	1639.42	1639.42	1384.62	-	-	1384.62	1384.62
Total financial liabilities	63,076.04	-	18,924.45	48,736.66	67,661.21	61,232.74	-	19,144.18	44090.31	63279.49

35.12.1. Valuation Methodology of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded



and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Notes 36.4 and 36.5

Short-term financial assets and liabilities

For financial assets and financial liabilities, that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, Trade receivables, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The carrying amount of fixed interest rate bearing loans and floating interest rate bearing loans are taken as fair values. It is classified under Level 3.

Financial asset at amortised cost

The fair values of financial assets at amortised cost are the carrying amount of the financial asset. It is classified under Level 3.

Debt Securities

Fair value of traded bonds is market price of the bonds as on the balance sheet date or close to balance sheet date. It is classified as Level 2 since it is not actively traded. Fair value of non traded bonds is calculated based on discounted cashflow method (income approach) and it is classified as Level 3.

In case of Commercial Paper which is Current Liability i.e. short term maturity (less than or equal to twelve months), the face value of outstanding commercial paper is considered as fair value and is classified as Level 3.

Borrowing other than debt securities

The carrying amount of fixed interest rate bearing borrowings and floating interest rate bearing borrowings are taken as fair values, since these are reasonable approximation of their fair value. It is classified under Level 3.

NOTE 36: RISK MANAGEMENT

36.1. Introduction and risk management structure

Company, being a Housing Finance Company is exposed to various types of risks like credit risk, operational risk, liquidity risk, market risk and foreign currency risk. Company is fully committed to manage these risks in an effective and proactive manner, for which HUDCO has in place a Risk Management Policy and Operating Manual in line with its objectives covering both the internal and external environment. With a view to minimize the impact of various risks to which Company is exposed to, Company has in place a Board level Committee namely 'Risk Management Committee of the Board' (RMCB) which reviews various suggestions/ recommendations/reports and action taken by three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- · Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

HUDCO has effective Assets and Liabilities Management system. ALCO reviews the risks relating to Assets and Liabilities and ensures management of mismatches through liquidity gap analysis, interest rate sensitivity analysis as per NHB guidelines. It is ensured that the ALM risks, if any, are managed within the permissible limits.

The Credit Risk Management Committee (CRMC) oversees and ensures that the institution's credit policies are complied with and the procedures are being consistently applied.

The Operational Risk Management Committee (ORMC) oversees and ensures the implementation of operational risk framework to



explicitly manage each and every source of operational risk including Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk.

36.2. Credit risk

For management of credit risks in an effective manner, Company has established a strong appraisal mechanism containing comprehensive appraisal techniques/guidelines in order to ensure timely repayments of principal & interest amount.

36.2.1. Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

36.2.2. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 74,267.92 crore and ₹ 70,963.71 crore as of 31st March 2020 and 31st March, 2019 respectively, being the total of the carrying amount of balances with loans.

36.2.3. Analysis of risk concentration

HUDCO takes into consideration NHB norms for risk categorisation and the norms adopted for extending loan under HUDCO Niwas. Higher LTV is permissible for lower loan amounts while LTV reduces with the higher loan amounts. (Refer 9A)

31st March, 2020

Loans to customers:

LTV wise bifurcation:

For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	8.12	0.47	0.95	9.54
41%-60%	14.63	0.22	3.6	18.45
61%-80%	68.74	2.62	9.55	80.9
More than 80%- Individual and bulk loan	9.95	0.56	4.94	15.45
More than 80%- bulk loan	181.76	-	-	181.76
Total	283.20	3.87	19.04	306.11

Customer profile (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	42,992.76	821.21	41.17	43,855.14
Government - urban Infrastructure	27,810.16	1,726.04	148.9	29,685.10
Non Government	0.55	-	2,718.54	2,719.09
Retail	283.20	3.87	19.04	306.11
Total	71,086.67	2,551.12	2,927.65	76,565.44



Loan Commitments:

Customer profile:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,827.83	-	-	1,827.83
Government - urban Infrastructure	3,899.12	-	-	3,899.12
Non Government	0.00	-	-	0.00
Retail	1.37	-	-	1.37
Total	5,728.32	-	-	5,728.32

31st March, 2019

Loans to customers:

LTV wise bifurcation:

For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	6.95	0.14	1.10	8.19
41%-60%	15.99	0.73	3.92	20.64
61%-80%	72.56	1.94	10.21	84.71
More than 80%- Individual and bulk loan	423.61	0.48	5.07	429.16
Total – Individual	519.11	3.29	20.30	542.70
Total	519.11	3.29	20.30	542.70

Customer profile (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	40,809.84	-	87.89	40,897.73
Government - urban Infrastructure	28,562.07	143.05	37.78	28,742.90
Non Government	1.53	-	3,140.61	3,142.14
Retail	519.11	3.29	20.30	542.70
Total	69,892.55	146.34	3,286.58	73,325.47

Loan Commitments:

Customer profile: (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	3,055.70	-	-	3,055.70
Government - urban Infrastructure	4,884.25	-	-	4,884.25
Non Government	-	-	-	-
Retail	-	-	-	-
Total	7,939.95	-	-	7,939.95

36.3. Liquidity risk

To manage the liquidity risk, Company has in place an effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, public deposits, term loans etc.



The Company maintains a pool of liquid assets which represents the primary source of liquidity in stress scenarios. Its composition is subject to limits designed to reduce concentration risks which are monitored on an on-going basis.

Analysis of financial assets and liabilities by remaining contractual maturities-

	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
As at 31st March, 2020								
Financial assets								
Cash and cash equivalent and other bank balances	295.42	31.34	96.05	-	-	-	-	422.81
Net settled derivative assets	3.77	3.77	11.31	-	-	-	-	18.85
Financial assets at fair value through profit and loss	-	-	-	-	-	-	233.51	233.51
Loans	5343.20	5347.26	19932.86	16658.34	14449.46	35258.25	10091.72	106081.09
Financial investments at amortised cost	-	-	-	-	-	-	-	-
Other financial assets	226.00	-	-	-	451.87	-	-	677.87
Trade receivables	3.12	3.12	-	-	-	-	-	6.24
Total undiscounted financial assets	5871.51	5385.49	20040.22	16658.34	14901.33	34258.25	10325.23	107440.37
Financial liabilities								
Net settled derivative liabilities	3.80	3.73	10.74	-	-	-	-	18.27
Deposits	116.56	59.10	24.59	2.74	-	-	-	202.99
Debt securities	4336.47	3602.85	22851.32	8553.30	9562.80	28517.81	5129.55	82,284.10
Borrowings (other than debt securities)	3621.89	322.85	2499.30	793.07	576.05	246.60	60.75	8120.51
Trade payable	0.06	0.05	-	-	-	-	-	0.11
Other financial liabilities	819.71	819.71	-	-	-	-	-	1639.42
Total undiscounted financial liabilities	8898.49	4808.29	25115.95	9349.11	10138.85	28764.41	5190.30	92265.42
Net undiscounted financial assets/(liabilities)	(3026.98)	577.21	(5075.73)	7309.23	4762.47	5493.83	5134.93	15174.96
As at 31 st March, 2019								
Financial assets								
Cash and cash equivalent and other bank balances	137.54	63.26	109.66	29.58	-	-	-	340.04
Net settled derivative assets	456.6	3.46	13.83	3.46	-	-	-	477.35
Financial assets at fair value through profit and loss	-	-	-	-	-	-	244.51	244.51
Loans	4,786.16	5822.32	20,306.24	13,319.76	12,719.17	32,261.84	8,207.46	97,422.95
Financial investments at amortised cost	-	292.01	-	-	-	-	-	292.01
Other financial assets	-		-	-	398.34	-	-	398.34
Trade receivables	2.21	2.21	-	-	-	-	-	4.42
Total undiscounted financial assets	5,382.51	6,183.26	20,429.73	13,352.80	13117.51	32,261.84	8,451.97	99,179.62



(₹ in crore)

	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
Financial liabilities								
Net settled derivative liabilities	443.70	3.87	14.76	3.51	-	-	-	465.84
Deposits	98.21	39.11	196.07	4.75	0.05	-	-	338.19
Debt securities	3803.57	6320.73	14419.42	11379.01	7038.72	33370.23	5477.42	81809.10
Borrowings (other than debt securities)	1562.64	1,036.11	5,458.78	812.41	568.18	282.46	11.82	9732.40
trade payable	7.32	7.32	-	-	-	-	-	14.64
Other financial liabilities	623.97	623.97	-	-	-	-	-	1,247.93
Total undiscounted financial liabilities	6539.41	8031.11	20089.03	12199.68	7606.95	33652.69	5489.24	93608.10
Net undiscounted financial assets/(liabilities)	(1156.90)	(1847.85)	340.70	1153.12	5510.56	(1390.85)	2962.73	5571.52

36.4. Market risk

In order to mitigate the risks arising from fluctuations in interest rates and foreign currency exchange rates, Company periodically reviews and determines its lending rates based on its cost of funds and the market scenario. Further, the interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

36.4.1. Total market risk exposure

	31 st March, 2020	31st March, 2019	Primary risk sensitivity	
	Carrying a	mount	T Tilliary Tisk selisitivity	
Assets				
Cash and cash equivalent and other bank balances	422.81	340.04		
Derivative financial instruments	1.61	15.42	Interest rate/FX	
Financial assets at FVTPL	231.51	241.50	Equity price	
Loans	74,267.92	70,963.71	Interest rate	
Trade receivables	6.24	4.42		
Investment in Associates and joint ventures	2.00	2.00		
Other Financial assets	697.90	458.41		
Financial investments–amortised cost	-	292.01		
Total	75,629.99	72,317.51		
Liabilities				
Borrowings (other than Debt Securities)	7,276.65	8,322.02	Interest rate/FX	
Derivative financial instruments	-	0.13	Interest rate/FX	
Deposits	168.47	289.16		
Debt Securities	53,991.49	51,236.78	Interest rate	
Trade payables	0.11	0.16		
Other financial liabilities	1639.42	1,384.62		
Total	63,076.14	61,232.87		



36.4.2. Interest rate risk

The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non–trading financial assets and financial liabilities held at 31st March 2019 and 31st March 2020.

Particulars	Increase (decrease) in basis points	Sensitivity of profit & loss	Sensitivity of equity	Increase (decrease) in basis points	Sensitivity of profit & loss	Sensitivity of equity
	2019-20	2019-20	2019-20	2018-19	2018-19	2018-19
Derivative Financial Instruments	100/(100)	0.02/(0.02)	-	100/(100)	0.10/(0.10)	-
Loans and Advances	100/(100)	154.63/(154.63)	-	100/(100)	163.61/(163.61)	-
Borrowings	100/(100)	4.12/ (4.12)		100/(100)	12.95/(12.95)	
Debt Securities	107/(107)	0.22/(0.22)	-	90/(90)	0.24/(0.24)	-

36.4.3. Currency risk

In order to mitigate the risks associated with Foreign Currency Fluctuations, Company has a Foreign Currency Risk Management policy.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the INR would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in %	Effect on profit before tax	Effect on equity	Change in currency rate in %	Effect on profit before tax	Effect on equity
,	2019-20	2019-20	2019-20	2018-19	2018-19	2018-19
		₹ in crore	₹ in crore		₹ in crore	₹ in crore
USD	1	2.31/ (2.31)	-	1	7.19/(7.19)	-
JPY	1	0.92/(0.92)	-	1	1.09/(1.09)	-

36.4.4. Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. At 10 per cent increase in the value of the Company's equities at 31st March 2020 would have increased equity by ₹ 16.53 crore. An equivalent decrease would have resulted in an equivalent but opposite impact and would cause a potential impairment, which would reduce profit before tax by approximately ₹ 16.53 crore.

36.4.5. Operational Risk

In order to mitigate the operational risk(s) associated with the operations of the organization both internal as well as external including technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc, Company has established a strong reporting and monitoring mechanism.



Operational Risk Management framework covers managing each and every source of Operational Risk as a distinct risk to the institution's safety and soundness. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational risk Factors and Key Risk Indicators (KRIs)' from Regional Offices/ departments which are further reviewed and analyzed for mitigation of operational risk.

NOTE 37: TAX EXPENSES

(₹ in crore)

Particulars	Period ended 31 st March, 2020	Period ended 31 st March, 2019
Current income tax:		
Current income tax charge	453.00	584.90
Adjustments in respect of current income tax of previous year	(1.80)	(0.62)
Deferred tax:		
Relating to origination and reversal of temporary differences	14.91	98.78
Income tax expense reported in the statement of profit or loss	466.11	683.06

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March, 2020:

Particulars	Period ended 31 st March, 2020	Period ended 31 st March, 2019
Accounting profit before income tax	2174.53	1,863.21
Tax at statutory Income Tax rate of 25.168% for March, 2020 and 34.944% for March, 2019	547.29	651.08
Adjustment in respect of Current Income Tax of Prior Years	(1.80)	(0.62)
Income not subject to Tax (Less)		
Dividend Income	0.95	1.22
Rental Income (30% : Standard Deduction)	2.68	3.07
Deductions		
Difference in Depreciation	(0.12)	0.08
Profit on sale of Fixed Assets	-	-
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	116.12	149.88
Provision for Bad & Doubtful Debt u/s 36(1)(viia) of the Income Tax Act, 1961	23.43	30.35
PM Care Fund	12.58	-
Reversal of Excess Provision for short Income tax	0.02	-
Expenses disallowed in Income Tax Act 1961 (Add)		
ECL and Principal Waiver	39.04	113.78
Provision on Advances, Debtors etc.	-	0.49
Provisions for Employee Benefit	10.24	4.41
Disallowance as per sec 43B	(0.65)	1.37
Loss on sale of Fixed Assets	-	-



(₹ in crore)

Particulars	Period ended 31st March, 2020	Period ended 31 st March, 2019
Others	1.89	0.72
HUDCO Recreational Club Exp	-	-
Interest u/s 234	0.50	0.25
CSR	14.33	1.47
Ind AS Adjustment to P& L A/C	(3.98)	(4.68)
Capital Gain Tax	-	0.61
Sub Total	451.20	584.28
Deferred Tax Liability	14.91	98.78
Total Tax expenses	466.11	683.06
Effective Income tax Rate (in %)	21.43	36.66

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	ОСІ
	31 st March, 2020	31 st March, 2020	2019-20	2019-20
Derivative Financial Instruments	0.41	-	4.93	-
Investments	23.25	-	2.33	-
Property, Plant and Equipment	3.93	-	1.37	-
Debt Securities	16.54	-	7.30	-
Deposits	0.04	-	0.12	-
Other Financial Liabilities	8.34	-	3.23	-
Other Non- Financial Liabilities	0.32	-	0.12	-
Other Equity	1184.56	-	283.22	-
Loans	-	751.34	(293.10)	-
Receivable	-	4.24	(1.64)	-
Other Financial Assets	-	2.20	(1.77)	-
Other Non-Financial Assets	-	4.31	(1.67)	-
Borrowings	-	6.19	(6.44)	-
Provisions	-	55.53	(7.35)	-
OCI	-	-	(5.60)	5.60
Total	1237.36	823.81	(14.91)	5.60



(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2019	31 st March, 2019	2018-19	2018-19
Derivative Financial Instruments	5.39	0.05	10.56	-
Investments	25.58	-	(0.52)	-
Property, Plant and Equipment	5.30	-	(0.08)	-
Debt Securities	23.88	-	1.5	-
Deposits	0.16	-	0.17	-
Other Financial Liabilities	11.57	-	(7.08)	-
Other Non- Financial Liabilities	0.44	-	-	-
Other Equity	1,467.75	-	(186.95)	-
Loans	-	1044.44	83.70	-
Receivable	-	5.88	0.18	-
Other Financial Assets	-	3.97	1.37	-
Other Non-Financial Assets	-	5.98	0.28	-
Borrowings	-	12.63	(3.96)	-
Provisions	-	62.88	4.41	-
OCI	-	-	(2.40)	2.40
Total	1,540.07	1,135.83	(98.78)	2.40

NOTE 38: DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC UNDER LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS (LODR) OF SEBI-FINANCIAL STATEMENT

The outbreak of COVID-19 pandemic across the world and the countrywide lockdown has impacted the economy to a large extent. The Novel Corona Virus (COVID-19) being a Pandemic as declared by the WHO, has the social & economic structure and it continues to impact individuals and businesses causing various Governments to impose restrictions of varying scale.

The extent to which the COVID 19 pandemic will impact the company's future results will depend on developments, which highly uncertain including among other things, any new information concerning the severity of the COVID-19 and any action to contain its spread or mitigate its impact whether government mandated or elected by the company. The company will continue to closely monitor any material changes to future economic conditions. However, since HUDCO primarily operates in the space of providing financial assistance for Housing and Urban Development Projects of Government and Government agencies, we believe, we hold a much stable asset class which can withstand the pandemic relatively better compared with other asset class.

HUDCO continues to have robust liquidity and funding profile. The company continues to maintain adequate liquidity to meet the repayment/redemption obligations as well as operational requirements. The company also continues to maintain its impeccable track record of servicing its debt/liabilities in time without there being any instance of delay/default, till date.

In accordance with the RBI notification dated 27th March, 2020 and 17th April, 2020, the Company has granted a moratorium on the payment of installments falling due between 01st March, 2020 and 31st May, 2020 to eligible borrowers whose account is standard and not in default.

Based on the current indications of future economic conditions, the company has maintained an incremental ECL provision of ₹ 87.35 crore for COVID-19 in additions to the normal ECL provision and with this inclusion the company believes the ECL provision is adequate.



NOTE 39: IND AS-116 LEASES-AMENDMENT EFFECTIVE FROM 01.04.2019

Policy of 'Leases' has been modified in the significant accounting policies due to the applicability of Ind AS 116 "Leases".

Ind AS 116 was notified with effect from April 1, 2019 which replaces Ind AS 17. Ind AS 116 sets out the principles for the recognition, measurement, presentation, and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at April 01, 2019. Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases.

Leases previously accounted for as operating leases

Company has lease contracts for the office building which are cancellable by the both the lessor and lessee. Company has some contracts which are cancellable by the either lessor and lessee and at present there is no estimation by the company to continue or discontinue the same, further amount of that leases is not material for the company and therefore company is not creating ROU on that assets based on the materiality as per the guidance given under the Indian accounting standard. Further company used hindsight in determining the lease term where the contract contained options to extend or terminate the lease and therefore its leases are covered under the short-term leases as per the guidance under the Ind AS-116.

Based on the details given above, Company is having a NIL financial impact due to adoption of the Ind AS-116 Leases.

Amounts recognised in Statement of Profit and Loss relating to short term leases is ₹ 1.18 crore during the year 2019-20 and in the previous year 2018-19 is ₹ 1.19 crore.

b) Company as a Lessor

The Company has given its Assets on the leases; details of the same are given under the Note No-13A Investment Property.

Lease Rental recognized as income during the year 2019-20 is ₹ 35.54 crore and in the Previous year 2018-19 is ₹ 29.25 crore.

NOTE 40: EXPLANATORY NOTES TO ACCOUNTS

The financial results for the Financial Year ended 31st March, 2020 have been drawn up on the basis of Ind-AS that are applicable to the Company based on MCA Notification G. S. R. 111 (E) and G. S. R. 365 (E) dated 16th February, 2015 and 30th March, 2016 respectively. Any guidance/ clarifications issued by NHB or other regulators are adopted/implemented as and when they are issued/applicable. The results have been prepared based on the Schedule-III for Non-Banking Financial Companies as per Notification G.S.R. 1022 (E) issued by the Ministry of Corporate Affairs on 11th October, 2018.



2) Contingent Liabilities & other commitments not provided for and counter guarantees issued by the Company:

(a) Contingent Liabilities:

(₹ in crore)

		2019-20	2018-19
i.	Claims of Contractors not acknowledged as debts *	-	0.16
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 up to 31.03.2020 of ₹ 279.80 crore (previous year ₹ 296.19 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalisation of appeals)	284.02	300.41
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31.03.2020 of ₹ 0.14 crore (previous year ₹0.14 crore) under protest. (This does not include un-quantified demands pertaining to interest/penalties which may be levied after the finalisation of appeals).	4.55	5.84

^{*} Counter claims of the Company is NIL as on 31.03.2020 (previous year NIL) against the claim of contractors not acknowledged as debts.

(b) Capital commitments not provided for:

(₹ in crore)

		2019-20	2018-19
i.	Estimated amount of commitments remaining to be executed on capital account	27.27	33.86

(c) CSR commitments not provided for:

(₹ in crore)

		2019-20	2018-19
i.	Estimated amount of CSR commitments remaining to be executed	26.52	23.03

(d) Finance Lease Commitments:

(in ₹)

	31 st March	n, 2020	31 st March, 2019			
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP		
Within one year	23,532	2,597	23,532	2,818		
After one year but not more than five years	70,596	6,632	94,128	9,229		
Total minimum lease payments	94,128	9,230	1,17,660	12,047		
Less amounts representing finance charges	84,898	-	1,05,613	-		
Present value of minimum lease payments	9,230	9,230	12,047	12,047		

3) (a) The above does not include any contingent liability in respect of Andrews Ganj Project (AGP), arising on account of various court cases/ arbitration/ allottees' claims against cancellation of allotment etc., as in this case, HUDCO is only working as an agent being project executed on behalf of Govt. of India. As such, liability (if any) whenever



ascertained / finalised shall be passed on to MoHUA, Govt. of India and met out of AGP (No Lien AGP Account), being maintained separately, in line with the directions of the then MoUD.

- (b) i) HUDCO had initiated execution of Andrews Ganj Project (AGP) on behalf of the then Ministry of Urban Development, (MoUD) in the year 1989-90.
 - ii) As per minutes of the meeting held on 7th September, 1995, it has been agreed to pay interest @ 17% p.a. (simple) on the expenditure incurred on AGP along with 1.5% of project cost as administrative charges.
 - iii) As per Perpetual Lease Deed dated 4th July, 1997, the Company is liable to make available "Net Resources" from the development and disposal of properties of the AGP to then MoUD and accordingly the Company was crediting interest on Net Resources generated on the project upto 3th November, 2004. Subsequently, a separate "No Lien AGP Account" has been opened under the name of "HUDCO AGP Account", in which the surplus lying to the credit of the then MoUD was credited and interest accrued/ earned on "No Lien AGP Account" was also credited to that account.
 - iv) HUDCO contends that as per minutes of the meeting held on 7th September, 1995 and in terms of Perpetual Lease Deed dated 4th July, 1997, the status of the Company is "Agent of MoUD". The contention of HUDCO is that it is working as an agent and as such total ownership rights and responsibilities of AGP are of MoHUAGOI (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by learned Shri GE Vahanvati, the then Solicitor General of India, vide his opinion dated 12th April, 2005. This opinion was re-confirmed by learned Shri GE Vahanvati as Attorney General of India vide his opinion dated 19th August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India.
 - V) Keeping this position in view and in accordance with HUDCO's Board decision in 459th meeting dated 24th August, 2009, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them in "No Lien AGP Account" being separately maintained by HUDCO. As on 31st March, 2020, this account has a deficit in the form of debit balance of ₹ 462.63 crore, recoverable from MoHUA (erstwhile MoUD). This represents amount paid by HUDCO on behalf of the Ministry for the capital and revenue expenditures on AGP project over and above the recoveries and the accumulated interest amounting to ₹ 207.69 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27th April, 2015 have also asserted that HUDCO shall continue to implement and manage the AGP in terms of Perpetual Lease Deed and all the pending issues shall be looked into for resolution by the Ministry. The MoHUA (erstwhile MoUD) in the said meeting has also decided that HUDCO as a Lessee will bear all the liabilities including the liabilities generated out of compliance of various court orders in cases related to the project. The company vide its letter dated 30th September, 2015, conveyed its reservation to accept the decision for bearing the liabilities of Andrews Ganj project as HUDCO is acting as an agent of MoHUA, Government of India, for AGP, in terms of perpetual lease deed conditions and other agreed terms.
 - vi) The Ministry has been informed specifically of the above facts and figures on various occasions through correspondence as also in the meetings. A communication was received from Dy. L&DO vide letter dated 22nd March, 2016 wherein Dy. L&DO had conveyed that HUDCO may continue to implement Andrews Ganj project and manage "No Lien AGP Account" in line with the terms and conditions as stipulated in the Perpetual Lease Deed dated 04th July, 1997. The Ministry again informed in specific vide Dy L&DO letter dated 31st May 2018 that HUDCO as a lessee is permitted to incur/book maintenance and legal expenditure in respect to Andrews Ganj Project from "No Lien AGP Account". Like earlier years, in-line with the minutes of meeting dated 07.09.1995, the perpetual lease deed dated 04.07.1997, income of ₹ 27.20 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period year ended 31st March, 2020.
 - vii) As decided by HUDCO Board in its 596th meeting held on 14th June 2018, Ministry of Housing and Urban affairs has been requested vide letter dated 9th July 2018 to consider to taking over the Andrews Ganj project with assets and liabilities and pay the amount incurred / to be incurred by HUDCO, towards implementing the project. It has also been conveyed that "till the project is taken over by Ministry", HUDCO shall be continuing implementing the project as per existing arrangements and continue booking maintenance and legal expenses,



interest @ 10.75% p.a. and administrative charges @1.5% in "No Lien AGP Account". The decision on the same from the Ministry is awaited.

- viii) The company, in its aforesaid capacity as an agent of MoHUA (erstwhile MoUD), relating to AGP, 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 ₹ 462.63 crore, as on 31st March, 2020.
- c) i) The Company had allotted a hotel site including car parking space to M/s.Tomorrowland Technologies Exports Ltd. i.e. TTEL (formerly known as M/s. M S Shoes East Limited). Due to default in payment of installments by TTEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount paid by TTEL in terms of the allotment letter.

TTEL started litigation regarding hotel site and filed suit for declaration in lower courts that cancellation of allotment letter by HUDCO, be declared as null & void. The Sr. Civil Judge passed final order dated 3rd July, 2010 against HUDCO. HUDCO filed first appeal against the Order of Sr. Civil Judge before Additional District Judge (ADJ) Delhi. The ADJ vide Order dated 18th July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of TTEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 3rd July, 2016 in favour of HUDCO. TTEL challenged the High Court Order by filing SLP NO: 34338/2016 in the Supreme Court. The matter is currently in pendency before Hon'ble Supreme Court.

ii) The allotment of 9 blocks of guest houses, restaurants, kitchens and shops, which were allotted to TTEL, was cancelled due to default in payment of installment by TTEL and amount of first installment paid by TTEL was forfeited as per terms of allotment letter. TTEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court, vide Order dated 10th August, 2016, directed that HUDCO &Union of India should consider the proposal given by TTEL for refund of entire amount deposited by way of 1st installment by it with HUDCO along with interest at such rate which may be deemed appropriate by Court.

In view of Hon'ble High Court of Delhi order dated 10th August, 2016, the Board in its 568th meeting held on 23rd August, 2016 resolved to approve the proposal to refund first installment forfeited by HUDCO excluding earnest money & the interest for delayed payment paid thereof by TTEL for guest house blocks after adjusting the commercial losses caused to HUDCO and other expenses incurred by HUDCO since 1997-98 from the date of completion of project subject to necessary approval/NOC of MoUD, Govt. of India.

The Hon'ble High Court passed a decree dated 13th January, 2017 for payment of 1st installment of ₹ 35.75 crore to TTEL along-with interest @ 6% p.a. w.e.f. 30.01.1995 till date of payment and directed HUDCO to refund the interest paid by TTEL (₹ 0.99 crore) on the delayed period of payment of 1st installment (from 30th November, 1994 till 30th January, 1995). If the entire amount is not paid on or before 31st December, 2017, the rate of interest would then stand enhanced to 11% p.a. However, the decree was made in-executable till 30th June, 2017.

TTEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13th January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% p.a. on quarterly rests. Subsequently, Review Petition filed by TTEL was disposed off by the High Court on 12th December, 2017. Thereafter, TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Hon'ble Supreme Court against the Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The Company filed application for recalling the Hon'ble High Court Order dated 13th January, 2017, in view of the Review Petition filed by TTEL and directions of Govt. of India. The matter was listed on 28.08.2018, after hearing all parties, Hon'ble High Court Order dated 28.08.2018 and 13.01.2017. Vide Order dated 18.09.2018, the Hon'ble Supreme Court has dismissed the SLP as withdrawn, with liberty to HUDCO to file all legal objections regarding the executability of the decree in the executing Court.

Further, TTEL also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by TTEL on 23rd December, 2017. Thereafter, TTEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% p.a. as per the decree dated 13th January, 2017. The matter was listed on 3rd May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e.



HUDCO Bhawan, IHC, Lodhi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court kept the attachment order of HUDCO Property in abeyance till the next date and also directed that HUDCO will not sell the property at Andrews Ganj, Delhi. Further, the learned Justice V.N. Khare, former Chief Justice of India, has opined that, "HUDCO's consent to perform the terms of the Order dated 13th January 2017 was conditional on UOI's support and in the event any liability is indeed ascribed to HUDCO, the same should then be recoverable from the UOI".

In view of the Supreme Court's Order dated 18th September 2018, HUDCO filed objection in the Execution Petition, pending in Delhi High Court. The matter was listed on 29.10.2018. After hearing the submission of HUDCO's Counsel, the Hon'ble Court dismissed the objections. HUDCO filed two appeals in Delhi High Court as under:-

- Regular first Appeal (RFA 79/2018) against the final order/ decree 13.01.2017 and order dated 28.08.2018 (Dismissal of Recall application by High Court). Notices have been issued.
- ii) Execution First Appeal (EFA No 19/2018) against the order dated 29.10.2018, wherein objections of HUDCO in execution petition were dismissed. The matter was listed on 27.11.2018. After hearing the matter, the Hon'ble Court stayed the execution proceeding pending in Delhi High Court till the next date.

TTEL filed SLP in Supreme Court, against the High Court Order dated 27.11.2018, wherein High Court stayed the execution proceedings. However, the same has been withdrawn by TTEL on 14.1.2019.

TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Supreme Court against Decree dated 13.1.2017 and Hon'ble High Court Order dated 12th December,2017. The SLP filed by TTEL is currently pending in Hon'ble Supreme Court. Further, in the SLP No 10752/53 of 2018, the Union of India has filed an affidavit denying its liability on this account. The said affidavit, was placed before the Board of Directors of HUDCO and as per the decision, the company has also filed a reply/affidavit to the affidavit of Union of India denying its liabilities on account of the same bases on perpetual Lease Deed 04/07/1997 and Record Note of discussion dated 07/09/1995. The matter is currently pending before Hon'ble Supreme Court of India.

Hence, in view of the facts and circumstances stated above, the Company does not expect any liability on this account and any expenditure related thereof. In case of any liability by virtue of any court order or otherwise, the same shall be in the account of "No Lien AGP Account" of MoUD, based on the facts and documents and the legal opinions obtained by HUDCO.

(d) The arbitrator has passed an award in favour of M/s. Ansal Properties and Industries Ltd. (APIL) amounting to ₹8.84 crore along with interest @ 18% p.a on 28th July, 2005 in respect of the property leased to APIL at AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹0.85 crore along with interest @ 18% p.a on account of maintenance charges w.e.f. 1st January, 2001 up-to 31st July, 2005. 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 "No Lien AGP Account". Now, the case is listed before Registrar General, Hon'ble High Court for further proceedings.

APIL has invoked arbitration for refund of ground rent paid by it from November, 1995 to October, 1999 and the arbitrator has pronounced the award on 21st July, 2006 holding therein that APIL is not liable to pay the ground rent up to October, 1999 i.e. till the shopping arcade was constructed and became operational in October, 1999. The amount of ₹ 3.93 crore deposited earlier by APIL has been directed to be adjusted towards the future ground rent payment dues w.e.f. November,1999 along-with Interest @ 7% p.a. for delayed payment. HUDCO has filed petition challenging the award before the Hon'ble High Court of Delhi. The Hon'ble High Court on 10th May, 2012 has set aside the arbitration award dated 21st July, 2006. APIL filed an appeal against the above-mentioned order before Division Bench of Hon'ble High Court, Delhi. Division Bench vide its order dated 24th January, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10th May, 2013 before Supreme Court against this order which is currently pending.

- 4) HUDCO had allotted 6435 sq. mtr. of built-up space in 1993 at HUDCO Vishala, Bhikaji Cama Place, New Delhi to EPFO on Long term Sub-lease basis. The sub-lease in favour of EPFO is yet to be executed and ₹ 0.35 crore is recoverable from EPFO.
- 5) (a) The Company has a 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 89.14% received upto 16th June, 2020 (previous year 89.88% received upto 15th May, 2019) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.

- (b) The Company has made impairment provision (as per ECL approach) of ₹2939.67 crore as on 31st March, 2020 as per Ind- AS requirement.
- 6) The receipts from the agencies in the loan accounts is appropriated as per loan agreement in the following order:
 - a) Other dues/ expenses recoverable
 - b) Penal interest
 - c) Normal interest
 - d) Principal

In the event of excess payment, the same is adjusted towards principal.

However, in respect of default cases, repayments are first adjusted towards liquidation of the oldest default by following above order and after appropriation of default, the balance, if any, is adjusted as per the normal practice as above.

- 7) Revenue from Operations includes ₹ 190.42 crore against settlement of chronic NPA accounts under the ongoing recovery/ legal process.
- 8) During the FY 2019-2020, the Resolution Plan in respect of two chronic NPAs, viz. M/s. Sunil Ispat & Power Limited and M/s. Lanco Teesta Hydro Power Pvt. Ltd., (Lanco Energy) were approved. Against the total Principal Outstanding of ₹ 389.84 crore, the Company had provided ECL Allowance of ₹ 280 crore as on 31.03.2019. The company had received ₹ 148.33 crore under the Resolution Plan approved by NCLAT/NCLT towards final settlement of loan.
- 9) In case of RKM Powergen Private Ltd., the loan asset was categorized as sub-standard by the Company on 15th April, 2015. In view of Hon'ble High Court of Madras Order, the Company after seeking legal opinion with respect to asset classification, the loan asset has been re-classified from sub-standard to standard asset category. However, the loan is considered under Stage III and ECL Allowance of ₹ 482.57 crore has been made in the books of accounts of the Company against the principal outstanding of ₹ 482.57 crore as on 31st March, 2020 as per the applicable Indian Accounting Standards (Ind AS).
- The Company had made Long Term Investments at a total cost of ₹ 99.86 crore which represents Trade Investment in Equity Shares, Investments in Associates, Infrastructure Debt Fund and bonds. As per the applicable Ind AS, Investments as on 31st March, 2020 are being shown at fair value through profit or loss, of ₹ 231.98 crore.
- 11) 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;
 - (iii) Hypothecation of Distribution Assets of the borrower Company.
 - (iv) Negative Lien on the assets of the borrower Company. Assets of the Company include the book debts and future receivable.
 - (v) Government Guarantee, First charge on the assets of the housing finance company or First Pari-Passu charge on the outstanding loans or Exclusive Charge/ First Pari-Passu charge on the present and future receivables/ Book Debts, Escrow mechanism, postdated cheques or ECS or RTGS, First Pari-Passu charge on immovable property/ Undertakings, Demand promissory note and irrevocable Power of Attorney in favour of HUDCO to recover the money from individual borrowers.



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

- 12) The Company has adopted Ind AS-19 'Employee Benefits'. Defined employee benefit schemes are as follows:
 - (a) The Company has a separate trust to manage provident fund scheme and provides interest guarantee as per Employees' Provident Fund Scheme, 1952. The Company pays fixed contribution of provident fund at a predetermined rate to the 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 under the Employees' Provident Fund Scheme, 1952 and recognizes such deficiency as an expense in the year it is determined.

In view of the interest rate guarantee by the Company, the plan although being a defined contribution plan is being treated as defined benefit plan for the purpose of disclosure as per Ind AS 19, since as per Section 17 of the Employees Provident Funds (EPF) Act, 1952, the company has to guarantee the interest rate as announced by the EPFO from time to time. Accordingly, the actuarial valuer has done valuation to the extent of interest rate guarantee and details of the same have been disclosed as given below.

The fair value of the plan assets of the Provident Fund and the accumulated members' corpus is ₹ 313.76 crore and ₹ 330.20 crore respectively (Previous year - ₹ 301.16 crore and ₹ 301.10 crore respectively). The fair value of the assets of the provident fund as at 31st March, 2020 is lower than the obligation under the defined contribution plan. Accordingly, provision of ₹ 16.44 crore is required to be made based on actuarial valuation during the year 2019-20.

The charge to Profit and loss Account for the valuation period is ₹ 9.29 crore. The amount for Other Comprehensive Income is ₹ 7.15 crore.

The actuarial assumptions include discount rate of 6.60% (Previous year - 7.35%) and an average expected future period of 9.17 years (Previous year–9.69 years). The Company recognized ₹ 9.34 crore (Previous year - ₹ 8.66 crore) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to this plan by the Company are at rates specified in the rules of the schemes.

- (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:

	Grat	uity		Leave En	cashment			tirement
			E	L	н	PL	Medical	Benefits
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Component of Employer Expenses								
a. Current Service Cost	2.33	1.90	3.14	3.10	0.78	0.47	4.17	4.07
b. Interest Cost	(0.03)	(0.09)	1.85	1.72	0.65	0.60	10.39	10.27
c. Past Service Cost	-	14.31		-	-	-	-	-
d.Unrecognized Past service cost	-	-	-	-	-	-	-	-
e. Expected return on plan assets	(0.30)	(0.74)	NA	NA	N.A.	N.A.	N.A.	N.A.
f. Actuarial (Gain) / Loss	6.49	7.85	5.50	0.96	0.64	0.76	8.89	(0.25)
g. Recognised in Other Comprehensive Income	(6.20)	(7.11)	NA	N.A.	N.A.	N.A.	(8.89)	0.25



	Grat	uity		Leave En	cashment		Post-Ret	
			E	L	Н	PL	Medical	Benefits
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
h. Recognised in the Statement of Profit & Loss.	2.29 \$	16.12\$	10.49	5.78	2.07	1.83	14.56	14.34
Net Asset / (Liability) recognised in Balance Sheet as at 31.03.2020								
a. Present value of Obligation as at 31.03.2020	75.09	66.92	32.00	25.22	9.96	8.82	158.21	143.42
b. Fair Value of plan assets as at 31.03.2020	72.95	66.19	N.A. #	N.A. #	N.A. #	N.A. #	N.A.#	N.A. #
c. Liability / (Assets) recognised in Balance Sheet	2.14*	0.73*	32.00	25.22	9.96	8.82	158.21	143.42
3. Change in present value of obligation as on 31.03.2020								
Present Value of obligation as at 31.03.2019	66.92	46.30	25.22	22.58	8.82	7.89	143.42	135.11
Current service cost	2.33	1.90	3.14	3.10	0.78	0.47	4.17	4.07
Interest Cost	4.63	3.31	1.85	1.72	0.65	0.60	10.39	10.27
Past Service Cost	-	14.31	-	-	-	-	-	-
Unrecognized Past service cost	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	(0.07)	-	(0.74)	-	(0.02)	-	(0.32)	-
Actuarial gains and losses arising from changes in financial assumptions	3.42	1.01	1.27	0.40	0.45	0.14	3.97	1.71
Actuarial gains and losses arising from experience adjustments	3.14	6.84	4.97	0.56	0.17	0.62	5.24	(1.96)
Benefits Paid	(5.28)	(6.75)	(3.71)	(3.14)	(0.93)	(0.90)	(8.66)	(5.78)
Present Value of obligation as at 31.03.2020	75.09	66.92	32.00	25.22	9.96	8.82	158.21	143.42
4. Change in the Fair Value of Plan Assets								
Present value of plan assets as on 31.03.2019	66.19	46.53	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Expected return on Plan Assets	4.66	3.40	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual company Contribution	7.08	22.27	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Benefits Paid	(5.28)	(6.75)	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Return on Plan Assets excluding amount included in Net Interest Expense	0.30	0.74	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-	-	-	-	-



(₹ in crore)

	Gra	tuity		Leave En	cashment		Post-Retirement	
			Е	L	Н	PL	Medical	Benefits
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Actuarial gains and losses arising from changes in financial assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from experience adjustments	-	-	-	-	-	-	-	-
Fair Value of Plan Assets as at 31.03.2020	72.95	66.19	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual Return on plan assets	4.96	4.14	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
5. The Principal assumptions used in determining defined benefits obligations for the company's plans								
Discount Rate (p.a.) (%)	6.60	7.35	6.60	7.35	6.60	7.35	6.90	7.35
Expected rate of returns on plan assets (p.a.) (%)	6.60	7.35	N.A	N.A.	N.A.	N.A.	N.A	N.A.
Salary increase rate (p.a.) (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Withdrawal Rates	3% at younger ages reducing to 1% at older ages							
Leave availment rate	N.A.	N.A.	3% p.a.	3% p.a.	3% p.a.	3% p.a.	N.A.	N.A.
Leave encashment in service	N.A.	N.A.	2% p.a.	0% p.a.	0% p.a.	0% p.a.	N.A.	N.A.
6. Details of the Plan Assets at cost as on 31.03.2020								
Government of India Securities, Corporate Bonds etc.	N.A#.							
Gratuity Fund Managed by Insurer	100%	100%						

Gratuity

	31 st Ma	arch, 20	31 st Ma	rch, 19	31st Ma	arch, 20	31st Ma	arch, 19	31st Ma	rch, 20	31st Ma	rch, 19
Assumptions	Discount rate			Future salary increases				Withdrawal rate sensitivity				
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	72.78	77.52	64.93	69.01	75.79	74.44	67.52	66.2	75.26	74.92	67.05	66.78

HPL

	31st Ma	arch, 20	31 st Ma	rch, 19	31st Ma	arch, 20	31st Ma	rch, 19	31st Ma	rch, 20	31st Ma	rch, 19
Assumptions	Discount rate		F	Future salary increases			Withdrawal rate sensitivity					
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	9.65	10.27	8.54	9.11	10.26	9.67	9.09	8.56	9.89	10.02	8.76	8.87



EL

	31 st Ma	arch, 20	31st Ma	rch, 19	31 st Ma	arch, 20	31 st Ma	rch, 19	31 st Ma	rch, 20	31st Ma	rch, 19
Assumptions		Discou	ınt rate		F	uture sala	ry increas	es	With	drawal ra	ate sensi	itivity
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	31.14	32.90	24.43	26.04	32.90	31.14	25.99	24.47	31.96	32.04	25.17	25.26

Medical Benefits

	31st March, 20		31st March, 19		31st Ma	rch, 20	31st March, 19			
Assumptions		Discount rate				Medical growth rate increase				
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease		
Impact on defined benefit obligation	146.70	171.09	132.78	155.35	161.90	154.86	147.39	139.85		

Expected payment for future years

	Gra	tuity	Н	PL	E	L	Medical	benefits
	31st March, 20	31st March, 19						
Within the next 12 months (next annual reporting period)	6.90	7.76	1.15	0.97	3.89	2.38	4.30	4.05
Between 2 to 5 years	30.73	26.44	4.19	3.55	14.61	10.29	22.20	20.93
Between 5 and 10 years	44.07	42.65	5.53	5.32	17.11	15.86	45.36	42.71
Total expected payments	81.70	76.85	10.87	9.84	35.61	28.53	71.86	67.69

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

- \$ It represents the amount to be recognised in the Statement of Profit & loss as per actuarial valuation. However, since the scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company, so the premium paid is debited to the Statement of Profit & Loss.
- # The scheme of Gratuity is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company. Further, the schemes of Leave Encashment and Post-Retirement medical benefits are unfunded.
- * The Company expects to contribute ₹ 2.14 crore (Previous year ₹ 0.73 crore) to the Gratuity Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2020 is 6.62 years (Previous year 7 years).

The Company expects to contribute ₹ 4.30 crore (Previous year ₹ 4.05 crore) to the Medical Benefit Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2020 is 22.81 years (Previous year 23.23 years).



13) Details of Provisions

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
Α	Provision for employees benefit				
(i)	Leave encashment	34.03	12.56	4.64	41.95
	Previous Year	30.47	7.61	4.05	34.03
(ii)	Post-retirement medical benefit	143.43	14.56	(0.23)	158.22
	Previous Year	135.10	14.35	6.02	143.43
(iii)	Welfare expenses	1.77	0.36	0.23	1.90
	Previous Year	1.76	0.09	0.08	1.77
(iv)	Gratuity	0.73	(4.79)	(6.20)	2.14
	Previous Year	-	(6.38)	(7.11)	0.73
(v)	Provident Fund	0.00	9.29	(7.15)	16.44
	Previous Year	0.00	0.00	0.00	0.00
В	Others		'		
(i)	Provision for Income Tax	584.90	455.00	584.90	455.00
	Previous Year	441.15	584.90	441.15	584.90
С	Provisions on Loans (ECL -Net)	ı			
(i)	Provision on loans (ECL)	2939.16	2.59	2.08	2939.67
	Previous Year	2694.63	244.53	-	2939.16
D	Corporate Social Responsibilities (CSR)				
	Previous Year	4.82	-	4.82	-
Е	Provisions on Investment/ Advances/ D	ebtors/ Staff Ad	vances/against di	sputed service tax p	paid
(i)	Provisions on Investment	3.11	-	-	3.11
	Previous Year	3.11	-	-	3.11
(ii)	Provision on staff advances	0.13	0.01	-	0.14
	Previous Year	0.09	0.04	-	0.13
(iii)	Provision on Advances	3.03	0.00	0.00	3.03
	Previous Year	2.22	0.81	-	3.03
(iv)	Provision on Doubtful Debts	16.84	0.00	0.01	16.83
	Previous Year	16.30	0.79	0.25	16.84
(v)	Provision against disputed service tax paid	2.49	-	-	2.49
	Previous Year	2.49	-	-	2.49

¹⁴⁾ National Housing Bank's credit concentration norms state that a Housing Finance Company's agency wise exposure should not exceed 15% of its net owned funds. Further, as per NHB's circular dated 21.03.2013, 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.



The Company is complying with National Housing Bank's credit concentration norms except in one case of investment in another HFC viz., Indbank Housing Ltd. (IBHL), a subsidiary of Indian Bank in which HUDCO has invested 25% capital of investee.

HUDCO had invested ₹ 2.50 crore, even before guidelines were applicable, in the Equity Shares of IBHL, whose total paid-up capital is ₹ 10 crore resulting in investment to the extent of 25% of the equity.

IBHL through their letter has informed that the earlier decision for merger of IBHL with the parent bank was taken by the IBHL Board on account of the then situation prevailing at that point of time. IBHL took various steps towards revival of housing finance business. The authorized capital of the company was increased from ₹ 50 crore to ₹ 150 crore. The company initiated steps for restructuring of capital by converting loan liabilities of Indian Bank into Compulsory Convertible Preference shares (CCPS) carrying 0.01% rate for ₹ 130 crore. However, the required permission of RBI was not forthcoming and hence conversion of loan liability to CCPS could not be carried out.

During the year 2019-20, IBHL has appointed M/s. SBI Capital Services Ltd as advisors for suggesting options available to the company for enhancement of Housing Finance business through organic/inorganic means and IBHL is in touch with prospective investors for infusion of funds, which will lead to dilution of HUDCO's stake.

NHB, from time to time, has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO. However, vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 02.04.2018, NHB capped the credit concentration (Exposure) limit for Government/Public agencies as follows:

- a) The individual exposure limit of HUDCO to Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) shall be capped at 50% of its NOF.
- b) The exposure limit of HUDCO for State Government (under group exposure) shall be capped at 150% of its NOF in respect of State of Telangana and 100% of NOF for all other States. HUDCO is required to take suitable steps to bring down the group exposure in respect of State of Telangana also to 100% within a maximum period of 3 years. The conditions relating to compliance by the concerned State with the FRBM limits shall continue to be ensured by HUDCO.

The Board of Directors of HUDCO in its 594th meeting held on 19th April, 2018 considered above and directed that "NHB be again requested to expeditiously review its decision communicated vide its letter dated 2nd April, 2018 and permit HUDCO to continue on the already approved pattern of credit concentration norms communicated by NHB vide its letters from time to time".

NHB vide its letter No. NHB(ND)/DRS/SUP/7085/2018 dated 13th July, 2018 has conveyed its decision to allow HUDCO to continue its disbursals as per the schedule in relation to the existing sanctions made upto May 31, 2018. However, HUDCO shall be required to take suitable steps to bring down the exposure to Government/Public Agencies and State Governments (under group exposure) in the above cases also to 50% and 100% respectively latest by March, 2023.

The exposure limits of upto 50% for Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/non-housing related activities) and upto 100% for State Governments (under group exposure) will continue to be applicable in all other cases. The condition relating to compliance by the concerned State with the FRBM limits shall continue.

HUDCO vide letter dated 6th March, 2019 requested NHB seeking relaxation in the individual/group exposure norms. Further, HUDCO also sought exemption from exposure norms for funding of PMAY (U) programme through Extra Budgetary Resources (EBRs).

NHB has vide its letter no. NHB(ND)/DRS/SUP/879/2019 dated 8th March, 2019 granted relaxation in credit concentration norms (under individual borrower exposure to Government /public agency) to HUDCO to extend loan upto ₹ 20,000 crore to BMTPC under the PMAY-U subject to the condition that demand under Credit Linked Subsidiary Scheme (CLSS) is met on priority while utilizing funds lent to BMTPC.

NHB has vide its letter no. NHB(ND)/DRS/SUP/880/2019 dated 8th March, 2019 granted relaxation to HUDCO in respect of credit concentration (exposure) norms upto 140%, 175% and 120% of the NOF in respect of the State of Andhra Pradesh,



Telangana and Uttar Pradesh respectively (under group exposure) and upto 55% (under individual exposure) each in case of APTIDCO and HMWSSB subject to the following conditions:

- (i) HUDCO shall continue to ensure that the extended exposures (beyond 50% and 100% respectively) are guaranteed by the State Government(s) and HUDCO will cease to extend further exposure to these states if FRBM limits are breached.
- (ii) HUDCO shall also be required to bring down its exposure to 50% in respect of individual exposure and 100% in respect of group exposure latest by March 31, 2023, in accordance with the roadmap for graded reduction in exposure approved by Board of Directors.
- (iii) The position should be reviewed by the Board of HUDCO on a six monthly basis to ensure strict adherence to the Board approved exposure reduction plan.
- (iv) In the event of HUDCO failing to comply with the above exposure reduction plan, HUDCO will be required to assign risk weight of 100% on the excess exposure in addition to any regulatory penalty as may be applied by the NHB.

The exposure limit of up-to 50% for Govt.,/Public agencies(inclusive of the exposure limit of up-to 30% for infrastructure/Non housing related activities) and up-to 100% for State Govt.,(under group exposure) will continue to be applicable in all other cases.

RBI has vide its letter no 1736/3.10.136/2019-20 dated 5th March, 2020 granted relaxation of credit concentration norms for exposure to Telangana State Housing Corporation Limited (TSHCL) upto 75% of Net Owned Fund of HUDCO subject to following conditions:

- (i) The additional exposure is backed by explicit guarantee from State Government.
- (ii) The exposure to TSHCL will be brought down to 50% of NOF by March 31, 2023 as prescribed by NHB (ND)/DRS/ SUP/880/2019 dated March 08, 2019. A detailed action plan to this effect may be forwarded to NHB.
- (iii) Other conditions as prescribed by NHB vide their above mentioned letter dated March 08, 2019 are adhered to.
- 15) In respect of Bonds/ Deposits/ Debentures, the Company in terms of section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 5th September, 2016 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 Investor Education and Protection Fund (IEPF). The unclaimed amount lying in current liability includes interest of ₹ 0.04 crore as on 31st March, 2020 (previous year ₹ 0.05 crore), 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.
- 16) The disclosure relating to unpaid amount as at the year-end together with interest paid / payable as required under the MSMED Act, 2006 have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSMED Act, 2006. No interest has been paid/payable by the Company during the current year to the parties covered under the Micro, Small and Medium Enterprises Development Act, 2006.
- 17) The Company is engaged in the business of providing loans/finance for Housing/ Infrastructure projects and all other activities of the Company revolve around the main business within India. Accordingly, the company does not have separate reportable segments in terms of Indian Accounting Standard (Ind AS-108) on "Operating Segments".
- 18) Provision of Impairment loss as required under Ind- AS- 36 is complied with.
- Pursuant to Taxation Laws (Amendment) Ordinance 2019, dated 20.09.2019, the company intends to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute income at the revised rate i.e. 25.17% from the current financial year. The tax expense for the quarters and year ended March 31, 2020 is after considering the impact of the revised tax rates. The Company continues to create the Deferred Tax Liability (DTL) on Special Reserve created and maintained u/s 36(1)(viii) of the Income Tax Act, 1961 and u/s 29C of the NHB Act, 1987 and provision for bad & doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961.



- 20) The Company has discontinued acceptance/renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019. However, redemption of deposits already taken shall be made on due dates.
- 21) The company has maintained 100% asset cover by way of charge on the receivables of the company and/ or lien on deposits for all the secured bonds issued by the company and outstanding as on 31st March, 2020.
- 22) The Company is a 'Large Corporate' as per criteria under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26.11.2018. Necessary disclosure has been made to the stock exchanges, where securities of the Company are listed, in this regard.
- 23) The Company makes full provision on doubtful debtors/ receivables which are outstanding for more than three years.
- 24) The Company has taken various office premises on cancellable operating lease basis with an option to renew the lease by mutual consent on mutually agreeable terms. The aggregate lease rentals payable is charged as office rent under Note No. 32 (Other Expenses) of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all risks & rewards incidental to the ownership of an asset.
- 25) During the year under review, a provision for bad and doubtful debts under section 36(1)(viia), of Income Tax Act 1961 equivalent to 5% of the taxable income (after allowing deduction u/s 36(1)(viii)), totaling to ₹ 93.08 crore has been created.
- 26) (a) The company has declared an interim dividend of ₹ 150.14 crore (excluding Dividend Distribution Tax) @ ₹ 0.75 per share of ₹ 10/- each, to its shareholders, during the year 2019-20 after approval of Board of Directors in its meeting held on 18th March, 2020. The same has been paid on 30th March 2020 and as on 31st March, 2020 an amount of ₹ 0.26 crore was unclaimed:
 - (b) The Board of Directors at its meeting held on 26th June,2020 has recommended a Final Dividend of ₹ 2.35 per share of ₹ 10/- each, which is subject to approval of shareholders at the ensuing Annual General Meeting.

27) Details of Expenditure / Earnings in foreign currency :

(₹ in crore)

Particulars	2019-20	2018-19
Expenditure		
a) Travelling	0.20	0.20
b) Interest on foreign loan	6.88	7.73
c) Others	0.00	0.00
Total Expenditure	7.08	7.93
Earnings		
a) Interest on overseas deposit	2.82	2.99

28) Earnings Per Share:

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	2019-20	2018-19
Net Profit for the period attributable to equity shareholders (₹ in crore) (a)	1708.42	1180.15
Weighted Average number of Equity Shares (b)	2,00,19,00,000	2,00,19,00,000
Basic / Diluted Earning Per Share of ₹ 10/- each (₹) (a / b)	8.53	5.90



29) As per the Ind-AS- 109, the impairment of the loan asset is being arrived by working out on Expected Credit Loss. The Project loans portfolio is segregated into Government and Non-Government segment. In case of government loans, it is segregated into Housing and UIF segment and non-government loans are segregated sector wise i.e. Building Material Industries, Core, Emerging, Energy, Roads And Transportation Value Added Real Estate And Social Housing. Further, all the loans are divided into three categories:-

 Stage - 1
 0-30 days

 Stage - 2
 31-90 days

 Stage - 3
 Above 90 days.

Summary of ECL as on 31st March, 2020

(₹ in crore)

Portfolio	Ctorro 4	Store 2	Store 2	Tatal
	Stage 1	Stage 2	Stage 3	Total
Government				
Govt- Housing	4.11	8.80	41.17	54.08
Govt- UIF	1.93	49.81	40.18	91.92
Govt - Total	6.04	58.61	81.35	146.00
Non-Government				
BUILDING MATERIAL INDUSTRIES	-	-	12.51	12.51
CORE SECTOR	-	-	2.82	2.82
EMERGING SECTOR	-	-	349.88	349.88
ENERGY SECTOR	-	-	1702.53	1702.53
ROADS AND TRANSPORTATION SECTOR	-	-	141.76	141.76
VALUE ADDED REAL ESTATE	0.02	-	463.56	463.58
SOCIAL HOUSING SECTOR	-	-	13.32	13.32
Non Govt - Total	0.02	-	2686.38	2686.40
ECL on Loan Commitment	0.46	-	-	0.46
ECL on Interest Accrued	0.06	-	-	0.06
ECL on Moratorium	87.35	-	-	87.35
ECL on Project loans	93.92	58.61	2767.73	2920.27
ECL On Morotorium-HUDCO Niwas	0.01	-	-	0.01
ECL on Interest Accrued-HUDCO Niwas	-	-	-	-
ECL on Loan Commitment-HUDCO Niwas	-	-	-	-
ECL on HUDCO Niwas	0.29	0.07	19.04	19.40
Total ECL	93.81	58.68	2786.77	2939.67

30) Exit from JV Companies:

a) Signa Infrastructure India Ltd. (SIIL)

The company has decided to exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e. SIIL and indicated the value of the shares (₹ 10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The company has not responded to HUDCO offer. The Board of HUDCO was updated of the latest status and HUDCO Board in its 617th Meeting held on 19/12/2019 vide Item No. 617.15 decided that steps be taken for termination of joint venture agreement with M/s. Marg Construction Ltd. (Promoter of



Signa Infrastructure India Ltd) withdrawl of HUDCO Nominee Director and further action for dissolution (wind up) of JV Company on grounds of non-compliance of various statutory compliances. In pursuance of Board Decision, HUDCO Nominee Director has already forwarded his resignation to the Company. Further legal opinion has been obtained and further course of action would be taken accordingly.

(b) Pragati Social Infrastructure & Development Ltd.

The company has decided to exit from the Associate Company (Pragati Social Infrastructure & Development Ltd.-PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filled petition to National Company Law Tribunal (NCLT), which is pending adjudication.

(c) Shristi Urban Infrastructure Development Ltd.

The company had decided to exit from the Associate Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In pursuance of the Board's approval, the valuation of Associate Company is being carried out.

31) Sale of Investment in Electrosteel Steel Ltd. (ESL)

As per the approved Resolution Plan of Electrosteel Steel Limited. (ESL), HUDCO was allotted 4458406 equity shares of ESL of face value of ₹ 10 each, (payable at pre-agreed rate ₹ 9.54/-) amounting to ₹ 4.46 crore against HUDCO's share towards the unsustainable debt of ₹ 222.92 crore during the year 2018-19.

During the current year, surrender of 44,58,406 equity shares of Electro Steel Limited (ESL) @ ₹ 9.54 per share (at pre-agreed rate) was approved by board resolution dated 18.12.2019 and thereafter exit application was filed on 19.12.2019 in line with the exit offer. Accordingly, an amount ₹ 4.25 crore divided into 44,58,406 equity shares of ₹ 9.54 each was received on 08.01.2020 resulting into loss on sale of shares amounting to ₹ 0.21 crore.

32) Valuation of Investment

The Company had invested ₹ 2.50 crore in the shares of the Indbank Housing Ltd. (IBHL) around 20 years back. Considering the fact that IBHL has highly negative Net Worth and meager volume of trading in the share of the company, even though market price of the share as on 31st March, 2020 is ₹ 17.20 per share (previous year ₹ 35.45 per share), HUDCO continues to reflect the investment of ₹ 2.50 crore in IBHL at diminished value of ₹ 1 only as on 31st March, 2020.

33) Related parties Disclosure:

a) Associates

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

b) Key Management Personnel during the year 2019-2020:

SI. No.	Director(s)	Status	
1	Shri M. Nagaraj *	Chairman & Managing Director (Addl. Charge)- (w.e.f. 07.01.2020 to 06.04.2020) & Director Corporate Planning (DCP) (Whole time Director) (w.e.f 01.02.2019)	



SI. No.	Director(s)	Status
2	Shri D. Guhan	Director Finance & Chief Financial Officer (Whole time Director) (w.e.f. 31.12.2019 - Afternoon)
3	Dr. M. Ravi Kanth	Chairman & Managing Director (Whole time Director) (w.e.f 11.04.2014 to 20.12.2019)
4	Shri Rakesh Kumar Arora	Director Finance & Chief Financial Officer (Whole time Director) (w.e.f 01.10.2015 to 30.11.2019) (Superannuated on 30.11.2019)
5	Smt. Arshi Ahmad Ali	Executive Director (Finance) & Chief Financial Officer (w.e.f 18.12.2019 to 31.12.2019 - Forenoon)
6	Shri Harish Kumar Sharma	Company Secretary (w.e.f. 06.11.2013)

* Note:

- Ministry of Housing and Urban Affairs (MoHUA), Government of India, being the Administrative Ministry/ appointing authority has assigned current charge of the post of Chairman & Managing Director to Shri M. Nagaraj, Director Corporate Planning, effect from 7th January, 2020 for a period of 3 months or until further orders whichever is earlier, vide orders dated 7th January, 2020, which was completed on 6th April, 2020;
- 2. Further, Shri Shiv Das Meena (DIN: 01881010), Additional Secretary, Ministry of Housing and Urban Affairs, Government of India, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO with effect from 21st April, 2020, accordingly, he was Key Managerial Personnel from 21st April, 2020. Further, the MoHUA has conveyed that in pursuance of DOPT order dated 12th May, 2020, Shri Meena, is relieved of his duties in the MoHUA, GoI, with effect from 18th May, 2020 (F/N) to enable him to join Central Pollution Control Board, Ministry of Environment, Forest and Climate Change; and
- 3. Further, MoHUA vide order dated 27th May, 2020 has again assigned the current charge of the post of Chairman & Managing Director, HUDCO to Shri M. Nagaraj, Director (Corporate Planning) for a period of three months with effect from 27th May, 2020 or until further orders whichever is earlier.

c) Transactions with Associates:

Investment in Associates

(₹ in crore)

Proportion of ownership	25%	40%	26%		
Nature of Transactions	Indbank Housing Ltd.	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.	Total
Investments					
Balance as at 01.04.2019	2.50	2.00	0.13	0.01	4.64
Additions during the year	-	-	-	-	-
Deductions during the year	-	-	-	-	-
Balance as at 31.03.2020	2.50	2.00	0.13	0.01	4.64

d) Transactions with Key Management Personnel:

a. Shri M. Nagaraj, Director Corporate Planning had joined HUDCO on 1st February, 2019 and he has not availed any advance. Hence, there is no outstanding as on 31.03.2020.



- b. Shri D. Guhan has joined as Director Finance, HUDCO on 31st December 2019. Prior to this he was Executive Director–Finance in HUDCO. He has taken Car Advance in July-2013 in the ordinary course of business. The balance outstanding as on 31.03.2020 is ₹ 0.007 crore including Interest accrued ₹ 0.007 crore (maximum outstanding during the period he was DF was ₹ 0.01 crore).
- c. Shri Harish Sharma, Company Secretary has taken a house building loan of ₹ 0.22 crore (interest bearing) from the company which was released in two tranches of ₹ 0.11 crore in December, 2016 and ₹ 0.11 crore in March, 2018, vehicle loan of ₹ 0.06 crore (interest bearing) and festival loan of ₹ 0.01 crore (interest free) 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 31.03.2020 is ₹ 0.18 crore including interest accrued ₹ 0.02 crore, ₹ 0.002 crore and ₹ Nil (maximum outstanding during 2019-20 was ₹ 0.23 crore).
- d. Smt. Arshi Ahmad Ali was CFO, HUDCO from 18th December to 31st December, 2019. Prior to this, she was Executive Director (Finance) in HUDCO and from 1st January, 2020, she was again designated as Executive Director (Finance) in HUDCO. She has taken a welfare loan of ₹ 0.02 crore (interest bearing) from the Company in May, 2017 and festival loan of ₹ 0.01 crore (interest free) in the ordinary course of business. The balance outstanding as on 31st Dec, 2019 is ₹ 0.01 crore including interest accrued ₹ 0.0012 crore (maximum outstanding is ₹ 0.012 crore during the period she was CFO in December, 2019)

e. Managerial Remuneration :

The remuneration of key management personnel and a relative of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

(₹ in crore)

	2019-20	2018-19
Short term employees benefits	2.39	2.71
Post-employment benefits #	0.37	0.44
Other long term benefits	-	-
Terminal benefits	-	-
TOTAL	2.76	3.15

[#] Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

34) Information in relation to the interest of the company in Associates:

a) Details of Associates

Name of the Company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%
Signa Infrastructure India Ltd.	0.01	India	26%
Indbank Housing Ltd.	2.50	India	25%
Total	4.64		

b) The following table summarizes key information relevant to associate Shristi Urban Infrastructure Development Ltd.

f. As per DPE letter dated 21st January, 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.



Particulars	31 st March, 2020	31st March, 2019
Cash and cash equivalents	18,30,757	7,72,284
Trade receivables	5,18,32,926	5,25,06,314
Property, plant and equipment	76,347	86,129
Capital work-in-progress	31,90,79,823	30,91,93,276
Other financial assets	52,70,525	53,26,787
Other current assets	24,81,297	25,33,510
Other non-current assets	14,98,69,762	14,97,12,125
Current tax assets	14,96,068	19,95,670
Provisions	(2,12,354)	(8,69,659)
Borrowings	(35,51,37,244)	(35,12,34,051)
Trade payable	(62,52,403)	(62,52,895)
Other liabilities	(13,17,18,140)	(11,94,68,681)
Net Assets	3,86,17,364	4,43,00,809
Profit after tax	(55,73,534)	(74,01,714)

Information in respect of Investments in Associate namely Pragati Social Infrastructure & Development Ltd, M/s. Signa Infrastructure India Ltd and Indbank Housing Limited has not been incorporated as HUDCO has decided to exit from the Associate and has provided for full diminution in the value of investment.

35) a) The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 1st August, 2016 and provisions of CSR in the Companies Act, 2013 with the approval of HUDCO's Board on the recommendations of Committee of Board.

As per Companies Act, 2013, company approved allocation for CSR Budget for the FY 2019-20, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹ 27.67 crore. The amount spent during the year is ₹ 56.93 crore.

(₹ in crore)

S.	Particulars		Amo	ount	
No.		201	9-20	201	8-19
1	Gross Amount of CSR required to be spent	27	.67	22.28	
2	Amount spent during the year on:	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
	i) Construction/ Acquisition of any asset	-	-	-	-
	ii) On purpose other than (i) above	56.93	-	4.20	-

As per HUDCO's approved CSR Policy, 1st 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. 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 agency and therefore the 1st 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 had 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 20.09.2011. However, vide Office Memorandum No. M-05/0012/2014-DPE(MoU) dated 17th July, 2019, DPE informed that the guidelines prescribed vide above Office Memorandum dated 20.09.2011 have become redundant and stood withdrawn. The Board of Directors of HUDCO in its meeting held on 19.02.2020 noted the above development and has also approved to continue with HUDCO's own R&D policy formulated in 2012. The Board of Directors also approved to discontinue with earmarking 0.5% of PAT until the accumulated non-lapsable R&D funds are fully utilized.

An amount of ₹ 10.81 crore as on 31.03.2019 was available with HUDCO as non-lapsable R&D funds. During the FY 2019-20, an amount of ₹ 0.84 crore was spent on R&D projects.

36) Additional Disclosure requirement as per NHB Directions

a) Capital to Risk Assets Ratio (CRAR)

	Particulars		2018-19
i)	CRAR (%)	56.94	56.09
ii)	CRAR - Tier I capital (%)	56.90	56.05
iii)	CRAR - Tier II Capital (%)	0.04	0.04
iv)	Amount of subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

Note: CRAR is prepared on Half-yearly basis. CRAR as on 31.03.2020 has been calculated based on provisional and un-audited Ind-AS financial statements.

b) Reserve Fund u/s 29C of NHB Act, 1987

Part	Particulars		2018-19		
Bala	Balance at the beginning of the year				
(a)	Statutory Reserve u/s 29C of the National Housing Bank Act,1987	4295.19	3845.19		
(b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act,1987				
(c)	Total	4295.19	3845.19		
Add	ition / Appropriation / Withdrawal during the year				
Add	:	500.00	450.00		
(a)	Amount transferred u/s 29C of the NHB Act,1987				
(b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act,1987				
Less	s:	-	-		
(a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB $$ Act,1987				



(₹ in crore)

Part	iculars	2019-20	2018-19		
(b)	Amount withdrawn from the Special Reserve u/s36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act,1987				
(c)	Transfer to General Reserve	-	-		
Bala	Balance at the end of the year				
(a)	Statutory Reserve u/s 29C of the National Housing Bank Act,1987	4795.19	4295.19		
(b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act,1987				
(c)	Total	4795.19	4295.19		

c) Investments

(₹ in crore)

Part	iculars	2019-20	2018-19	
Value	e of Investments			
(i)	Gross value of Investments			
	(a) In India	236.62	538.62	
	(b) Outside India	-	-	
(ii)	Provisions for Depreciation			
	(a) In India	3.11	3.11	
	(b) Outside India	-	-	
(iii)	Net value of Investments			
	(a) In India	233.51	535.51	
	(b) Outside India	-	-	
Move	ement of provisions held towards depreciation on investments			
(i)	Opening balance	3.11	3.11	
(ii)	Add: Provisions made during the year	-	-	
(iii)	Less: Write-off/Written-back of excess provisions during the year	-	-	
(iv)	Closing balance	3.11	3.11	

d) Derivatives:

i) Forward Rate Agreement (FRA)/ Interest Rate Swap (IRS) ¥

Part	iculars	2019-20	2018-19
(i)	The notional principal of swap agreements	-	436.30
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	0.14



(₹ in crore)

Parti	culars	2019-20	2018-19
(iii)	Collateral required by the HFC upon entering into swaps	-	NIL
(iv)	Concentration of credit risk arising from the swaps	-	\$
(v)	The fair value of the swap book @	-	0.14

- \$ HUDCO has entered into swap agreements with Authorized Dealers Banks. All the swap agreements entered into with banks are well within the maximum exposure hedging limit as approved by the HUDCO Board.
- @ Mark to Market Value
- ¥ The above details are in respect of Interest Rate Swap entered into by the Company for FCTL loan availed from Axis Bank.

ii) Exchange Traded Interest Rate (IR) Derivative

Part	Particulars					
(i)	(i) Notional principal amount of exchange traded IR derivatives undertaken during the year(instrument- wise)					
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2020 (instrument-wise)	NIL				
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL				
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL				

iii) Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

⇒ Qualitative Disclosure

The Company has Risk Management Policy duly approved by the Board. The Policy covers the currency risk (including interest rate risk) of the Company. This policy provides the guiding parameters within which the Company can take decisions for managing the Currency Risk that it is exposed to on account of foreign currency loans. The purpose of the policy is to provide a framework to the company for management of its foreign currency risk.

Risk Management Structure:

a) The Company enters into derivatives viz. Principal only Swaps, Currency and Interest Rate Swaps for hedging the interest/ exchange rate risk in foreign currency liabilities. An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of Director Finance with Head of Resources, Head of Operations, Head of Loan accounts, Head of General Accounts, Head of Economic Cell, Head of Risk Management as Member Secretary, or any other officer nominated as by ALCO Chairman as its members. ALCO monitors effectiveness of existing and new hedging instruments/ strategies being used/ to be used for management of the Currency risk and also for taking stock of the market movements. The decisions of the ALCO are reviewed by the Risk Management Committee (RMC) for managing the risks. The decisions taken by the RMC are subsequently reported to the Board of Directors.



- b) These derivative transactions are done for hedging purpose and not for trading or speculative purpose.
- c) Reference may be drawn to Sub point No. 4.6 of para 4 of Notes forming part of accounts under Significant Accounting Policies for relevant accounting policy on Transactions in Foreign Currency.

B. Quantitative Disclosure

(₹ in crore)

Particulars	Currency Derivatives* 2019-20	Interest Rate Derivatives 2019-20
(i) Derivatives (Notional Principal Amount)	17.17	-
(ii) Marked to Market Positions[1] **		-
(a) Assets(+)	1.61	-
(b) Liability(-)		-
(iii) Credit Exposure[2]	17.17	-
(iv) Unhedged Exposures	150.40	-

^{*} Swap arrangement entered into with Bank of India and Exim Bank in respect of foreign currency loans availed from ADB and USAID have not been considered as Currency Derivatives. Only the Currency Swap entered into by the Company with ICICI Bank in respect of USAID-II loan has been considered as Currency Derivative.

e) Securitisation:

i) Outstanding Amount of Securitised assets for originating HFCs.

S. No.	Particulars	No./Account
1	No. of SPVs sponsored by the HFC for securitization transactions*	
2	Total amount of securitised assets as per books of the SPVs sponsored	
3	Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	
	(I) Off-balance sheet exposures towards Credit Enhancements	
	(II) On-balance sheet exposures towards Credit Enhancements	
4	Particulars	NIL
	(I) Off-balance sheet exposures towards Credit Enhancements	
	a) Exposure to own securitizations	
	b) Exposure to third party securitizations	
	(II) On-balance sheet exposures towards Credit Enhancements	
	a) Exposure to own securitizations	

^{**} The mark to market positions mentioned above are those as informed by the counterparties (generally banks).



S. No.	Particulars	No./Account
	b) Exposure to third party securitizations	
	*Only the SPVs relating to outstanding securitisation transactions may be reported here	

ii) Details of Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction

Parti	iculars	2019-20	2018-19
(i)	No. of accounts	NIL	NIL
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC	NIL	NIL
(iii)	Aggregate consideration	NIL	NIL
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v)	Aggregate gain / loss over net book value	NIL	NIL

iii) Details of Assignment transactions undertaken by HFCs

Parti	iculars	2019-20	2018-19
(i)	No. of accounts	NIL	NIL
(ii)	Aggregate value (net of provisions) of accounts assigned	NIL	NIL
(iii)	Aggregate consideration	NIL	NIL
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v)	Aggregate gain / loss over net book value	NIL	NIL

iv) Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased

Part	iculars	2019-20	2018-19
(a)	No. of accounts purchased during the year	NIL	NIL
(b)	Aggregate outstanding	NIL	NIL
(c)	Of these, number of accounts restructured during the year	NIL	NIL
(d)	Aggregate outstanding	NIL	NIL

B. Details of non-performing financial assets sold

Part	iculars	2019-20	2018-19
1.	No. of accounts sold	NIL	NIL
2.	Aggregate outstanding	NIL	NIL
3.	Aggregate consideration received	NIL	NIL



f) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in crore)

	1	1					1			,	0.0.0,
Particulars	Upto 30/31 days (1 month)	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over3 years &up to 5years	Over5 years & up to 7years	Over7 years & up to 10years	Over 10 Years	Total
Liabilities											
Deposits	6.74	16.38	28.17	43.38	50.4	21.43	1.97	-	-	-	168.47
Borrowings from Bank	867.97	2512.43	5.67	79.31	164.47	1947.12	634.48	486.06	181.29	53.98	6932.78
Market Borrowing	200	1900	576.9	400	712.45	14843.09	3041.67	4330.97	23596.73	4378.96	53991.49
Foreign Currency Liabilities	-	-	28.51	19.25	48.65	171.17	21.16	19.44	28.07	7.62	343.87
			•								
Advances	66.49	640.92	640.86	1374.17	2900.46	11497.09	10248.29	8882.64	30813.47	7203.53	74267.92
Investments	-	-	-	-	-	-	-	-	-	233.51	233.51
Foreign Currency Assets	-	-	28.52	-	29.4	93.84	-	-	-	-	151.76

^{*} Mismatches, if any, are supported by committed/undrawn working capital limits from banks.

g) Exposure

i) Exposure to Real Estate Sector

Category			2019-20	2018-19
a)	Dire	ct Exposure		
	(i)	Residential Mortgages-		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	67.14	78.40
	(ii)	Commercial Real Estate-		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose 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:	1152.78	1271.33
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures-		
		a) Residential	-	-
		b) Commercial Real Estate	-	-
b)	Indirect Exposure			
	Fund based and non-fund based exposures on National Housing Bank (N and Housing Finance Companies (HFCs)			200.00



ii) Exposure to Capital Market

(₹ in crore)

Particulars	2019-20	2018-19
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (At Cost)		51.17
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		NIL
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security		NIL
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures/ units of equity oriented mutual funds' does not fully cover the advances;	1	NIL
 (v) Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers; 	NIL NIL	NIL
 (vi) Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; 		NIL
(vii) Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	46.72	51.17

- (iii) Details of financing of parent company products: Not Applicable
- h) Disclosure of Penalties imposed by NHB and other regulators : NIL
- i) Rating assigned by Credit Rating Agencies and migration of rating during the year
 - i. The credit rating of HUDCO's domestic debt instrument(s) and Banking Sector Loan(s)/Facilities reaffirmed as "AAA-Stable" (Long term) and "A1+" (Short term) the highest rating on Standalone basis by the three credit rating agencies, viz., M/s India Ratings and Research Private Ltd (IRRPL), M/s CARE Ratings and ICRA Ratings.
 - ii. As on 31st March, 2020, HUDCO for its International Borrowing Program continued to enjoy international credit rating of "Baa2" with Negative outlook and "BBB-" with Stable outlook, respectively from Moody's and FITCH, International Credit Rating Agencies.

Moody's Investors Service, vide its press release dated June 1st, 2020, has revised India's Sovereign rating of "Baa2" to "Baa3" with Negative outlook. In line with India's "Baa3" Sovereign Rating, Moody's Investors Service, vide its press release dated June 2, 2020, has revised the ratings of HUDCO to "Baa3" from "Baa2" level with Negative outlook.

Further, Fitch Ratings vide its press release dated June 24th, 2020 has revised the outlook of HUDCO 'BBB-' rating to 'Negative' from 'Stable'. The rating action follows the change in the outlook on Govt. of India's rating to 'Negative' from 'Stable' on 18th June, 2020.

Both the assigned ratings are at the Sovereign ceiling and equivalent as that of Republic of India.



j) Change in Accounting Policies

	During the year 2019-20, 5 of the accounting policy have been modified with some clarificatory change in compliance of the CAG observation and a new accounting policy on Ind As 116 on "Leases" and its Estimates which has been incorporated as per the following details.					
	Significant accounting policies:	Proposed Changes and Addition	Remarks with financial impact, if any			
4.1	In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standard (referred to as "Ind AS") notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended, with effect from 1st April 2018. The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1st April 2017. Previous period figures in the standalone financial statements have been restated to Ind AS. Upto the year ended March 31st, 2018, the company had prepared the standalone financial statement under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India, and the applicable Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014.	Statement of Compliance The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1st April 2017.	Changes due to the removal of first time adoption of the Ind As. No financial Impact			
4.12	Leases A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance Lease Finance leases are capitalized at the commencement of lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.	Company as a lessee (i) The Company Recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier	Changes due to the Amendment issued effective from 01.04.2019 Ind As 116 "Leases". No Financial Impact			



Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably expected that the Company will obtain ownership by the end of the lease term, in which case the useful lives applicable for similar assets owned by the Company are applied.

Operating Lease:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. The Company has ascertained that the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and therefore, the lease payments are recognized as per terms of the lease agreement in the Statement of Profit and Loss.

of the end of the useful life of the right-touse-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.



The Company recognizes lease payments received under operating lease as income on a straight-line basis over unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

4.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities are recognised initially at fair value plus or minus, in the case of financial assets or financial liability not at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement

(a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and Advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

(a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

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Changes have been incorporated in compliance to the CAG observations.

No financial Implication



model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

(b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

as equity instruments other than which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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All equity investments in scope of Ind AS 109 are initially measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are subsequently measured at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.



(i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.16 Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance with the principles laid down in Ind-AS 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due:-

Stage – 1 - 0-30 days
Stage – 2 - 31-90 days

Stage – 3 - Above 90 days.

(i) Financial assets or financial liabilities, at fair value through profit or loss

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 Stage – 1 0-30 days

 Stage – 2 31-90 days

 Stage – 3 Above 90 days.

There is only clarificatory change in order to be in conformity of the approved ECL Approach note.

No Financial Impact



The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provisions (over and above the NHB 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 the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification Loans

The company allows concessions or modification of loan term as a response to the borrowers financial difficulties rather than taking possession or to other wise enforce collection of security. The company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case by case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.

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When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.



b) Non-financial assets

(i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

o) Non-financial assets

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5.7

Leases (Estimates)

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.

Changes on Estimates incorporated due to the Amendment of Ind As 116 "Leases" effective from 01.04.2019.

No Financial impact.



k) Provisions and Contingencies

(₹ in crore)

S. No.	Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	2019-20	2018-19
1	Provisions for depreciation		-
2	Provision made towards Income tax	453.00	584.90
3	Provision towards NPA*	(375.90)	159.90
4	Provision for Standard Assets *		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(1.07)	(0.99)
	ii) Commercial Real Estate - CRE	1.64	(3.97)
	iii) Other than CRE & CRE-RH	17.54	99.78
	iv) Others (special dispensation by NHB)	(29.26)	(8.36)
	v) Investment in unquoted Bonds	-	-
5	Other Provision and Contingencies		
	A. Provision for Employee Benefit		
	i) Leave Encashment	7.92	3.56
	ii) Post-Retirement medical benefit	14.79	8.32
	iii) Welfare expenses	0.13	0.01
	iv) Gratuity	1.41	0.73
	v) Provident Fund	16.44	-
	B. Provision on Debtors/ recoverable, other loans and advances	0.59	1.39

^{*} The figures reported above are as per NHB Provision, however the same is not appearing in the Profit & Loss due to application of ECL as per Ind As norms.

I) Concentration of Public Deposits, Advances, Exposures and NPAs

i. Concentration of Public Deposits*

(₹ in crore)

Particulars	2019-20	2018-19
Total Deposits of twenty largest depositors (₹ in)	139.78	215.20
Percentage of Deposits of twenty largest depositors to Total Advances of the HFC	82.90%	74.30%

^{*} The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019.



ii. Concentration of Loans & Advances

(₹ in crore)

Particulars	2019-20	2018-19
Total Loans & Advances to twenty largest borrowers (₹ in crore)	61547.56	56050.24
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	80.38%	76.44%

iii. Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	2019-20	2018-19
Total Exposure to twenty largest borrowers / Customers (₹ in crore)	67560.46	62762.28
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	76.61%	75.78%

iv. Concentration of NPAs

(₹ in crore)

Particulars	2019-20	2018-19
Total Exposure to top ten NPA accounts	2204.85	2024.07

v. Sector wise NPAs

SI. No.	Sector	Percentage of NPAs to Total Advances in that sector		
		2019-20	2018-19	
A.	Housing Loans:			
1.	Individuals	15.31%	15.25%	
2.	Builders/ Project Loans	100.00%	100.00%	
3.	Corporates	100.00%	100.00%	
4.	Others (specify)	0.09%	0.21%	
B.	Non-Housing Loans:			
1.	Individuals	0.00%	0.00%	
2.	Builders/ Project Loans	100.00%	100.00%	
3.	Corporates#	93.28%	75.47%	
4.	Others (specify)	1.67%	1.34%	

[#] Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.



m) Movement of NPAs

(₹ in crore)

Part	iculars	2019-20	2018-19
(I)	Net NPAs to Net Advances (%)	0.19%	0.27%
(II)	Movement of NPAs (Gross)		
	a) Opening balance	2804.01	3127.46
	b) Additions during the year	143.78	4.34
	c) Reductions during the year	502.72	327.79
	d) Closing balance	2445.07	2804.01
(III)	Movement of Net NPAs (Project Loans)		
	a) Opening balance	192.06	674.62
	b) Additions during the year	122.21	(325.92)
	c) Reductions during the year	105.23	156.64
	d) Closing balance	209.04	192.06
(IV)	Movement of provisions for NPAs		
	(excluding provisions on standard assets)		
	a) Opening balance	2611.94	2452.84
	b) Provisions made during the year	20.85	329.37
	c) Write-off/write-back of excess provisions	396.75	170.27
	d) Closing balance	2236.04	2611.94

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

(₹ in crore)

Break up of Loan & Advances and	Hot	Housing		Non-Housing	
Provisions thereon	2019-20	2018-19	2019-20	2018-19	
Standard Assets*					
a) Total Outstanding Amount	44544.42	41736.21	30224.61	29370.14 #	
b) Provisions made	186.31	174.76	127.94	151.60	
Sub-Standard Assets					
a) Total Outstanding Amount	0.84	1.25	143.05	5.46	
b) Provisions made	0.13	0.19	21.46	0.82	
Doubtful Assets – Category-I					
a) Total Outstanding Amount	0.16	0.64	3.70	466.09	
b) Provisions made	0.04	0.16	0.93	116.52	



(₹ in crore)

Break up of Loan & Advances and	Housing		Non-Housing	
Provisions thereon	2019-20	2018-19	2019-20	2018-19
Doubtful Assets – Category-II				
a) Total Outstanding Amount	0.48	63.76	184.83	521.21
b) Provisions made	0.19	30.32	101.28	437.64
Doubtful Assets – Category-III				
a) Total Outstanding Amount	153.88	198.61	1935.36	1524.29
b) Provisions made	153.88	198.61	1935.36	1524.29
Loss Assets				
a) Total Outstanding Amount	22.63	22.70	0.16	0.00
b) Provisions made	22.63	22.70	0.16	0.00
TOTAL				
a) Total Outstanding Amount	44722.41	42023.17	32491.72	31887.19
b) Provisions made	363.17	426.74	2187.13	2230.87
c) Additional Provision made	-	-	482.57	296.71
d) Total Provision made	363.17	426.74	2669.70	2511.58

[#] Includes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

o) Overseas Assets

Particulars	2019-20		2018-19	
	(₹ in crore)	(US \$ in Millions)	(₹ in crore)	(US \$ in Millions)
Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	75.88	10.07	94.61	13.68

p) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored			
Domestic Overseas			
Nil	Nil		

q) Customers Complaints

Particulars	2019-20	2018-19
a) No. of complaints pending at the beginning of the year	2	25
b) No. of complaints received during the year	1358	1639

^{*} Standard includes Principal outstanding and Interest Accrued.

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NOTE 40: (Contd.)

(₹ in crore)

Particulars	2019-20	2018-19
c) No. of complaints redressed during the year	1360	1662
d) No. of complaints pending at the end of the year	0	2

- r) There are no advances outstanding where intangible securities such as charge over rights, licences, authority etc.
- s) The Company has not extended any loan/advances against gold as collateral security.
- 37) a) Figures of the previous period have been regrouped/ rearranged/ re-casted 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 ACS 6557 Sd/-D. Guhan Director Finance DIN 06757569 Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta Partner

(Membership No. 080245)

Place of signature: New Delhi
Date: 26th June, 2020



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

- 1. We have audited the accompanying consolidated financial statements of Housing and Urban Development Corporation Limited (hereinafter referred to as the 'the Company') and of its associate (collectively known as "Consolidating Company"), which comprise of the Consolidated Balance Sheet as at 31st March, 2020 and the Consolidated Statement of Profit and Loss (including other Comprehensive Income), Consolidated Statement of changes in equity and the Consolidated Cash Flows statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").
- 2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the company and its associate as at 31st March, 2020, of consolidated Profit and Total Consolidated Comprehensive Income, Consolidated Changes in equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

- 4. We draw attention to the following matter in the Notes to the Consolidated financial statements:
 - i) The company has recognised interest income on "No Lien AGP Account" amounting to Rs 27.20 crore [₹ 26.62 crore for the previous year ended 31st March 2019] for the year ended 31st March 2020. The same has been shown in Note 27 (Other Income) under head 'Interest on Construction Project'.
 - The balance outstanding as at the end of the year is ₹ 462.63 crore (debit) in "No Lien AGP Account". The company is in discussion with MoHUA for recovery/reimbursement of outstanding amount as well as booking of expenses.[Refer Para 5 of Note 40]
 - Our opinion is not modified in respect of this matter
 - ii) We draw your attention to Note 38 to the Consolidated financial results which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve in the subsequent period.
 - Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No	Key Audit Matter	Auditor's Response
1.	Ind AS 109 on Financial Instruments establishes a comprehensive framework for determining expected credit losses, accuracy of classification, recognition, de-recognition and measurement requirements for all the financial assets and liabilities. Considering the materiality of the amounts involved, Possible effect from the pandemic COVID-19, the significant management judgement required in estimating the expected credit losses as well as measuring Financial Assets and Financial Liabilities and such estimates and judgments being inherently subjective, this matter has been identified as a key audit matter for the current year audit. (Refer note no. 6, 7, 8, 9, 10, 11,15, 16, 17, 18, 19, 32, 35, 36 & 38)	 Principal Audit Procedures Our procedures included, but were not limited to the following: Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating Expected credit losses (ECL), recognition, de-recognition and measurement of Financial Assets as well as Financial Liabilities, for classifying financial assets portfolio into stages based on credit risk. Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the expected credit losses and measuring Financial Assets and Financial Liabilities. Selected the sample and tested the operating effectiveness of the internal control, relating to recognition, measurement and de-recognition of, financial assets and financial liabilities and calculation of ECL. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording financial assets / liabilities and calculation of ECL in accordance with the said Ind AS.

Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report for the year ending 31st March 2020 is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are responsible and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.



- 8. In preparing the consolidated financial statements, the respective Board of Directors of the company and of its associate are responsible for assessing the ability of the Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
- 9. The respective Board of Directors of the company and of its associate are responsible for overseeing the financial reporting process of the group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

- 10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- 11. As Part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and contents of the consolidated financial statements, including the disclosures, and whether the consolidated statements representing the underlying transactions and events in a manner that achieves fair representation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company and of its associate to express an opinion on the consolidated financial statements.
- 12. We communicate with those charged with governance of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence and where applicable, related safeguards.
- 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. The consolidated financial statements also include the Group's share of net loss of ₹ 0.22 Crore for the year ended 31 March 2020,

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as considered in the consolidated financial statements, in respect of one associate, whose financial statements/ information have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as its relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements / financial information. In our opinion and according to the Information and explanation given to us by the management, these financial statements/ financial information are not material to the Consolidating Company.

Our opinion on the consolidated financial statements, and our report on other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

- 16. As required by section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and our reliance on the consolidated financial statements /financial information certified by the management of the company.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and loss, and the consolidated statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purposes of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act.
 - e) The provisions of section 164(2) in respect of disqualifications of directors of the Companies Act, 2013 are not applicable to the Company being Government Company in terms of Notification no. G.S.R. 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs.
 - f) With respect of the adequacy of the Internal Financial Controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i). The Consolidated financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group and its associate (Refer Para 4 of Note 40).
 - ii). The Company does not have any material foreseeable losses, if any, on long terms contracts including derivative contracts; (Refer Para 38 of Note 40)
 - iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protections Fund by the Company. However, in case of associate company, incorporated in India, the same can't be commented in view of non-availability of audited accounts (Refer Para 17 of Note 40).

NHB Directions

17. The Company is complying with National Housing Bank's (NHB) credit concentration norms in respect of loans to Private Sector Agencies. However, in case of loans to State Governments / State Governments Agencies/Central Government Agencies, the said norms have been relaxed by the NHB vide various letters (Refer Para no. 16 of Note No. 40); the same is complied with except in case of Investment in equity shares of Housing Finance Company Indbank Housing Limited (Investee company) where investment in 25% of equity capital of investee company has been made instead of prescribed limit of 15%.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta

Partner

(Membership No. : 080245) UDIN: 20080245AAAAAK9821

Place of signature : New Delhi Date : 26th June, 2020



ANNEXURE "A"TOTHE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2020

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31st, 2020, we have audited the internal financial controls over financial reporting of HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED ('the Company') and of its associate, which is a company incorporated in India, as of that date (hereinafter referred to as "Consolidating Company").

Management's Responsibility for Internal Financial Controls

2. The respective board of Directors of the Consolidating company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

- Our responsibility is to express an opinion on The Consolidating Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- 4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
- 5. We believe that the audit evidence we have obtained and subject to the limitation regarding the financial statements/ financial information of the associate entity being unaudited and have been furnished to us by the Management, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper

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management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2020, based on the internal control over financial reporting criteria established by the Consolidating Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

However, in case of its associate, which is company incorporated in India, where the financial statements/ financial information are unaudited and certified by the Management, we are not in a position to offer our comments on the adequacy and operating effectiveness of internal financial control over financial reporting of the said associate.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta

Partner

Place of signature : New Delhi (Membership No. : 080245)
Date : 26th June, 2020 UDIN: 20080245AAAAAK9821

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of **Housing and Urban Development Corporation Limited** for the year ended 31st March, 2020 in accordance with the directions/ sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For Prem Gupta & Company Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta

Partner

(Membership No.: 080245)

Place of signature : New Delhi Date : 26th June, 2020



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

(₹ in crore)

(a) (b) (c) (d)	ASSETS Financial Assets Cash and Cash Equivalents			
(a) (b) (c)				
(b) (c)	Cash and Cash Equivalents	1		
(c)		6	222.67	111.10
	Bank Balance other than (a) above		200.14	228.94
(d)	Derivative Financial Instruments	7	1.61	15.42
	Receivables			
	- Trade Receivables	8	6.24	4.42
	- Other Receivables	_	5.22	15.62
(e)	Loans	9	74,267.92	70,963.71
(f)	Investments	10	231.51	533.51
(g) (h)	Investment in Associates	10	0.77	0.99
(n)	Other Financial Assets	11	697.90	458.41
_	Sub Total (1)		75,633.98	72,332.12
2	Non-Financial Assets	4.0	4.00	10.05
(a)	Current Tax Asset (Net)	12	1.99	12.85
(b)	Investment Property	13A	19.28	20.21
(c)	Property, Plant and Equipment	13B	45.27	49.95
(d)	Capital Work-in-Progress	13B	51.56	38.59
(e)	Other Intangible Assets	13C	0.28	0.41
(f)	Other Non-Financial Assets	14	373.40	374.20
	Sub Total (2)		491.78	496.21
	TOTAL ASSETS (1+2)		76,125.76	72,828.33
II	LIABILITIES AND EQUITY			
Α	Liabilities			
1	Financial Liabilities	_		
(a)	Derivative Financial Instruments	7	-	0.13
(b)	Payables			
(i)	Trade Payable	15		
	- Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	- Total outstanding dues of creditors other than Micro Enterprises and Small		0.11	0.16
<i>(</i> ···)	Enterprises			
(ii)	Other Payables		0.00	2.22
	- Total outstanding dues of Micro Enterprises and Small Enterprises		0.09	0.26
	- Total outstanding dues of creditors other than Micro Enterprises and Small		17.39	14.22
	Enterprises	4.0	50 004 40	54 000 70
(c)	Debt Securities	16	53,991.49	51,236.78
(d)	Borrowings	17	7,276.65	8,322.02
(e)	Deposits	18	168.47	289.16
(f)	Other Financial Liabilities	19	1,639.42	1,384.62
2	Sub Total (A-1)		63,093.62	61,247.35
	Non-Financial Liabilities			
(a) (b)	Current Tax Liabilities (Net) Provisions	20	220.65	179.96
	Provisions Deferred Tax Liabilites (Net)	20		
(c) (d)	Other Non-Financial Liabilities	21	413.55	404.24 42.02
(a)	Other Non-Financial Liabilities Sub Total (A-2)	22	55.68 689.88	626.22
	· ·	-		
_	Sub Total (A)		63,783.50	61,873.57
B	Equity	00	0.004.00	0.004.00
(a)	Equity Share Capital	23	2,001.90	2,001.90
(b)	Other Equity	24	10,340.36	8,952.86
	Sub Total (B)		12,342.26	10,954.76
	TOTAL LIABILITIES AND EQUITY (A+B)		76,125.76	72,828.33
Viotoc to	Accounts	1 to 40		
	ne 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 ACS 6557 Sd/-D. Guhan Director Finance DIN 06757569

Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Prem Behari Gupta Partner

Place of signature : New Delhi

Partner

Date : 26th June, 2020 (Membership No. 080245)



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in crore)

(a) (b)	INCOME		31st March, 2020	31st March, 20
(a)			01	01 maion, 20
` ′ /	Revenue from Operations			
(b)	Interest Income	25	7,482.57	5,465.
	Dividend Income		3.79	3.
(c)	Rental Income		35.54	29
(d)	Fees and Commision Income		6.27	46
(e)	Net Gain on Fair Value changes	26	-	
(f)	Sale of Services		3.95	2
()	Total Revenue from Operations (A)		7,532.12	5,547
В	Other Income	27	39.52	43
_	Total Income I (A+B)		7,571.64	5,591
Ш	EXPENSES		1,011101	
(a)	Finance Cost	28	4,847.81	3,070
	Fees and Commission Expense	20	2.55	7
(c)	Net Loss on Fair Value Changes	26	19.21	21
(d)	Employee Benefit Expense	29	239.02	224
(e)	Impairment on Financial Instruments	30	155.76	327
(f)	Depreciation, Amortization & Impairment		5.71	5
(g)	Corporate Social Responsibilities		56.93	4
(h)	Other Expenses	31	70.12	67
(11)	Total Expenses II (a to h)	0.	5,397.11	3,728
ш	Profit Before Tax and share of Profit/ (Loss) in Associate (I-II)		2,174.53	1,863
IV	Share of Profit/ (Loss) in Associate (Net of Tax)		(0.22)	(0.
v	Profit/ (Loss) BeforeTax (III-IV)		2,174.31	1,862
VI	Tax Expense:		2,114101	1,002
	(i) Current Tax		453.00	584
	(ii) Deferred Tax		14.91	98
	(iii) Adjustment of tax of earlier years (Net)		(1.80)	(0.
	Total Tax Expenses VI (i+ii+iii)		466.11	683
VII	Profit/ (Loss) for the Period (III-VI)		1,708.20	1,179
VIII	Other Comprehensive Income		1,700.20	1,173
(i)	Items that will not be reclassified to profit or loss			
(.)	Re-measurement gains (losses) on defined benefit plans		(22.24)	(6.
(ii)	Income tax relating to items that will not be reclassified to profit or loss		5.60	2
()	Sub-total (i+ii)		(16.64)	(4.
	Other Comprehensive Income (VIII)		(16.64)	(4.
	Total Comprehensive Income for the period (VII+VIII)		1,691.56	1,175
	Earning per equity share (for continuing operations)		1,001.00	1,170
	(Refer S.No. 30 of Note 40 - Explanatory Note)			
	Basic (₹)		8.53	5
	Diluted (₹)		8.53	5
			3.33	<u> </u>
	Accounts Notes referred to above form an integral part of the Financial Statements	1 to 40		

For and on behalf of the Board

Sd/Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/D. Guhan
Director Finance
DIN 06757569

Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

> Sd/-Prem Behari Gupta

Place of signature : New Delhi Date : 26th June, 2020 Partner (Membership No. 080245)

(₹ in crore)



STATEMENT OF CHANGES IN EQUITY

(a) Equity Share Capital

Equity share of ₹ 10/- each fully Issued, Subscribed and Paid up	₹ in crore
As at 31st March, 2019	2,001.90
As at 31 st March, 2020	2,001.90

Other Equity 9

(4.46)7,940.38 1,179.85 Total 0.15 (4.46) (450.00) 1,179.85 (439.83)Surplus Retained Earning 1,405.08 General Reserve Reserve for Bad & Doubtful Debt 450.00 Special Reserve *** 3,845.19 72.07 Other Reserves Welfare Reserve Capital (KfW) Reserve 59.96 2,557.38 439.83 Debenture/ Bonds Redemption Reserve ** 1.26 Securities Premium (Bonds) * Transferred from Surplus to Reserve for Bad & Doubtfull Debt Transferred from Surplus to Special Reserve Transferred from Surplus to General reserve Other Comprehensive Income for the period Transferred to Surplus from General Reserve Transferred from Surplus to DRR Balance as at 1st April, 2018 Profit during the period **Particulars** S.No. € \equiv 3 Ē

 \equiv

18	94	(2)	7)	20	ļ(†;	99		(2)	•		(0,	(8)
27.78	35.94	(30.03)	(6.17)	1,708.20	(16.64)	1,691.56		(439.83)			(500.00)	(93.08)
	1,405.08											
	98.98									(86.86)		93.08
	4,295.19										200.00	
	72.07											
	59.96											
	2,997.21							439.83				
	1.26											
Less: Dividend Tax	Balance as at 31st March, 2019	Final Dividend for the year 2018-19	Dividend Distribution Tax for the year 2018-19	Profit during the period	Other Comprehensive Income for the period	Total Comprehensive Income for the period	Transferred to Surplus from General Reserve	Transferred from Surplus to DRR	Transferred from Surplus to General reserve	Use of Reserve for Bad & Doubtful Debts against Principal Waiver	Transferred from Surplus to Special Reserve	Transferred from Surplus to Reserve for Bad & Doubtfull Debt
(ix)	ပ	(i)	(!!)	(iii)	(iv)	(A)	(vi)	(vii)	(IIIV)	(xi)	(x)	(xi)

1,708.20

(16.64)

1,691.56

(86.86)

(30.03) (6.17)

8,952.86

135.13 27.78

135.13

(86.86)

86.86

Less: Interim Dividend

(iii)

Œ,



				Othe	Other Reserves			Retained Earning	Earning	
S.No.	PARTICULARS	Securities Premium (Bonds) *	Debenture/ Bonds Redemption Reserve **	Capital (KfW) Reserve	Welfare Reserve	Special Reserve ***	Reserve for Bad & Doubfful Debt	General Reserve	Surplus	Total
(xii)	Less: Interim Dividend								150.14	150.14
(XIII)	Less: Dividend Tax								30.86	30.86
	Balance as at 31st March, 2020	1.26	3,437.04	29.96	72.07	4,795.19	93.08	1,405.08	477.39	10,340.36
* *	Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement. (1) 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	m received on	premium received on issue of Tax Free Bonds through private placement. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affair	Bonds through p	rivate placem Corporate A	ent. ffairs (MCA), r	the company b	nad to creat	e a Debent	ure / Bond
		ent to 50% of bonds as per the above cir	equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the spective bonds as per the then prevalent SEBI Debt Regulations and Section 117 C of the Companies Act, 1956. The creation of DRR ance of the above circular.	ds issued (basec t SEBI Debt Regu	on repaymen	nt tenure of re section 117 C	spective bond of the Compani	s) through pies Act, 1956	oublic issue,	before the ion of DRR
* *	(2) The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalaent 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 and 2015-16.	portionate De	ted proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalaent t of redemption of respective bonds; and equivalent to 25% on bonds issued during the financial year 2013-14 and 2015-16.	edemption Reser dequivalent to 25	ve on Bonds is	issued upto the ssued during t	ne financial ye: he financial ye	ar 2012-13, ar 2013-14 a	equivalaent and 2015-16	to 50% on
* * *	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) amounting to ₹181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹4613.44 crore.	and u/s 29C o	NHB Act, 1987 (u Financial Year 19	ipto Financial Yea 197-98 onwards) a	r 1996-97) am amounting to	nounting to ₹18 ₹4613.44 crore	31.75 crore an	d Created ar	nd Maintaine	d u/s 36(1)
Notes	Notes to Accounts			1 to 40						
Note: T	Note: The Notes referred to above form an integral part of the Financial Statements	of the Financia	Statements							
								For and o	For and on behalf of the Board	the Board
	Sd/- Harish Kumar Sharma Company Secretary ACS 6557		. <u>.</u> 0	Sd/- D. Guhan Director Finance DIN 06757569				Sd/- M. Nagaraj Chairman & Managing Director DIN 05184848	Sd/- M. Nagaraj & Managing I DIN 05184848	j Director 18
						As	As per our Separate report of even date attached	rate report	of even dat	e attached
								For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)	For Prem Gupta & Co. Chartered Accountants gistration No. 000425N)	upta & Co. countants . 000425N)
Place Date	Place of Signature : New Delhi : 26 th June, 2020							(Ме	Sd/- Prem Behari Gupta Partner (Membership No. 080245)	Sd/- Prem Behari Gupta Partner Pership No. 080245)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in crore)

S.No.	Particulars	Year Ended 31st March, 2020	Year Ended 31 st March, 2019
Α	Operating activities		
	Profit before tax	2,174.31	1,863.21
	Adjustments to reconcile profit before tax to net cash flows:		
(i)	Depreciation & amortisation	5.71	5.30
(ii)	Impairment on financial instruments	155.76	327.27
(iii)	Unrealised foreign exchange gain/loss and EIR on borrowings	6.26	2.97
(iv)	Unrealised loss/ (gain) on investment held for trading	5.53	(8.26)
(v)	Change in the fair value of hedged item	13.68	30.21
(vi)	Dividend income	(3.79)	(3.51)
(vii)	Interest on investment (Bonds)	(21.88)	(22.01)
(viii)	Provision for employee benefits	18.45	0.94
(ix)	Provision for Interest under Income Tax Act	2.00	0.55
(x)	Loss/ (Profit) on sale of Fixed Assets (Net)	(0.01)	0.01
(xi)	EIR on Advances	3.75	0.04
(xii)	Discounting of security deposit and deposit for services	(0.05)	0.01
(xiii)	Discounting of Interest Income on Staff Advances	(2.66)	(2.77)
(xiv)	Discouniting of Employee cost of Staff advances	2.27	2.52
(XIV)	Operating Profit before Working capital changes	2,359.33	2,196.48
	Working capital changes	2,339.33	2,190.40
(i)	Loans	(3,549.98)	(24,185.49)
(ii)	Derivatives	(3,349.90)	(24,100.43)
(iii)	Trade receivables, financial and non financial assets	25.12	(39.85)
` '	,		, ,
(iv)	Liability and provisions Sub Total	286.05	(773.09)
		(879.48) (456.99)	(22,801.95) (598.30)
	Income tax paid (Net of refunds) Net cash flows from/(used in) operating activities - A	(1,336.47)	(23,400.25)
ъ.		(1,330.47)	(23,400.23)
В	Investing activities	(45.40)	(0.05)
(i)	Purchase of fixed and intangible assets	(15.49)	(8.25)
(ii)	Proceeds from sale of property and equipment	2.58	0.04
(iii)	Investments at fair value through profit and loss	91.98	22.27
(iv)	Dividend received	3.79	3.51
•	Net cash flows from/(used in) investing activities - B	82.86	17.57
C	Financing activities		
(i)	Change in borrowings	1,582.39	23,584.80
(ii)	Dividends paid including DDT	(217.21)	(162.91)
	Net cash flows from financing activities - C	1,365.18	23,421.89
	Net increase in cash and cash equivalents (A + B + C)	111.57	39.21
	Cash and cash equivalents - Opening Balance	111.10	71.89
	Cash and cash equivalents - Closing Balance	222.67	111.10
	ents of Cash & Cash Equivalents		
Α	Cash and Cash Equivalents		
(i)	Cash and Revenue Stamps in hand	-	-
(ii)	Bank Deposits (3 months and less than 3 months) *	176.86	14.27
(iii)	Balances in Current account with:		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks *	45.79	96.35
(iv)	Cheque/Demand draft in hand		0.46
	Total A	222.67	111.10
* Farmar	ked Balances in Cash & Cash Equivalents are ₹ 188.46 crore (previous year ₹ 106.22 cro	ore)	

For and on behalf of the Board

Sd/-Harish Kumar Sharma Company Secretary ACS 6557 Sd/-D. Guhan Director Finance DIN 06757569 Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

Sd/-

Place of signature : New Delhi Partner
Date : 26th June, 2020 Prem Behari Gupta
(Membership No. 080245)



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Housing and Urban Development Corporation Limited is a listed public limited company (Government of India undertaking) domiciled in India and incorporated on 25th April, 1970 under the provisions of Companies Act, 1956. The Company is a Housing Finance Company ('HFC') registered with the National Housing Bank ('NHB'). The Company is primarily engaged in the business of financing Housing and Urban development activities in the country. The Company's registered office is at Core 7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003.

2. Application of New Indian Accounting Standards(Ind As)

All the Indian Accounting Standards issued and notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules 2015 (as amended) till the financial statements are authorised have been considered in preparing the consolidated Ind AS Financial Statements.

3. Standard/Amendments issued but not yet effective

No amendments is issued during March 2020 which are yet effective_

4. Significant accounting policies

4.1. Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1st April 2017.

4.2. Basis of preparation and Presentation

The consolidated Ind As financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets (equity instruments classified as Fair Value Through P&L Account etc.) and financial liabilities (derivatives etc.) and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

4.3. Investment in associates and joint ventures

The Company records the investments in associates and joint ventures at cost less impairment loss, if any.

On disposal of Investment in associate, and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the consolidated statement of profit and loss.

4.4. Use of estimates

The preparation of Consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4.5. Cash and cash equivalents

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance, which are subject to an insignificant risk of changes in value.

4.6. Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.



Income and expenses in foreign currencies are recorded by the Company at the exchange rates prevailing on the date of the transaction.

At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange (RBI Reference Rate) prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss in the period in which they arise.

4.7. Revenue recognition

4.7.1 Interest income

As per Ind AS 109, Interest income, for all debt instruments measured is recorded using the effective interest rate (EIR). The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company has recognized any fees that are incrementally directly attributable to the loans on the basis of Straight Line Basis co -terminus with the term of loan.

Interest income in Non-Performing Assets and /or Stage 3 in Financial Assets is recognized only on cash/receipt basis.

4.7.2 Dividends

Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

4.7.3 Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

4.7.4 "Revenue from Contracts with Customers" which includes but not limited to Consultancy, trusteeship, & Consortium, charges on Construction Projects, Management Development Program or any other income is recognized as per Ind As 115 on "Revenue from Contracts with Customers"

4.8. Borrowing costs

Borrowing costs directly attributable to the acquisition are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

4.9. Investment properties

The Company has elected to continue with the carrying value for all of its investment property as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2017as per Ind AS 40- 'Investment Property'.

Recognition

Investment properties are measured initially at cost, including transaction costs. The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent Measurement (Depreciation)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates building component of Investment property over useful life prescribed



under Part C of schedule II to the Companies Act 2013. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

De-recognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of profit or loss in the period of de–recognition on disposal.

4.10. Property, plant and equipment (PPE) and Intangible assets

Recognition

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at 31 March 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1st April 2017.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment (PPE) is charged on Straight line method either on the basis of rates arrived at with the reference to the useful life of the assets arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss account when the asset is derecognized.

Intangible assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible Assets comprising of Computer Software are stated at Cost less accumulated amortization.

4.11. Depreciation and amortization

- a) Depreciation is provided over the useful life of the PPE set as per Schedule-II of Companies Act 2013 and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value effective from 1st April, 2014.
- b) On PPE costing upto ₹ 5000 per item are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- Books purchased during the year are clubbed under Library Books and depreciation thereon is provided
 100%.
- d) Computer software is amortized over a period of five years on a straight-line basis.

4.12. Leases

a) Company as a lessee

(i) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.



- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right -of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

4.13. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial



asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments other than which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind As 103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

(i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.



De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.14 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from retained earnings, net of any related income tax effects.

4.15. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.16. Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance



with the principles laid down in Ind As 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due:-

 Stage - 1
 0-30 days

 Stage - 2
 31-90 days

 Stage - 3
 Above 90 days.

The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provisions 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 the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification Loans

The company allows concessions or modification of loan term as a response to the borrowers financial difficulties rather than taking possession or to other wise enforce collection of security. The company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case by case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.

b) Non-financial assets

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-inuse) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



4.17. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

- (a) The Company acts as a channelizing 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 Financial 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 other than Govt. agencies or development partners, 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 "Financial Liabilities" and is utilized as per the terms of the agreement.

4.18. Employee benefits

- (a) Expenditure on company 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 Company's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
- (b) The Company's obligation towards sick leave, earned leave, leave travel concession, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.

4.19. Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

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.



Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.20. Dividend and Tax on Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.21. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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.

4.22. Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle
 the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- · A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable and recognised when realization of income is virtually certain.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that



affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

5.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

5.3 Effective Interest Rate (EIR) method

The company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

5.4 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation



of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.5 Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.6 Revenue from contract with Customers

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or services, transfer of significant risks and rewards to the customer, etc.

5.7 Leases

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.



NOTE 6: CASH AND CASH EQUIVALENTS

(₹ in crore)

S.No.	PARTICULARS		As at	As at
			31st March, 2020	31st March, 2019
Α	Cash and Cash Equivalents			
(i)	Cash and Revenue Stamps in hand		-	-
(ii)	Bank Deposits (3 months and less than 3 months) **		176.86	14.27
(iii)	Balances in Current account with:			
	- Reserve Bank of India		0.02	0.02
	- Scheduled Banks *\$		45.79	96.35
(iv)	Cheque/Demand draft in hand		-	0.46
		Total A	222.67	111.10
В	Bank balance other than above			
(i)	Bank Deposits (More than 3 months & upto 12 months) *** # %		123.73	133.40
(ii)	Bank Deposits (More than 12 months) **** #		76.41	95.54
		Total B	200.14	228.94

^{\$} Balances with Banks in current accounts maintained with various Banks.

Components of Cash & Cash Equivalents : Earmarked balances with Bank

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2020	As at 31st March, 2019
*	Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.11	3.61
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.07	0.07
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	2.99	79.44
(vi)	Interim Dividend Balance	0.45	0.09
(vii)	Unclaimed Dividend	0.03	0.01
(viii)	Unclaimed Bonds	7.86	8.37
(ix)	Human Settlement Management Institute Study Fund	-	0.27
	Sub Total - Balances in Current Accounts With Scheduled Banks	11.60	91.95
**	Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	3.81	3.62
(ii)	Credit Linked Subsidy Scheme #	133.40	7.02
(iii)	Sagar Co-operative Housing Society #	0.26	0.24
(iv)	Human Settlement Management Institute Study Fund #	-	3.38
(v)	Rajiv Rinn Yojana	0.85	0.01
(vi)	Liquid Assets Fixed Deposits ^	38.54	-
	Sub Total - Bank Deposits (3 months & Less than 3 months)	176.86	14.27

[^] In the extraordinary circumstances of COVID 19 Pandemic and consequent lockdown since 23.03.2020, the entire requirement of investment (₹ 38.42 crore) for the purpose of maintenance of Liquid Assets in compliance of NHB Guidelines was placed in Fixed Deposit (₹ 38.50 crore) with lien marked in favour of Trustees for Liquid Assets maintenance (under intimation to NHB). As on date, the investment w.r.t. maintenance of Liquid Assets is ₹ 17.25 crore in Fixed Deposits and ₹ 17.29 crore in T-Bills in compliance of NHB Regulations.

[%] Includes Deposit with EXIM Bank in terms of swap arrangment in respect of ADB Loan.



*** Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months):

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i)	Rajiv Rinn Yojana #	3.88	32.53
(ii)	Human Settlement Management Institute Study Fund #	37.77	-
(iii)	Heritage Project - Retail Finance #	1.84	1.72
(iv)	Vikat Hotel	0.34	-
(v)	SPIL#	-	0.32
(vi)	BSUP Project	3.23	3.03
(vii)	OCRPMO	0.28	0.27
	Sub Total - Bank Deposits (More than 3 months & upto 12 months)	47.34	37.87

Note: Short term deposits are made for varying periods upto one year depending on short term liquidity requirements of HUDCO and earn interest at respective short term deposit rates.

**** Components of Bank balances - Earmarked Bank Deposits (More than 12 months) :

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2020	As at 31st March, 2019	
(i)	Under lien with Bank of India, Cayman Islands branch, USA #	76.41	95.54	

[#] Includes Interest accrued but not due.



(₹ in crore)

NOTE 7 : DERIVATIVE FINANCIAL INSTRUMENTS

			Asa	As at 31st March, 2020		As at 31st	As at 31st March, 2019
S.No.	Particulars	Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
		-	2	3	-	2	က
	PART I						
∢	Currency Derivatives:						
_	- Currency Swaps						
(a)	USAID - II						
	- with ICICI Bank	17.17	1.61	•	24.04	•	0.13
	- with SBI Bank		•	•	•	•	•
(Q)	JBIC Bank						
	- with YES Bank		•	•	_	•	•
(၁)	Axis Bank		•	•	436.30	15.28	•
р	ICICI Bank		•	•	'	•	•
=	- Forward Contract						
(a)	PNB	•	•	•	•	•	•
	Total (A)	17.17	1.61		460.34	15.28	0.13
Δ	Interest rate derivatives: - Interest Rate Swaps						
(a)	_	•	•	•	436.30	0.14	1
(q)	ICICI Bank	•	-	•	•	•	•
	Total (B)	•	•	•	436.30	0.14	•
	Total Part I (A)+(B)	17.17	1.61	•	896.64	15.42	0.13
	Part II Included in above (Part I) are Derivatives held for Hedging and Risk Management purposes as follows:						
∢	Fair value hedging:	•	•	•	1	•	•
	Sub-total A	•	•			•	•
Ω	Cash flow hedging:				1	1	
	Sub-total B		•	•			•
ပ	Net Investment hedging:		•			•	•
	Sub-total C	•	•	•	•	-	•
Ω	Undesignated derivatives	17.17	1.61	•	896.64	15.42	0.13
	Sub-total D	17.17	1.61	•	896.64	15.42	0.13
	Total Part II (A)+(B)+(C)+(D)	17.17	1.61	•	896.64	15.42	0.13
	Total derivative financial instruments	17.17	1.61	•	896.64	15.42	0.13

The table above shows fair value of Derivative financial instruments recorded as Assets/ Liabilities together with their Notional amounts. The Notional amounts indicate the value of transactions outstanding at the period end and are not indicative of market or credit risk. Note: 1

The fair value of the derivative financial instruments are those as informed by the counter parties (generally Banks).

The Company holds derivative financial instruments such as foreign exchange forward contracts, currency swaps or currency option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency liabilities/ forecasted cash flows denominated in foreign currencies. Derivatives are used exclusively for hedging and not as trading or speculative instruments. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. The counter party for these contracts is generally a bank. 0 0

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

The Company's risk management strategy and how it is applied to manage risk are explained in Note 36 of Notes to Accounts. 4 6



Offsetting

Financial assets subject to offsetting, netting arrangements

									(₹ in crore)
	Offsetting	Offsetting recognised on the balance sheet	n the balance	Netting pote	Netting potential not recognised on the balance sheet	gnised on the t	Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
1	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
	1.61	•	1.61	1	•	1	1.61	1.61	1
	15.42	1	15.42	1	1	ı	15.42	15.42	1
1									

^{*} There is no offsetting done in Balance sheet, therefore amount shown as NIL

Financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting recogni	recognised or Sheet	sed on the Balance leet	Netting pote	Netting potential not recognised on the balance sheet	gnised on the t	Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities *	Net assets recognised on the balance sheet	Financial liabilities	Collaterals	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
Derivative liabilities									
At 31st March, 2020	•	•	1	•	•	ı	1	1	ı
At 31st March, 2019	0.13	•	0.13	-	•	ı	0.13	0.13	ı

^{*} There is no offsetting done in Balance sheet, therefore amount shown as NIL.



NOTE 8: RECEIVABLES

(₹ in crore)

S.No.	PARTICULARS		As at 31st March, 2020	As at 31st March, 2019
ı	TRADE RECEIVABLES			
(i)	- Considered good - Unsecured	23.07		21.26
(ii)	- Less: Credit impaired	16.83		16.84
	Sub-total (I)		6.24	4.42
II	OTHER RECEIVABLES			
(i)	- Considered good - Unsecured	6.70		17.10
(ii)	- Less: Credit impaired	1.48		1.48
	(Refer S.No. 25 of Note 40 - Explanatory Note)		5.22	15.62
	Sub-total (II)		5.22	15.62
	Total (I+II)		11.46	20.04

Footnote:

(₹ in crore)

S.No.	PARTICULARS	As at 31st March, 2020	As at 31 st March, 2019
1	- Considered good - Secured	-	-
	- Considered good - Unsecured	29.77	38.36
	- Credit impaired	18.31	18.32
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 9 : LOANS

(₹ in crore)

S.No.	PARTICULARS		1	1s at 31st	As at 31st March, 2020				4	s at 31st	As at 31st March, 2019		
		Amortised	At	At fair value	6	Subtotal	Total	Amortised	At	At fair value		Subtotal	Total
		Cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			Cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss		
		1	2	3	4	5=(2+3+4)	6=(1+5)	1	2	3	4	5=(2+3+4)	6=(1+5)
(i)	_												
(a)	Loans & advances	77,163.37	-	•	'	1	77,163.37	73,855.97	•	•	1	•	73,855.97
(q)	Loans (Secured against HUDCO Public Deposit)	•	•	'	<u>'</u>	•		•	•	'	•	•	•
<u></u>	Others												
(a)	Staff loans *	44.36	-	•	1	•	44.36	47.02	-	-	-		47.02
	Total (A) Gross	77,207.73	•	•	•	•	77,207.73	73,902.99	•	•	•	•	73,902.99
	Less: Impairment loss allowance (Refer S.No. 7(b), 15 and 31 of Note 40 - Explanatory Note) #	2,939.81		1	•	•	2,939.81	2,939.28	1	1	•	1	2,939.28
	Total (A) Net	74,267.92	•	•	•	•	74,267.92	70,963.71	•	•			70,963.71
	Note: Company has only 'Amortised cost category' to present in this schedule	'Amortised	cost category' to	present	in this schedu	lle.							
(i)	Secured by tangible assets.	9,948.08	1		-	1	9,948.08	4,362.00	1	•	•	•	4,362.00
(iii)	Secured by intangible assets.	•	1	'	'			•	•	'	1	•	
(III)	Covered by State Govt. Guarantees @	66,813.07	•	•	' 		66,813.07	48,873.21	,	•	1	•	48,873.21
<u>(š</u>	Unsecured \$	446.58	•	'	1	•	446.58	20,667.78	1	•	•	•	20,667.78
	Total (B) - Gross	77,207.73	•	'	•	•	77,207.73	73,902.99	1	•	1	•	73,902.99
3	Less: Impairment loss allowance (Refer S.No. 7(b), 15 and 31 of Note 40 - Explanatory Note) #	2,939.81	•	1		-	2,939.81	2,939.28	-	•	•	1	2,939.28
	Total (B) - Net	74,267.92	•	'	•	•	74,267.92	70,963.71	•	-	•	•	70,963.71
ေ	Public Sector	74,320.21	1	'	1	•	74,320.21	70,581.69	1	'	•	•	70,581.69
▣	Other th	2,887.52	•	•	•	•	2,887.52	3,321.30	-	•	1	•	3,321.30
	Total (C) - Gross	77,207.73	•	'	•	•	77,207.73	73,902.99	•	•	•	•	73,902.99
(iii)	Less: Impairment loss allowance (Refer S.No. 7(b), 15 and 31 of Note 40 - Explanatory Note) #	2,939.81		1	•		2,939.81	2,939.28	•	1	•	1	2,939.28
	Total (C) - Net	74,267.92	•	•	•	•	74,267.92	70,963.71	•	•	•	•	70,963.71

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Includes secured by way of Mortgage of ₹ 34.17 crore (previous year2018-19 ₹ 38.06 crore)
Includes provision on Undrawn commitment of ₹ 0.46 crore as on 31st March, 2020 and ₹ 0.46 crore in 31st March, 2019.
Includes ₹ 5.61 crore of Loans secured through Bank Gurantee.
Includes loan of ₹ 20,000 crore extended to BMTPC, raised by issue of "GOI Fully Services Bonds" repayment of which shall be met by Govt. of India through suitable provision in the Budget of Ministry of Housing & Urban Affairs.



9(a)(1): Impairment allowance for loans and advances to customers

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. The policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 9(a)(4)(vi).

31st March, 2020

(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	1,510.59	360.70	-	1,871.29
Low_Risk	41,482.17	460.51	41.17	41,983.85
Grand Total	42,992.76	821.21	41.17	43,855.14

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	159.10	-	-	159.10
Medium_Risk	4,847.52	-	143.05	4,990.57
Low_Risk	22,803.54	1,726.04	5.85	24,535.42
Grand Total	27,810.16	1,726.04	148.90	29,685.09

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	0.55	-	2,701.49	2,702.04
Low_Risk	-	-	5.61	5.61
Grand Total	0.55	-	2,718.54	2,719.09

(iv) Retail

(₹ in crore)

				(/
Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	181.76	-	-	181.76
Medium_Risk	101.44	3.87	19.04	124.35
Low_Risk	-	-	-	-
Grand Total	283.20	3.87	19.04	306.11

31st March, 2019

(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	835.92	-	-	835.92
Low_Risk	39,973.92	-	87.89	40,061.81
Grand Total	40,809.84	-	87.89	40,897.73

(ii) Government - Urban Infrastructure

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	190.98	-	-	190.98
Medium_Risk	5,378.00	143.05	-	5,521.05
Low_Risk	22,993.09	-	37.79	23,030.88
Grand Total	28,562.07	143.05	37.79	28,742.91



NOTE 9 : (Contd.)

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	1.53	-	3,123.57	3,125.10
Low_Risk	-	-	5.61	5.61
Grand Total	1.53	-	3,140.62	3,142.15

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	189.58	-	-	189.58
Medium_Risk	109.44	3.29	20.30	133.03
Low_Risk	220.09	-	-	220.09
Grand Total	519.11	3.29	20.30	542.70

9(a)(2)

(i) Government - Housing

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Housing lending is, as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	14,849.57	339.92	88.57	15,278.05
New assets originated or purchased	27,387.26	-	-	27,387.26
Assets derecognised or repaid (excluding write offs)	1,720.19	46.72	0.68	1,767.58
Transfers from Stage 2	293.20	(293.20)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2019	40,809.84	-	87.89	40,897.73
High grade	-	-	-	-
New assets originated or purchased	4,983.56	-	-	4,983.56
Assets derecognised or repaid (excluding write offs)	1,979.43	-	46.72	2,026.15
Transfers from Stage 1	(821.21)	821.21	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	42,992.76	821.21	41.17	43,855.14



NOTE 9 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	1.61	0.36	88.57	90.54
New assets originated or purchased	2.96	-	-	2.96
Assets derecognised or repaid(excluding write offs)	0.52	-	0.68	1.20
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	0.36	(0.36)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2019	4.41	(0.00)	87.89	92.30
ECL allowance as at 31st March, 2019	4.41	(0.00)	87.89	92.30
High grade	-	-	-	-
New assets originated or purchased	8.69			8.69
Assets derecognised or repaid(excluding write offs)	0.19		46.72	46.91
Transfers from Stage 1	(8.80)	8.80		-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	4.11	8.80	41.17	54.08

(ii) Government - Urban Infrastructure

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Urban lending is, as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	29,392.47	786.09	93.71	30,272.27
New assets originated or purchased	3,594.05	-	-	3,594.05
Assets derecognised or repaid(excluding write offs)	4,877.41	187.00	59.00	5,123.42
Transfers from Stage 1	(3.08)	-	3.08	-
Transfers from Stage 2	599.09	(599.09)	-	-
Transfers from Stage 3			-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(143.05)	143.05	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2019	28,562.07	143.05	37.78	28,742.91
Gross carrying amount as at 31st March, 2019	28,562.07	143.05	37.78	28,742.91
High grade	-	-	-	-
New assets originated or purchased	5,122.45	-	-	5,122.45
Assets derecognised or repaid(excluding write offs)	4,148.32	-	31.94	4,180.26
Transfers from Stage 1	(2,682.81)	2,682.81	-	-
Transfers from Stage 2	-	(143.05)	143.05	-
Transfers from Stage 3	-		-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31 st March, 2020	26,853.39	2,682.81	148.90	29,685.09



(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	0.75	0.20	93.71	94.66
New assets originated or purchased	0.10	-	-	0.10
Assets derecognised or repaid(excluding write offs)	0.09	0.05	59.00	59.14
Transfers from Stage 1	-	-	3.07	3.07
Transfers from Stage 2	0.01	(0.15)		(0.14)
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications	-	0.01	-	0.01
not resulting in derecognition				
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2019	0.77	0.01	37.78	38.56
ECL allowance as at 31st March, 2019	0.77	0.01	37.78	38.56
High grade	-	-	-	-
New assets originated or purchased	51.27	-	-	51.27
Assets derecognised or repaid(excluding write offs)	0.30	-	31.94	32.24
Transfers from Stage 1	(49.81)	49.81	-	-
Transfers from Stage 2	-	(0.01)	34.33	34.32
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications	-	-	-	-
not resulting in derecognition				
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	1.93	49.81	40.17	91.91

(iii) Non - Government

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Non - Government lending is, as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	2.49	5.86	3,405.27	3,413.62
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.96	5.86	183.56	190.37
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	81.09	81.09
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2019	1.53	-	3,140.62	3,142.15
Gross carrying amount as at 31st March, 2019	1.53	-	3,140.62	3,142.15
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.99	-	180.57	181.56
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off		-	241.50	241.50
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	0.55	-	2,718.54	2,719.09



NOTE 9 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	0.03	0.09	2,487.78	2,487.90
New assets originated or purchased	-	-	403.09	403.09
Assets derecognised or repaid(excluding write offs)	0.01	0.09	72.08	72.18
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	32.44	32.44
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2019	0.02	-	2,786.35	2,786.37
ECL allowance as at 31st March, 2019	0.02	-	2,786.35	2,786.37
High grade	-	-	-	-
New assets originated or purchased	-	-	174.68	174.68
Assets derecognised or repaid(excluding write offs)	0.00	-	102.26	102.26
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	172.38	172.38
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	0.02	-	2,686.39	2,686.41

(iv) Retail

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2018	534.90	8.95	22.48	566.33
New assets originated or purchased	26.71	0.58	-	27.29
Assets derecognised or repaid(excluding write offs)	46.72	1.82	2.38	50.92
Transfers from Stage 1	(3.17)	2.31	0.86	-
Transfers from Stage 2	6.39	(6.89)	0.50	-
Transfers from Stage 3	1.00	0.16	(1.16)	-
As at 31st March, 2019	519.11	3.29	20.30	542.70
Gross carrying amount as at 31st March, 2019	519.11	3.29	20.30	542.70
High grade	-	-	-	-
New assets originated or purchased	15.08	0.41	-	15.49
Assets derecognised or repaid(excluding write offs)	250.06	0.85	1.17	252.08
Transfers from Stage 1	(3.00)	2.80	0.20	-
Transfers from Stage 2	1.33	(1.86)	0.53	-
Transfers from Stage 3	0.75	0.07	(0.82)	-
Gross carrying amount as at 31st March, 2020	283.21	3.86	19.04	306.11



(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2018	0.30	0.21	20.49	21.00
New Assets originated or purchased	0.87	-	-	0.87
Assests derecognised or repaid (excluding write offs)	0.11	0.04	0.99	1.14
Transfer from Stage 1	(0.00)	0.04	0.85	0.89
Transfer from Stage 2	0.02	(0.16)	0.50	0.36
Transfer from Stage 3	0.01	0.01	(0.58)	(0.56)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2019	1.09	0.06	20.27	21.42
ECL allowance as at 31st March, 2019	1.09	0.06	20.27	21.42
High Grade	-	-	-	-
New Assets originated or purchased	0.04			0.04
Assests derecognised or repaid (excluding write offs)	0.86	0.01	1.16	2.03
Transfer from Stage 1	(0.01)	0.04	0.21	0.24
Transfer from Stage 2	0.02	(0.04)	0.54	0.52
Transfer from Stage 3	0.00		(0.82)	(0.82)
Changes to contractual cash flows due to modifications not resulting in derecognition				-
Amount written off				-
Foreign exchange adjustment	-		-	-
As on 31st March, 2020	0.28	0.05	19.04	19.37

NOTE: 9(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- The Company's definition and assessment of default and cure.
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Company considers there has been a significant increase in credit risk of an exposure.
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis.
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

NOTE: 9(a)(4)(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

NOTE: 9(a)(4)(ii) Probability of default

The 12 month probability of default is calculated using incremental NPA approach.

NOTE: 9(a)(4)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments. To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.



NOTE: 9(a)(4)(iv) Loss given default

The Company segments its lending products into smaller homogeneous portfolios (Government - Housing, Government - Urban Infrastructure, Non Government and Retail), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type) as well as borrower characteristics.

NOTE: 9(a)(4)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

NOTE: 9(a)(4)(vi) Grouping financial assets measured on a collective basis

As explained in Note 4.16, the Company calculates ECLs on collective or individual basis .

The Company calculates ECLs on collective basis on following asset classes:

- Government Housing
- Government Urban Infrastructure
- Non Government
- Retail

The Company calculates ECLs on individual basis on all Stage 3 assets of Non Government portfolio.

NOTE 9B: Overview of modified Loans

From a risk management point of view, once an asset is modified, the company's relevant department for distressed assets continues to monitor the exposure until it is completely and ultimately derecognised.

The table below include Stage 1 and 2 assets that were modified and therefore, treated as forborne during the period, with related modification gain/loss suffered by the company.

(₹ in crore)

	2019-20	2018-19
Amortised Cost (before impairment) of financial assets modified during the period	883.21	438.90
Net modification (loss)/ gain	1.53	1.06

The modification of financial assets have resulted in Notional gain in fair value of future expected cash flows which has not been recognised.



(₹ in crore)

NOTE 10: INVESTMENTS

	PARTICULARS			\s at 31st	As at 31st March, 2020						As at 31st	As at 31st March, 2019			
S		Amortised Cost	At	At fair value		Subtotal	Others	Total	Amortised Cost	At	At fair value		Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss					Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
4															
_	Mutual funds														
€	IIFCL Assets Management Company Limited (IAMCL)*	1	•	66.18		66.18	1	66.18	•	•	65.61		65.61	•	65.61
2	Debt Securities														
€	8.15% A P Power Finance Corporation Ltd. Bonds **	1		1		1	1	1	292.01	•		,	,	•	292.01
က	Equity Instruments														
€	1,00,000 equity shares of Sri KPR Industries Limited (Quoted)			0.10		0.10	1	0.10	,	•	0.17	•	0.17	'	0.17
(E)	20,000 equity shares of TN Urban Finance Infrastructure Dev. Corporation. Ltd. (Unquoted)	1	1	1.20	•	1.20	ī	1.20	•		1.01	•	1.01	,	1.01
	17,00,000 equity shares of Cent Bank Home Finance Ltd. (Unquoted)	•	,	7.14	1	7.14	ı	7.14	•	•	12.48	•	12.48	,	12.48
<u>(i)</u>	1,00,000 equity shares of Intra Consolid (India) Limited (Unquoted) @	1	1	0.10	1	0.10	ı	0.10	ı	1	0.10	•	0.10	•	0.10
2	1,00,000 equity shares of Nagarjuna Ceramics Ltd. *** (Unquoted) @	•	,	0.10	1	0.10	ı	0.10	•		0.10	•	0.10	,	0.10
<u>(Š</u>	1,00,000 equity shares of Marnite Polycast Ltd. (Unquoted) @	1	1	0.10	•	0.10	,	0.10	,	, –	0.10	•	0.10	•	0.10
(Viii)	1,00,000 equity shares of Periwal Bricks Ltd. (Unquoted) @		1	0.10	•	0.10	•	0.10	'	, –	0.10	'	0.10	•	0.10
(Viii)	71,900 equity shares of Trans Fibre Pipes (I) Ltd. (Unquoted) @		1	0.07	•	0.07	•	0.07	•	•	0.07	'	0.07	•	0.07
(xi)	1,25,68,829 equity shares of Cochin International Airport Ltd. (including 25,58,829 Right issue of Cochin International Airport Ltd Shares of ₹ 10²- each at premium of ₹ 40²- per share) FV ₹ 10⁴- per share (Unquoted)		•	41.48		41.48	•	41.48		•	46.98	•	46.98	1	46.98
€	1,99,00,000 equity shares of National Industrial Corridor Development Corporation (Earlier DMICDC) (Unquoted)		1	115.42	1	115.42	1	115.42	•	1	110.79	1	110.79	1	110.79



တ်	PARTICULARS			As at 31st	As at 31st March, 2020						As at 31st	As at 31st March, 2019			
Š.		Amortised	At	At fair value		Subtotal Others	Others	Total	Amortised	Atí	At fair value		Subtotal	Others	Total
		Cost	Through other Through Designated comprehensive profit or at fair income loss value through profit or loss	Through profit or loss	Designated at fair value through profit or loss				Cost	Through other Through Designated comprehensive profit or at fair value income loss through profit or loss		Through Designated profit or at fair value loss through profit or loss			
(Xi)	44,58,406 equity shares of Electrosteel Limited (Unquoted)	,	ı	1			1	1		•	4.46		4.46	•	4.46
4	Associates														
(25,00,000 equity shares of Indbank Housing Limited (Quoted) @	ı	•		1	1	2.50	2.50	1	1	1	1	•	2.50	2.50
(ii)	1,30,000 equity shares of Pragati Social Infrastructure Development Ltd. (Unquoted)	ı			•	•	0.13	0.13	ı	,	1	1	,	0.13	0.13
(20,00,000 equity shares of Shristi Urban Infrastructure Development Ltd. (Unquoted)	1	,	1	•	•	0.77	0.77	1	•	1	•	1	0.99	0.99
<u>(S</u>	13,000 equity shares of Signa Infrastructure India Ltd. (Unquoted)	1	,	1	•	•	0.01	0.01	•		1	•	1	0.01	0.01
	Total gross (A)		•	231.98	•	231.98	3.41	235.39	292.01	•	241.97		241.97	3.63	537.61
m ∈	Investments outside India			,	-		'	,	,	•		•	-	,	'
€	Investments in India	,	•	231.98	•	231.98	3.41	235.39	292.01	•	241.97	1	241.97	3.63	537.61
	Total gross (B)		•	231.98	'	231.98	3.41	235.39	292.01		241.97	•	241.97	3.63	537.61
	Total (A) to tally with (B)	•	-	231.98	-	231.98	3.41	235.39	292.01	-	241.97	-	241.97	3.63	537.61
O	Less: Allowance for Impairment loss (C)														
€	Equity Instruments @	•	•	0.47	•	0.47	'	0.47	•	1	0.47	•	0.47	•	0.47
<u> </u>	Associate	'	•	,		'	2.64	2.64	'	-	'	•	'	2.64	2.64
۵	(For FY 2019-20, Refer S.No. 12 of Note 40 - Explanatory Note) Total Net D = (A) -(C)	•	•	231.51	'	231.51	0.77	232.28	292.01	•	241.50	•	241.50	0.99	534.50

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

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 29 B of National Housing Bank Act, 1987.

Share Certificates sent for correction but not received back. HUDCO has filled complaint against the company with Registrar of Companies, Andhra Pradesh on 02.07.1998.

The fair value of these investments are ₹ 1. The investments and impairment thereon have been shown at Gross Value

AP Power Finance Corporation Ltd. Is classified at amortized cost. There is no impairment loss in respect of investments at amortized cost. All other investments are measured at fair value through profit and Loss Account. Note:



Investment in Shristi Urban Infrastructure Development Ltd. (Unquoted)	(₹ in crore)
Investment as on 31st March, 2018	1.29
Add: Profit/(Loss) as on 31st March, 2019	(0.30)
Investment as on 31st March, 2019	0.99
Add: Profit/(Loss) as on 31st March, 2020	(0.22)
Investment as on 31st March, 2020	0.77

There are no such indicators as at each of the reporting dated covered for the period under reporting which indicate of any objective evidence that its net investment in the associated company- Shristi Urban Infrastructure Devlopment Limited is impaired due to the fact that the Net Worth of the company is positive as on Balance Sheet date.

NOTE 11: OTHER FINANCIAL ASSETS

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
Α	Advances		
(i)	Deposit for Services	0.58	0.31
	Total (A)	0.58	0.31
В	Recoverables		
(i)	Recoverable from Andrews Ganj Project ((AGP) (Refer S.No. 5 of Note 40 - Explanatory Note)	429.49	398.03
(ii)	Advance for works *	14.06	14.06
(iii)	Amount recoverable from Tax Department	7.84	26.57
(iv)	Amount recievable on Redemption of Investment	226.59	-
(v)	1% Interest sub-vention subsidy	-	0.10
(vi)	Work-in-Progress		
	- Andrewz Ganj Project (Refer S.No. 5 of Note 40 - Explanatory Note)	19.34	19.34
	Total (B)	697.32	458.10
	Total (A+B)	697.90	458.41

Includes amount on account of Andrews Ganj Project.

13.97

13.97

NOTE 12: CURRENT TAX ASSETS

S. No.	PARTICULARS	As at 31 st March, 2020	As at 31 st March, 2019
(a)	Advance Income Tax (Including TDS)	456.99	598.30
(b)	Less: Provision for Income Tax	455.00	585.45
	Provision for Income Tax (Net)	1.99	12.85



(₹ in crore)

NOTE 13 A: INVESTMENT PROPERTY

carrying amount as at the end of 15.65 2.82 1.72 0.02 20.21 31≝ March, 2019 NET BLOCK Net carrying amount as at the end of the year 31st March, 2020 2.69 14.93 1.64 0.02 19.28 as at impairment as at the end of the 5.39 20.18 30.28 ciation and 31st March, 2020 as at Deduc-Adjustments during the year Addition DEPRECIATION / AMORTISATION Addition during the year 0.13 0.72 0.93 0.08 Accu-mulated Depre-ciation and impair-ment 31st March, 2019 5.26 19.46 29.35 4.54 0.09 as at 0.05 1.44 0.90 2.39 Adjustments during the year Addition Deduc-0.14 0.75 0.09 0.98 0.99 1st April, 2018 18.76 30.76 and impair-ment 5.12 5.89 as at 49.56 31 [#] March, 2020 8.08 35.11 0.11 Deduc-Adjustments during the year Addition Addition during the year GROSS BLOCK At cost at the end of 31** March, 2019 35.11 6.26 0.11 49.56 8.08 Deduc-90.0 2.87 1.42 4.35 Adjustments during the year Addition Addi-tion during the year 35.17 9.13 1.53 53.91 8.08 1st April, 2018 Building (Leasehold) Building (Freehold) Flat (Leasehold) Flat (Freehold) ITEMS Total S. No. € \equiv Ξ

The Company's investment properties consist of building and flats situed in India. The management has determined that the investment properties consist of office and residences based on the nature, characteristics and risk of each

As at 31 March 2020, the fair values of the properties are ₹ 494.42 crore (Previous year ₹ 494.71 crore). These valuations are based on valuations performed by the independent valuer. The rental Income from Investment property during 2018-19 being to the tune of ₹ 35.54 crore (Previous year ₹ 28.98 crore).

The Company has no restrictions on the realisability of its investment proprerties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

air value hierarchy disclosures for investment properties have been provided in Note 35.3 of Notes to accounts-

Fair Value (₹ in crore) 3.35 4.99 8.06 40.49 23.13 4.56% 8% 2% %6 Range (weighted average) Commercial Use Technique Composite Rate Method Valuation technique Market Approach Market Value Market Value Jammil (Hudco Bhawan, Rail Head Complex) ** Bhubaneshwar(Deendayal Bhawan) Jaipur (Jyoti Nagar, Lal Kothi) Bhopal(Parayavas Bhavan) ** Mumbai (Shreyas Chambers) Investment properties Chennai(CMDA Tower) S.No. 4 α က 2

494.42			Total	
409.23	8.50%	Rental method	Bhikaji Cama Place, Delhi **	9 B
1.25	3.50%	Composite Rate Method	Ahmedabad(Trupti Appartments) **	80
1.08	3.50%	Composite Rate Method	Ahmedabad(Satej Appartments)	7
0000	9/6		ס מווווומ(דומסט סוומאמון, ז'מון דוסמט סטווקופא)	>

Due to COVID 19 pandemic valuation of property has not been carried out. However management has considered previous year fair value *



NOTE 13 B: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

A column	Q V	O NO ITEMS				100	אטטום סטטםט	, i							DEBBEC	OM A / MOITA	OTTABLE				Li N	NET BLOCK
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This paper			At cost at the		Adjust during t	ments he year			Adjusti Juring tl					Adjust turing t				Adjus during		Accumulated Depreciation	Net carrying	Net carrying
TANOIBLE State S			begin- ning of	the year	Addi-	Deduc-			Addi- L		- 10					ation and mpairment	the year	Addi-	Deduc- tion	and impair- ment as at	amount as at the	amount as at the
Table Fig.			the year									impair- ment				s at the end				he end of the	end of the	end of the vear
April April <th< th=""><th></th><th></th><th>as at</th><th></th><th></th><th></th><th>as at</th><th></th><th></th><th></th><th>as at</th><th>as at</th><th></th><th></th><th></th><th>as at</th><th></th><th></th><th></th><th>as at</th><th>as at</th><th>as at</th></th<>			as at				as at				as at	as at				as at				as at	as at	as at
Any Line Line April (seeched) April (seec			#				31st				3181	±				31st March,					31st March,	31st March
TANOBILE Land (Freshold)			April, 2018				March, 2019				March, 2020	April, 2018				2019					2020	2019
Lundi (Freehold) 15.83 Lundi (Freehold) 15.84 Lundi (Freehold) 15.85	4	TANGIBLE																				
building (Freehold) # 12.13 0.28	Ξ	Land (Freehold)	5.93	•	•	•	5.93	•	•	•	5.93	•	•	1	•	,	•	•	•	•	5.93	5.93
Building Freehold)	€	Land (Leasehold) * #	12.13	0.28	'	•	12.41		'	2.61	9.80	2.35	0.13	0.02	•	2.50	0.13	0.01	0.16	2.48	7.32	9.91
Pulicing (Leaseholo) # 48.84 0.70 0.06 0.0 0.06 0.1 0.10	€	Building (Freehold)	6.54	•	•	•	6.54	•	•	•	6.54	3.39	0.15	•	•	3.54	0.14	•	•	3.68	2.86	3.00
Flatt(Freehold)## 386 0.4 4.2 2.87 6.56 0.4 6.56 0.5 6.50 0.5 0.50	<u>(</u> 2	Building (Leasehold) #	48.84	0.70	90.0	•	49.60		0.10		49.70	28.59	0.98	0.04	•	29.61	1.08			30.69	19.01	19.99
Hart Case chold # 1 834	3	Flat (Freehold) #	3.69	'	2.87		92'9	•	'	•	92.9	2.57	0.12	1.45	•	4.14	0.11	•	'	4.25	2.31	2.42
Historical Particle	<u>S</u>	Flat (Leasehold) #	3.84	0.94	1.42		6.20	•	•	-	6.20	2.56	0.00	0.00	•	3.55	0.13	•	•	3.68	2.52	2.65
Printinge Apparents	(iiv)	Air conditioner & Cooler	2.55	0.04	'	0.03	2.56	0.07	'	0.04	2.59	1.85	0.18	•	0.03	2.00	0.15	•	0.04	2.11	0.48	0.56
Furniture & Fixtures 5.24 0.73 0.07 5.90 0.56 0.56 0.50 0.54 0.04 0.44 0.50 0.02 0.04 0.50 0.05 0.04 0.50 0.05 0.04 0.05 0.05 0.04 0.05 0.04 0.05	E	Office Equipments	23.10	2.03	•	1.28	23.85	1.04	0.02	1.04	23.87	18.75	2.20	'	1.23	19.72	2.23	0.02	0.99	20.98	2.89	4.13
Ultrary Books Ultrary Books 1.00 1.01 1.02 1.02 1.03 1.04 1.05	(X)	Furniture & Fixtures	5.24	0.73	•	0.07	2.90	0.58	'	0.04	6.44	4.50	0.23		0.07	4.66	0.36	'	0.04	4.98	1.46	1.24
Miscellaneous Assetis 1.00 0.01 a 1.01 1.02 a 1.01 1.02 a 1.02 a 1.03 a	×	Vehicle	1.83	•	•	•	1.83	0.57	•	0.34	2.06	1.66	0.04	•	•	1.70	0.19	•	0.32	1.57	0.49	0.13
Miscellaneous Assets 181 0.04 a.7 d.8 d. s.	(x)	Library Books	1.00	0.01	'	'	1.01	0.02	'	'	1.03	1.00	0.01	'	•	1.01	0.01	•	'	1.02	0.01	
Less: Grants Total ABABLE 4.13 4.26.4 4.11 124.61 7.103 4.17 2.41 1.33 76.28 4.61 0.03 1.59 79.33 Less: Grants 4.13 4.13 4.11 124.61 7.103 4.17 2.41 13.04 6.16 6.15 7.103	(ix)	Miscellaneous Assets	3.81	0.04	•	•	3.85	0.08	•	0.04	3.89	3.81	0.04	•	•	3.85	0.08	-	0.04	3.89	-	
Less: Grants Air Conditioner Control of the Euriphrent ABACH From Seats Control of the Euriphrent ABACH From Sea		Total A	118.50	4.77	4.35	1.38	126.24	2.36	0.12	4.11	124.61	71.03	4.17	2.41	1.33	76.28	4.61	0.03	1.59	79.33	45.28	49.96
Air Conditioner 0.07	ω	Less : Grants																				
Air Conditioner Office Equipment Office	€	Building	•	•	•	•			•		•	•	•		•	•	•		•	•		
Office Equipment 0.07 0.07 0.07 0.07 0.07 0.06 0.06 0.0 0.06 0.0 0.06 0.0 0.06 0.0 0.06 0.0 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.06 0.07 0.06 0.07	€	Air Conditioner	•	•	•	•			•		•	•	•		•		•		•	•		
Furniture & Fixture Vehicle Library Books Total AB-BC	▣	Office Equipment	0.07	•	•	•	0.07		•		0.07	90.0	•		•	90:0	•	•	•	90.0	0.01	0.01
Vehicle Alternation Spooks Approximate Spooks	2	Furniture & Fixture	•	•	'	•	•	•	•		•	•	•	•	•	•	•		•	•		
Library Books Capital Miscellaneous Assets Capital Mork-in-progress Capital AB-Bc Ca	3	Vehicle	•	•	'	•			•	•		•	•	'	•	'	•	•		•		
Miscellaneous Assets 0.01 0.01 0.01<	Ē	Library Books	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	
Total B 0.08 - - 0.07 - 0.08 0.07 - 0.07 0.07 - 0.07	(ii×)	Miscellaneous Assets	0.01	•	•	•	0.01	•	•	•	0.01	0.01	•	•	•	0.01	•		'	0.01		
Capital Working-progress Total A-B-C 4.77 4.35 1.28 4.17 6.12 4.13 126.15 4.17 124.53 70.96 4.17 2.41 1.33 76.21 4.61 6.03 1.59 79.26 <th></th> <th>Total B</th> <th>0.08</th> <th>•</th> <th>•</th> <th></th> <th>0.08</th> <th></th> <th>•</th> <th>•</th> <th>0.08</th> <th>0.07</th> <th>•</th> <th>-</th> <th></th> <th>0.07</th> <th></th> <th>-</th> <th>•</th> <th>0.07</th> <th>0.01</th> <th>0.01</th>		Total B	0.08	•	•		0.08		•	•	0.08	0.07	•	-		0.07		-	•	0.07	0.01	0.01
Capital Workin-progress 35.09 - 3.50 - 3.50 - 3.65 - 13.10 - 0.13 51.56 -		Total A-B	118.42	4.77	4.35	1.38	126.16	2.36	0.12	4.11	124.53	96.07	4.17	2.41	1.33	76.21	4.61	0.03	1.59	79.26	45.27	49.95
153.51 4.77 7.86 1.38 7.96 4.77 2.41 1.33 76.21 4.61 0.03 1.59 79.26	ပ	Capital Work-in-progress	35.09		3.50		38.59	13.10		0.13	51.56			•							51.56	38.59
		Total A-B+C	153.51	4.77	7.85	1.38	164.75	15.46	0.12	4.24	176.09	96.07	4.17	2.41	1.33	76.21	4.61	0.03	1.59	79.26	96.83	88.54

NOTE 13 C: OTHER INTANGIBLE ASSETS

-ock	Net carrying amount as at the end of the year as at 31st March, 2019	77	0.41
NET BLOCK	Net carrying amount as at the end of the year as at 31st March, 2020	ac c	0.28
	Accumulated Depreciation and impairment as at the end of the year as at 31st	202	2.07
	e year Deduc- tion		•
Z	Adjustm during th Addition		·
RTISATIO	Addition during the year	2,000	0.13
DEPRECIATION / AMORTISATION	Accu- Addition Adjustments Accumulated Addition Adjustments Internated auring during during during during during the year Addition Deduction atton and the year Addition Deduction Impairment as at the end as at 1 sa as at 2018	107	1.94
DEPRE	e year Deduc- tion		
	Addition Deduc-	5	0.14
	Accu- Addition mulated during Depreci- the year ation and impair- ment as at 1st April, April, April,		
		Ca	1.80
		2.35	2.35
	nents ne year Deduc- tion	'	
	Adjustments during the year Addition Deduction		
CK	At cost Addition at the during end of the year he year as at 31**		·
GROSS BLOCK	At cost at the end of the year the year as at 31st March, 2019	ر م	2.35
GF	nents ne year Deduc- tion	5	0.0
	Addition Deduc-		
	t cost Addition Adjustments at the during the year during the year as at the Addition Deduction between the Addition Deduction as at the Admit, as at Admit, as a the Admit, as a the Admit, and the Admit, as a the Admit, as		•
	At cost at the beginning of the year as at 1st April, 2018	98 0	2.36
ITEMS		INTANGIBLE	Total
S.No.		6	€

Includes land of ₹36,69,624.20 on perpetual lease (Previous year ₹36,69,624.20) 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 ₹40,49,87,631.74 (Area 17239.56 Sq. Mt.) (previous year ₹40,49,87,631.74) are yet to be executed.



NOTE 14: OTHER NON FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2020	As at 31 st March, 2019
Α	Advances			
(a)	Advance against Capital purchases		0.62	1.32
(b)	Advance against CSR Expenditure		3.25	1.92
(c)	Prepaid Expenses		11.71	22.39
(d)	Unamortized Deposit for Services		0.07	0.03
В	Other loans and advances			
(a)	Advances to Employees		44.09	36.67
(b)	Income Tax payment		295.34	296.98
(c)	Interest Tax Payments under litigation		-	-
(d)	Service Tax payment under litigation	2.63		2.63
(e)	Less : Provision on Service tax	2.49		2.49
			0.14	0.14
(f)	Others	19.73		16.30
(g)	Less : Provision	1.55		1.55
			18.18	14.75
		Total A + B + C	373.40	374.20

NOTE 15: PAYABLES

S.No.	PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Α	Trade Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises *	-	-
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.11	0.16
	Sub-total A	0.11	0.16
В	Other Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises * (Refer S.No. 18 of Note 40 - Explanatory Note)	0.09	0.26
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	17.39	14.22
	Sub-total B	17.48	14.48
	Total (A + B)	17.59	14.64

^{*} The outstanding payable to MSME is inclusive of interest due on the principal amount remaining unpaid to any MSME suppiler, if any, beyond the scheduled date of payment. However, for the period ended 31st March, 2020 and 31st March, 2019 the interest due on principal amount remaining unpaid to MSME is Nil.



(₹ in crore)

NOTE 16: DEBT SECURITIES

S. No.	PARTICULARS	•	As at 31st N	March, 2020			As at 31st N	March, 2019	
		Amortised Cost	At fair value Designated through at fair value Profit or Loss through profit or loss	Designated at fair value through prof- it or loss	Total	Amortised Cost	At fair value Designated through at fair value Profit or Loss through profit or loss	Designated at fair value through prof- it or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
€	Secured								
(a)	Bonds								
€	Tax free bonds [Refer Details of Debt Securities - (A) (I)]	17,333.51	•	•	17,333.51	17,327.98	•	•	17,327.98
(E)	Special priority sector bonds - I [Refer Details of Debt Securities - (A) (II)]	20.10	ı	ı	20.10	27.35	1	1	27.35
=	Unsecured								
(a)	Bonds								
Ξ	HUDCO Bonds - Non Cumulative redeemable at par	14,719.46	•	•	14,719.46	11,347.57	•	•	11,347.57
	[Refer Details of Debt Securities - (B) (I (a))]								
(E)	HUDCO Bonds - Cumulative redeemable at par	674.78	•	•	674.78	674.57	•	1	674.57
	[Refer Details of Debt Securities - (B) (I (b))]								
(E)	Special priority sector bonds - II [Refer Details of Debt Securities - (B) (I (c))]	43.64	ı	ı	43.64	59.31	ı	1	59.31
(iv	PMAY (U)- Gol fully serviced Bonds	20,000.00	•	•	20,000.00	20,000.00	•	•	20,000.00
	[Refer Details of Debt Securities - (B) (I (d))]								
	Sub-total A	52,791.49	-	•	52,791.49	49,436.78	-	-	49,436.78
<u>@</u>	From Other Parties								
€	COMMERCIAL PAPER								
(a)	5.60% HUDCO Commercial Paper Bonds 2019 Series -E	1,200.00	•	•	1,200.00		•	•	•
	(Value Date 29.01.2020 and Maturity Date 29.05.2020 for 121 days)								
(q)	7.39% HUDCO Commercial Paper Bonds 2018 Series - E	•	•	•	•	800.00	•	•	800.00
	(Value Date 07.02.2019 and Maturity Date 28.05.2019 for 110 days)								
(C)	7.38% HUDCO Commercial Paper Bonds 2018 Series -F	•	•	•	•	1,000.00	•	1	1,000.00
	(Value Date 08.03.2019 and Maturity Date 28.05.2019 for 81 days)								
	Sub-total B	1,200.00	•	•	1,200.00	1,800.00	•	•	1,800.00
	Sub-total A + B	53,991.49	•	•	53,991.49	51,236.78	•	•	51,236.78
<u>O</u>	Debt securities in India	53,991.49	•	•	53,991.49	51,236.78		•	51,236.78
	Debt securities outside India	•	•	•		•	•	•	•
	Sub-total C	53,991.49	•	•	53,991.49	51,236.78	•	•	51,236.78
	Total (C) to tally with (A + B)	53,991.49	•	•	53,991.49	51,236.78	•	•	51,236.78

Note: The company has only "Amortised cost category" to present this schedule.



(₹ in crore) 69.606 556.15 128.42 127.39 123.75 109.39 48.16 128.45 As at 31st March, 2019 41.54 286.54 671.16 88.85 1,024.94 610.05 211.50 28.47 799.27 815.00 190.80 1,274.24 47.67 105.35 117.21 108.50 35.51 2,518.30 66.51 10.81 556.15 48.16 41.54 671.16 610.05 69.606 28.47 128.42 127.39 123.75 109.39 105.35 128.45 As at 31st March, 2020 286.54 35.51 88.85 211.50 799.27 815.00 190.80 47.67 66.51 10.81 117.21 108.50 1,024.94 1,274.24 2,518.30 13.01.2034 25.10.2033 24.03.2029 24.03.2029 13.01.2029 13.01.2029 25.10.2028 25.10.2028 02.09.2028 28.03.2028 16.02.2028 22.12.2026 1.11.2026 21.10.2026 15.03.2026 15.03.2026 38.02.2026 08.02.2026 09.10.2025 Date of redemption 24.03.2034 13.01.2034 25.10.2033 05.03.2027 15.03.2031 15.03.2031 22.02.2031 38.02.2031 38.02.2031 Date of Allotment 24.03.2014 24.03.2014 13.01.2014 13.01.2014 25.10.2013 25.10.2013 15.03.2016 15.03.2016 22.02.2016 38.02.2016 38.02.2016 24.03.2014 24.03.2014 13.01.2014 13.01.2014 25.10.2013 25.10.2013 02.09.2013 28.03.2013 16.02.2013 05.03.2012 15.03.2016 15.03.2016 38.02.2016 38.02.2016 39.10.2015 21.10.2011 22.12.2011 1.11.2011 7.04% Tax free bonds 2015 (Tranche - II) Series - 1A *** 7.02% Tax free bonds 2015 (Tranche - I) Series - 1A *** * 7.39% Tax free bonds 2015 (Tranche - I) Series - 2A *** 7.64% Tax free bonds 2015 (Tranche - I) Series - 2B *** 8.73% Tax free bonds 2013 (Tranche - III) Series - 2A * 8.49% Tax free bonds 2013 (Tranche - I) Series - 3A * 8.74% Tax free bonds 2013 (Tranche - I) Series - 3B * 8.58% Tax free bonds 2013 (Tranche - II) Series - 2A * 8.96% Tax free bonds 2013 (Tranche - III) Series - 3B 8.98% Tax free bonds 2013 (Tranche - III) Series - 2B 8.71% Tax free bonds 2013 (Tranche - III) Series - 3A 8.76% Tax free bonds 2013 (Tranche - II) Series - 3A 9.01% Tax free bonds 2013 (Tranche - II) Series - 3B 7.39% Tax free bonds 2015 (Tranche - II) Series - 2A 8.83% Tax free bonds 2013 (Tranche - II) Series - 2B 7.29% Tax free bonds 2015 (Tranche - II) Series - 1B 8.20% Tax free bonds 2011 (Tranche - I) Series - 2 * 7.69% Tax free bonds 2015 (Tranche - II) Series - 2B 8.51% Tax free bonds 2013 (Tranche - I) Series - 2A 8.76% Tax free bonds 2013 (Tranche - I) Series - 2B 7.27% Tax free bonds 2015 (Tranche - I) Series - 1B 7.19% Tax free bonds 2012 (Tranche - II) Series - 2 7.51% Tax free bonds 2012 (Tranche - I) Series - 2 8.56% Tax free bonds 2013 Series - 1 * 8.16% Tax free bonds 2011 (C - II) * 7.83% Tax free bonds 2011 (B - II) * 7.75% Tax free bonds 2011 (A - II) 7.39% Tax free bonds 2015 (D) *** 7.00% Tax free bonds 2015 (C) SECURED BONDS **TAX FREE BONDS** Details of Debt Securities **PARTICULARS** S.No. <u>a</u> ⋖



S.No.	PARTICULARS			As at 31st March, 2020	As at 31 st March, 2019
		Date of Allotment	Date of redemption		
	7.07% Tax free bonds 2015 (B) **	01.10.2015	01.10.2025	1,029.00	1,029.00
	7.19% Tax free bonds 2015 (A) **	31.07.2015	31.07.2025	151.00	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	24.03.2014	24.03.2024	18.37	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	24.03.2014	24.03.2024	47.36	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	13.01.2014	13.01.2024	504.93	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	13.01.2014	13.01.2024	439.63	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	25.10.2013	25.10.2023	269.58	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	25.10.2013	25.10.2023	361.79	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 *	28.03.2013	28.03.2023	97.62	97.62
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 *	16.02.2013	16.02.2023	920.10	920.10
	8.10% Tax free bonds 2011 (Tranche - I) Series - 1 *	05.03.2012	05.03.2022	2,166.42	2,166.42
	8.09% Tax free bonds 2011 (C - I) *	22.12.2011	22.12.2021	47.86	47.86
	7.62% Tax free bonds 2011 (B - I) *	11.11.2011	11.11.2021	137.66	137.66
	7.51% Tax free bonds 2011 (A - I) *	21.10.2011	21.10.2021	4.77	4.77
	Sub-Total A - I (a)			17,388.47	17,388.47
(q)	Unamortised fees, charges & Other Expenses			(54.96)	(60.49)
	Sub-Total A - I			17,333.51	17,327.98

reserves the right to create first pari-passu charge on the present and future receivable for its present and future financial requirements. noating first pari-passu charge on the present & ruture

right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time The Company reserves the The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue. is maintained.

The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of the amount mobilised under the issue and interest thereon. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.

=	SPECIAL PRIORITY SECTOR BONDS - I	Date of Allotment		
	SPS Bond series C (Bank of India)	31.03.1998	20.10	27.35
	(Refer Sub detail of SPS Bonds - I (a)(i))		20.10	27.35
i				

The repayment dates for SPS bonds series C is semi annual: for series C from 10.12.2015 to 10.06.2022.

Bonds are secured by lien over Certificate of Deposits for US \$ 4.03 million (Previous year US \$ 5.47 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.



SNO	PARTICULARS			Asat	As at
		,		31s⁴ March, 2020	31st March, 2019
ш	UNSECURED BONDS				
I (a)	HUDCO Bonds- Non Cumulative redeemable at par	Date of Allotment	Date of redemption		
	6.79% Taxable (F) 2019	17.01.2020	14.04.2023	1,400.00	ı
	6.99% Taxable (E) 2019	11.09.2019	11.11.2022	1,370.00	ı
	7.05% Taxable (D) 2019	13.08.2019	13.10.2022	1,190.00	1
	7.34% Taxable (C) 2019	18.07.2019	16.09.2022	1,250.00	1
	7.62% Taxable (B) 2019	20.06.2019	15.07.2022	1,000.00	1
	7.61% Taxable (A) 2019	07.06.2019	22.06.2022	1,485.00	
	8.34% Taxable (E) 2018	11.01.2019	11.07.2022	1,000.00	1,000.00
	8.23% Taxable (D) 2018	28.12.2018	15.04.2022	930.00	930.00
	8.40% Taxable (C) 2018	11.12.2018	11.04.2022	00.086	00.086
	8.46% Taxable (B) 2018	05.12.2018	15.02.2022	1,000.00	1,000.00
	7.63% Taxable (A) 2018	03.04.2018	03.05.2021	100.00	100.00
	7.68% Taxable (G) 2017	27.03.2018	05.04.2021	460.00	460.00
	7.14% Taxable (B) 2017	22.11.2017	22.12.2020	200.007	700.00
	7.70% Taxable (F) 2017	19.03.2018	19.03.2020	1	1,500.00
	7.05% Taxable (A) 2017	14.07.2017	14.08.2020	400.00	400.00
	7.59% Taxable (G) 2016	21.03.2017	21.06.2020	265.00	265.00
	6.80% Taxable (E) 2016	18.11.2016	18.05.2020	200.007	700.00
	7.21% Taxable (D) 2016	25.10.2016	25.04.2020	200.00	200.00
	7.35% Taxable (C) 2016	22.09.2016	22.01.2020	1	00.009
	6.81% Taxable (F) 2016	13.01.2017	13.01.2020	1	00.009
	7.36% Taxable (B) 2016	16.09.2016	30.11.2019	1	700.00
	7.64% Taxable (E) 2017	12.03.2018	12.06.2019	1	715.00
	7.06% Taxable (C) 2017	11.12.2017	11.06.2019	1	205.00
	Sub-total B - I (a)			14,730.00	11,355.00
	Unamortised fees, charges & Other Expenses			(10.54)	(7.43)
	Total B - I (a)			14,719.46	11,347.57
(q) I	HUDCO Bonds- Cumulative redeemable at par	Date of Allotment	Date of redemption		
	7.73% Taxable (D) 2017	21.02.2018	15.04.2021	00.529	675.00
	Unamortised fees, charges & Other Expenses			(0.22)	(0.43)
	Total B - I (b)			674.78	674.57
(c)	SPECIAL PRIORITY SECTOR BONDS - II	Date of Allotment			
	SPS Bond - II (EXIM Bank)	06.12.1999		43.64	59.31
	{Refer Sub detail of SPS Bonds-II (a)(ii)}			43.64	59.31
	In lieu of the USD deposit of USD 50 million with Exim Bank under the swap arrangement in respect of ADB loan, 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 (₹ 43.64 crore as on 31.03.2020), which are co-terminus with the loan maturity school in the loan from 15.12.2003 to 15.06.2020	angement in respect of) for ₹ 217 crore (₹ 43.6	ADB loan, Exim Bank ha 4 crore as on 31.03.2020	s subscribed to 12.75% ()), which are co-terminus	Special Priority Sector with the loan maturity
	soliedule of the dilderlying ADD loan, floin 15.12.2002 to 15.00.2022.				



S.No.	PARTICULARS			As at 31st March, 2020	As at 31st March, 2019
(p) -	PMAY (U)- Gol fully serviced Bonds #	Date of Allotment	Date of redemption		
	8.37% Taxable (VI) 2018 @	25.03.2019	25.03.2029	5,000.00	5,000.00
	8.41% Taxable (V) 2018 @	15.03.2019	15.03.2029	5,320.00	5,320.00
	8.58% Taxable (IV) 2018 @	14.02.2019	14.02.2029	2,563.10	2,563.10
	8.38% Taxable (III) 2018 @	30.01.2019	30.01.2029	2,066.90	2,066.90
	8.52% Taxable (II) 2018 @	28.11.2018	28.11.2028	2,050.00	2,050.00
	8.60% Taxable (I) 2018 @	12.11.2018	12.11.2028	3,000.00	3,000.00
	Unamortised fees, charges & Other Expenses			1	1
	Total B - I (d)			20,000.00	20000
@ #	 Payable on semi-annual basis Repayment of Principal and interest payment in respect of Loans of ₹ 20,000 crore extended to BMTPC, raised by issue of "Government of India fully serviced Bonds" shall be met by Government of India by making suitable provisions in the budget of Ministry of Housing and Urban Affairs. 	000 crore extended to B	MTPC, raised by issur	e of "Government of In	dia fully serviced

Sub- Details of Special Priority Sector Bonds

						Cocinod
	repayment	31.03.2020	redeemed	redeemed		
	o	Interest as on	Bonds to be	Bonds to be	drawal	
Redemption Details	Frequency	Rate of	Amount of	No. of	Rate on	S.No. Date of drawal / Institution
(₹ in crore)						

S.No.	Date of drawal / Institution		Rate on	No. of	Amount of	Rate of	Frequency	Redemption Details
			drawal	Bonds to be redeemed	Bonds to be redeemed	Interest as on 31.03.2020	of repayment	
(a)	Secured Loans							
(i)	SPECIAL PRIORITY SECTOR BONDS - I	1-9						
	SPS Bond Series C (Bank of India) 3	31.03.1998	12.00%	84	4.20	@ 1 year		10 th June, 2022
	SPS Bond Series C (Bank of India)	31.03.1998	12.00%	84	4.20	+ 350 bps p.a.		10th December, 2021
	SPS Bond Series C (Bank of India)	31.03.1998	12.00%	80	4.00	Currently the	Jeill-Aillual	10 th June, 2021
	SPS Bond Series C (Bank of India)	31.03.1998	12.00%	80	4.00	NO 15 9.09% p.a.		10th December, 2020
	SPS Bond Series C (Bank of India)	31.03.1998	12.00%	74	3.70			10 th June, 2020
	Total Special Priority Sector Bonds -	tor Bonds - I			20.10			
(a)	Unsecured Loans							
(ii)	SPECIAL PRIORITY SECTOR BONDS	II - S						
	SPS Bond Series II (EXIM Bank) C	06.12.1999	12.75%	927	9.27			15 th June, 2022
	SPS Bond Series II (EXIM Bank) C	06.12.1999	12.75%	006	9.00	12 60%		15th December, 2021
	SPS Bond Series II (EXIM Bank) C	06.12.1999	12.75%	872	8.72	12.30%	Jeill-Ailliaal	15 th June, 2021
	SPS Bond Series II (EXIM Bank) C	06.12.1999	12.75%	845	8.45			15th December, 2020
	SPS Bond Series II (EXIM Bank) C	06.12.1999	12.75%	820	8.20			15 th June, 2020
	Total Special Priority Sector Bonds - II	tor Bonds - II			43.64			



(₹ in crore)

NOTE 17 : BORROWINGS (OTHER THAN DEBT SECURITIES)

40.99 499.78 500.00 52.85 54.97 22.84 24.21 2,623.92 2,254.00 449.61 1,500.00 2,664.91 Total 4 at fair value through At fair value Designated As at 31st March, 2019 profit or loss 3 through profit or 3 Amortised 40.99 500.00 52.85 24.21 54.97 22.84 2,623.92 499.78 449.61 1,500.00 2,254.00 2,664.91 Cost Ξ 60.13 30.15 18.85 20.72 500.00 700.00 1,294.00 2,788.64 2,818.79 499.96 1,120.04 Total 4 profit or loss at fair value Designated through As at 31st March, 2020 3 value through profit or At fair loss (7 20.72 30.15 500.00 18.85 60.13 Amortised 700.00 499.96 1,294.00 2,788.64 2,818.79 1,120.04 Cost Ξ Total Secured Loans A (I) 6.75% p.a. from Federal Bank Ltd. (ST) (repayable on or before 18.04.2020) 6.50% p.a. from Karnataka Bank (ST) (repayable on or before 17.06.2020) 6.75% p.a. from Bank of India (ST) (repayable on or before 31.03.2021) US Capital Market' (Guaranteed by USAID & Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan) {Refer Sub detail of 8.15% p.a. Indian Overseas Bank (repayable on or before 25.06.2019) 6.75% p.a. from **Punjab National Bank** (ST) (repayable on or before 22.03.2021) 7.34% p.a. From **Axis Bank** (FCTL) (repayable on 05.06.2019) *** \$ {Refer Sub detail of Borrowings (A) II} 8.10% p.a. Jammu & Kashmir Bank (repayable on 12.04.2019) {Refer Sub detail of Borrowings (A) I} 6 months LIBOR for US \$ + 0.18% p.a.(USAID-1) ## 6 months LIBOR for US \$ + 0.035% p.a. (USAID-2) India Infrastructure Finance Company Ltd. \$\$@ **LOANS FROM FINANCIAL INSTITUTIONS:** 8.25% p.a. State Bank of India Borrowings (B) IV iii (a) and (b) 8.01% p.a. Karnataka Bank National Housing Bank ** Swapped with ICICI Bank FCTL/FCDL/FCNR (B) From other parties From Other Parties **Unswapped Portion PARTICULARS** Bank of India * From Banks From Banks Unsecured Term loans Secured **USAID** S.No. <u>₹</u> (a) = € 3 \mathbb{S} $\stackrel{(\times)}{\cong}$ $\overline{\times}$ **@** ∈ \equiv (a)



S.No.	PARTICULARS		As at 31st	As at 31st March, 2020			As at 31st N	As at 31st March, 2019	
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	Amortised At fair value Cost through profit or loss	Designated at fair value through profit or loss	Total
<u> </u>	Japan Bank for International Corporation (JBIC) ### {Refer Sub detail of Borrowings (B) IV (i)}								
(a)	Unswapped Portion of JBIC	91.73	•	•	91.73	108.87	•	•	108.87
<u>(i)</u>	Asian Development Bank (ADB) ### ^ {Refer Sub detail of Borrowings (B) IV (ii)}								
	6 months LIBOR for US \$ +0.40% p.a.	152.44	•	•	152.44	189.98		•	189.98
	Total unsecured Loans A (II)	4,457.86	•	•	4,457.86	5,657.11	•	•	5,657.11
	Total Loans A (I+II)	7,276.65	•	•	7,276.65	8,322.02			8,322.02
m	Borrowings in India	6,932.79	•	•	6,932.79	7,921.15	•	•	7,921.15
	Borrowings outside India	343.87	•	•	343.87	400.87	•	•	400.87
		7,276.65	•	•	7,276.65	8,322.02	•	•	8,322.02
	Total (B) to tally with (A)	7,276.65	•	•	7,276.65	8,322.02	•	•	8,322.02

Note: The company has only "Amortised cost category" to present this schedule

- Secured by lien over Certificate of Deposits for US \$ 6.04 million (Previous year US \$ 8.21 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
- NHB and repayable upto 01.04.2031] 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 Secured by Bank guarantee for an amount of ₹ 1,175 crore (previous year ₹ 1,175.00 crore) I being 25% of loan amount of ₹ 4,700 crore (previous year ₹ 4,700 crore) sanctioned/disbursed by 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, ₹ 4,987.12 crore mobilised during 2013-14 and
- ** Availed in INR equivalent to US \$ 65 million through USD denominated FCTL.
- Currency and Interest rate swap for US \$65 million executed with AXIS Bank on 04.06.2018 effective from 06.06.2018 (upto 05.06.2019) with swap premium @ 7.34% p.a. (fixed) (IRS @ 4.50% p.a. payable on monthly basis and Option premium @ 2.84% i.r.o Principal hedge payable upfront at the time of availment)
- 🔻 1,294 crore availed on 19.03.2020 @6.57% p.a. (Fixed) payable quarterly, for a period of 3 years i.e., repayable on 19.03.2023 by way of bullet repayment. \$\$
- ₹ 1,500 crore availed on 31.08.2018 @8.35% p.a., with discounting to quarterly levels (i.e., @8.10% p.a. on quarterly basis), subject to reset on annual basis, repaid on 03.09.2019 by way of bullet repayment. (9)
- Principal only Swap for US \$ 4.50 million (Outstanding US \$ 2.50 million as on 31.03.2020) with ICICI Bank was executed on 16.07.2018 effective from 18.07.2018 (for 4.5 years upto 14.09.2022) at spot rate of ₹ 68.68 and swap premium of 4.2479%, payable semi-annually.
- 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 ##
- ### Guaranteed by Cental Government as to the repayment of principal and interest.
- HUDCO had availed a loan of US \$ 100 million from Asian Development Bank (ADB) (US \$ 50 million during the years 1997-98 and 1998-99 and the balance US \$ 50 million during 1999-2000). These loans are guaranteed by the Government of India and repayable in half yearly installments by June 2022
- Bonds (I) for ₹ 100 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 350 bps, presently @ 9.69%), outstanding as on 31.03.2020, being ₹ 20.10 crore. Further, in lieu of USD deposit of US \$ 30 million, Bank of India has extended a loan of ₹ 150 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 340 bps, presently @ 9.69%), outstanding as on 31.03.2020, being ₹ 30.17 crore. Similiarily, in lieu of the balance US \$ deposit of USD 50 million, 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 (₹ 43.64 crore as on 31.03.2020), which are co-terminus with the loan maturity schedule of the underlying ADB loan. These dollar funds were placed as deposits with Bank of India, Cayman Island Branch, USA (US \$ 50 million) and EXIM Bank (US \$ 50 million) in terms of agreements with these Banks. The deposits are co-terminus with the loan maturity schedule of the underlying ADB loan. In lieu of the USD deposit of US \$ 20 million, Bank of India has subscribed to 12.00% Special Priority Sector



A Secured Loan Rate on drawal I Bank of India - 15.02.1999 12.50% II National Housing Bank - 28.06.2019 8.45% - 28.06.2019 - 28.06.2019 8.45% - 30.06.2017 - 4.88% - 30.06.2017 - 4.88% - 20.02.02.01 - 7.35% - 20.02.02.01 - 7.35% - 20.02.02.01 - 7.35% - 20.02.02.01 - 7.35% - 20.02.02.01 - 7.35% - 20.02.02.01 - 7.35% - 20.03.02.01 - 7.35% - 10.04.200 - 22.03.1997 N - Loan from JBIC - 22.03.1997 - 10.11.2000 - 10.11.2000 JPY - 10.11.2000 - 10.11.2000 JPY - 10.11.2000 - 10.11.2000 JPY - 27.02.2001 JPY - 10.11.2000 JPY	Q-qns	Sub-Details of Borrowings						(₹ in crore)
Secured Loan	S.No.		Rate on drawal	Amount Drawn	Amount Outstanding	Rate of Interest as on 31.03.2020	Frequency of repayment	Redemption Details
Bank of India	4	Secured Loan						
National Housing Bank			12.50%	150	30.15	@ 1 year G-Sec + 340 bps p.a. Currently the ROI is 9.69% p.a	Semi-Annual (10 th June &10 th Dec.)	Repayable from 10.06.2020 to 10.06.2022
National Housing Bank					30.15			
- 28.06.2019 - 31.08.2017 - 30.06.2017 - 22.03.2017 - 15.01.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 02.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 10.00.2000 - 16.11.1999 - 16.11.1999 - 16.11.2000 - 16.12.2000 - 16.12.2000 - 16.12.2000 - 16.12.2000 - 16.12.2000 - 16.12.2000 - 16.12.2000 - 17.03.2001 - 18.00.2001 - 19.00.2001 - 19.00.2001 - 19.00.2001 - 10.00.2001 - 10.00.2001 - 10.00.2001 - 10.00.2001 - 10.00.2001 - 10.00.2001 - 10.00.2001	_		8.45%	009	561.00	8.45%		1st April, 2031
- 31.08.2017 - 30.06.2017 - 22.03.2017 - 15.01.2015 - 08.01.2014 - 03.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.1999 - 16.11.1999 - 16.11.1999 - 16.11.2000 - 10.11.2000 - 15.12.2000 - 10.11.2000 - 15.12.2001 - 10.13.000 - 10.11.2000 - 15.12.2000 - 10.13.000 - 15.12.2000 - 10.13.000 - 15.12.2001 - 15.12.2000 - 15.12.		- 28.06.2019	4.68%	400	355.00	4.68%		1st April, 2026
- 30.06.2017 - 22.03.2017 - 15.01.2015 - 08.01.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 03.06.2014 - 10.		- 31.08.2017	4.86%	200	371.70	4.86%		1st July, 2027
- 22.03.2017 - 15.01.2015 - 08.01.2015 - 08.01.2014 - 03.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.1099 - 17.03.2000 - 06.10.2000 - 17.03.2001 - 10.11.2000 - 15.12.2001 - 30.03.2001 - 30.03.2001 - Total National Dan out of above		- 30.06.2017	4.86%	200	248.34	4.86%		1st April, 2027
- 15.01.2015 - 08.01.2015 - 08.01.2014 - 03.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 10.2006.2014 - 10.2006.2014 - 10.41.1999 - 17.03.2000 - 16.11.1999 - 17.03.2000 - 16.11.2000 - 15.12.2000 - 15.12.2000 - 15.12.2000 - 15.12.2000 - 27.02.2001 - 30.03.2001 - 30.03.2001 - 10.18wapped JBIC outstanding Loan out of above		- 22.03.2017	5.11%	1000	692.20	5.11%	Quarterly (1st Apr.,	1⁵⁺ Jan., 2027
- 08.01.2015 - 26.12.2014 - 03.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.1999 - 16.11.1999 - 16.11.1999 - 17.03.2000 - 06.10.2000 - 16.11.2000 - 15.12.2000 - 27.02.2001 - 30.03.2001 - 30.03.2001 - 10swapped JBIC outstanding Loan out of above		- 15.01.2015	7.35%	221	107.60	7.35%	Jul., Oct. & Jan.)	1st Jan., 2025
- 26.12.2014 - 03.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 02.06.2014 - 1.0.31.091 - LOANS IN FOREIGN CURRENCY: - Loan from JBIC - 27.03.1997 - 16.11.1999 - 17.03.2000 - 06.10.2000 - 15.12.2000 - 27.02.2001 - 30.03.2001 - 30.03.2001 - Total JBIC		- 08.01.2015	7.35%	229	111.40	7.35%		1st Jan., 2025
- 03.06.2014 - 02.06.2014 - 02.06.2014 Unsecured Loan Vo. Institution/ Date of drawal LOANS IN FOREIGN CURRENCY: - Loan from JBIC - 27.03.1997 - 27.03.1999 - 17.03.2000 - 06.10.2000 - 10.11.2000 - 15.12.2000 - 27.02.2001 - 30.03.2001 Unswapped JBIC outstanding Loan out of above Total JBIC		- 26.12.2014	7.35%	200	230.57	7.35%		1st Oct., 2024
Total National Housing Bank Unsecured Loan Total National Housing Bank Unstitution/ Date of drawal LOANS IN FOREIGN CURRENCY: - Loan from JBIC - 27.03.1998 - 31.03.1999 - 17.03.2000 - 10.11.2000 - 10.11.2000 - 15.12.2000 - 30.03.2001 - 30.03.2001 Total JBIC		- 03.06.2014	7.10%	195	28.71	7.10%		1st April, 2021
Unsecured Loan Foreign Curre		- 02.06.2014	6.85%	522	82.12	6.85%		1st April, 2021
Unsecured Loan Unsecured Loan		Total National Housing Bank			2788.64			
LOANS IN FOREIGN CURRENCY : LOANS IN FOREIGN CURRENCY : - Loan from JBIC		Unsecured Loan						
- Loan from JBIC - 28.03.1997 - 27.03.1998 - 31.03.1999 - 22.06.1999 - 16.11.1999 - 17.03.2000 - 06.10.2000 - 10.11.2000 - 15.12.2000 - 27.02.2001 - 30.03.2001 - 30.03.2001	S.No.		Foreign Currency	Amount drawn (in foreign Currency amounts in Millions)	Amount Out- standing in INR ₹ in crore	Rate of Interest as on 31.03.2020	Frequency of repayment	Redemption Details
- Loan from JBIC - 28.03.1997 - 27.03.1998 - 31.03.1999 - 16.11.1999 - 17.03.2000 - 06.10.2000 - 10.11.2000 - 15.12.2000 - 27.02.2001 - 30.03.2001 - 30.03.2001	>	LOANS IN FOREIGN CURRENCY:						
33.1999 36.1999 37.2000 37.2000 37.2000 37.2000 37.2000 37.2001	<u> </u>		YAC	1,157.16				
33.1999 11.1999 33.2000 12.2000 12.2000 12.2001 33.2001 re		- 27.03.1998	JPY	406.00				
76.1999 33.2000 10.2000 11.2000 22.2001 6 e al JBIC		- 31.03.1999	γAΓ	944.65				
11.1999 33.2000 10.2000 11.2000 22.2001 33.2001 al JBIC		- 22.06.1999	γAΓ	1,159.92				
33.2000 10.2000 11.2000 12.2001 16. 19. 10. 10. 10. 10. 10. 10. 10. 10. 10. 10		- 16.11.1999	YAC	241.34				
10.2000 11.2000 12.2000 12.2001 13.2001 14. JBIC		- 17.03.2000	γAΓ	3,613.47		2 100/ 5 5 (6004)		Repayable from
11.2000 12.2000 33.2001 al JBIC		- 06.10.2000	γAΓ	09.79		2. 10% p.a. (lixeu)	Odill-Aillidal	20.07.2023
12.2000 22.2001 33.2001 re		- 10.11.2000	YAC	176.27				
22.2001 33.2001 re al JBIC		- 15.12.2000	γAΓ	295.15				
33.2001 re al JBIC		- 27.02.2001	γAΓ	351.39				
re al JBIC		- 30.03.2001	YAC	257.05				
Total JBIC		Unswapped JBIC outstanding Loan out of above	JPY	1,293.46	91.73			
		Total JBIC			91.73			



NOTE 17: (Contd.)

S.No.	Institution/ Date of drawal	Foreign Currency	Amount drawn (in foreign Currency amounts in Millions)	Amount Out- standing in INR ₹ in crore	Rate of Interest as on 31.03.2020	Frequency of repayment	Redemption Details
(ii)	- Loan from Asian Development Bank						
	- 31.12.1997	\$SN	20.00				
	- 13.11.1998	\$SN	30.00				
	Swapped US \$ outstanding Loan out of above with Bank of India	\$SN	10.07	76.50	@ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is 2.28638% p.a.	Semi-Annual	Repayable from 15.06.2020 to 15.06.2022
	- 06.12.1999	\$SN	20.00		2 4.50		
	Swapped US \$ outstanding Loan out of above with EXIM Bank	\$SN	10.07	75.94			
	Total Asian Development Bank			152.44			
(III)	- Loan from US Capital Market						
(a)	- USAID-1				12.50% p.a.	Semi-Annual	Repayable from
	- 24.09.1999	\$ sn	10.00				23.09.2020 to 23.09.2029
	Swapped US \$ outstanding Loan out of above with EXIM Bank	\$ S N	4.75	20.72			
(Q)	- USAID-2						
	- 28.09.2000	\$SN	20.00	•	@ 6M Libor for US	Semi-Annual	Repayable from
	Swapped US \$ outstanding Loan out of above				\$ + 0.035% p.a. Currently the ROI		15.09.2020 to 15.09.2030
	with ICICI Bank	\$SN	2.50	18.85	is 0.77288% p.a. in		
	Unswapped US \$ outstanding Loan out of above	\$SN	8.00	60.13	addition Fillicipal only swap premium @ 4.2479%		
	Total USAID			99.70			
	Total Foreign Currency Loans			343.87			



NOTE 18: DEPOSITS

(₹ in crore)

S.No.	PARTICULARS		As at 31st N	/larch, 2020		1	As at 31st N	/larch, 2019	
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
Α	Public Deposits @ 6.55% to 9.00% p.a.	168.47	-	-	168.47	289.16	-	-	289.16
	(Refer S.No. 22 and 38 L(i) of Note 40- Explanatory Note)								
	TOTAL (A)	168.47	-	-	168.47	289.16	-	-	289.16

Note: The company has only "Amortised cost category" to present this schedule

Details of Deposits

(₹ in crore)

S.No.	PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Α	PUBLIC DEPOSITS		
(i)	@ 6.55% p.a. to 9.00% p.a. [Refer Sub Details of Deposits]	23.40	168.88
	Repayable over a period of two to five years		
(ii)	@ 6.55% p.a. to 9.00% p.a. [Refer Sub Details of Deposits]	145.07	120.28
	Repayable within one year		
	TOTAL A	168.47	289.16

Sub Details of Deposits

S.No.	Institution/ Date of drawal	Amount Outstanding (₹ in crore)	Redemption Details
Α	Public Deposits repayable for more than 12 months		
	- April 2024 - March, 2025	0.07	5 11 311 4 6
	- April 2023 - March, 2024	2.04	Repayable within two to five year.
	- April 2022 - March, 2023	2.27	you
	- April 2021 - March, 2022	19.16	
	Sub Total A	23.54	
В	Public Deposits repayable within 12 months		
	- October, 2020 to March, 2021	50.40	
	- September, 2020	18.89	
	- August, 2020	4.07	
	- July, 2020	20.43	Repayable within one year
	- June, 2020	40.18	
	- May, 2020	4.37	
	- April, 2020	6.73	
	Sub Total B	145.07	<u> </u>
	Total Public Deposits *	168.61	

^{*} Ind AS Adjustments in Total Public deposits is for ₹ 0.14 crore.



NOTE 19: OTHER FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2020	As at 31st March, 2019
Α	Interest accrued but not due			
(i)	Secured loans		314.98	351.47
(ii)	Unsecured loans		872.49	663.66
		Sub-total A	1,187.47	1,015.13
В	Others			
(i)	Security and other deposits		10.02	10.83
(ii)	Security, Earnest money and other deposits		6.08	2.23
(iii)	Unclaimed liability #			
(a)	-Dividend	0.48		0.10
(b)	-Debentures	-		-
(c)	-Bonds	0.50		1.50
(d)	-Public Deposits	0.62		2.40
(e)	-Interest accrued and due on Debenture	-		-
(f)	-Interest accrued and due on Bonds	7.81		7.29
(g)	-Interest accrued and due on Public Deposits	0.11		0.18
	Sub-total B (iii) (a + b +	c + d + e + f + g)	9.52	11.47
(iv)	KfW R & D account		39.73	41.91
(v)	KfW Interest account		9.87	9.87
(vi)	Amount received from KfW		97.55	97.55
(vii)	Grant / Subsidy received from different Ministries/Agencies		4.66	7.59
(viii)	Amt payable to Ministry - BCP		1.24	1.20
(ix)	Amount Payable to Staff		91.50	60.28
(x)	Other Expenses on Borrowings Payable		0.02	0.02
(xi)	Other Liabilities *		181.76	126.54
		Total A + B	1,639.42	1,384.62
* Ir	ncludes amount on account of Andrews Ganj Project		0.03	0.03

Includes amount on account of Andrews Ganj Project

NOTE 20: PROVISIONS

S.No.	PARTICULARS	As at	
		31 st March, 2020	31 st March, 2019
Α	Provision for employee benefits		
(i)	Leave encashment	41.96	34.03
(ii)	Post retirement medical benefit	158.21	143.43
(iii)	Welfare expenses	1.90	1.77
(iv)	Gratuity (Funded)	2.14	0.73
(v)	Provident Fund (Funded)	16.44	-
	(Refer S.No. 15 of Note 40 - Explanatory Notes)		
	Total A	+ B 220.65	179.96

Liability towards Investors Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 will be determined on the respective due dates. Dividend on equity shares and Principal & interest on application money/ Debentures/ Bonds/ PDS aggregating to ₹ 9.52 crore (Previous Year ₹ 11.4 crore) were due and unclaimed as on 31.03.2020. During the year 2019-20, an amount of ₹ 0.03 crore (previous year ₹ 0.19 crore) has been transferred to IEPF after completion of statutory period of seven years. {Refer S.No. 17 of Note 40 - Explanatory Notes}



NOTE 21: DEFERRED TAX LIABILITY

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2020	As at 31st March, 2019
Α	Deferred Tax Liabilities	1,237.35	1,540.07
В	Deferred Tax Assets	823.80	1,135.83
	Net Deferred Tax Liabilities (A - B)	413.55	404.24

(Refer S.No. 21 of Note 40 - Explanatory Note)

Details of Deferred Tax

(₹ in crore)

S.No.	PARTICULARS	As at 31st March, 2020	As at 31 st March, 2019
	Liabilities		
(a)	Derivative Financial Instruments	0.40	5.39
(b)	Investments	23.24	25.58
(c)	Property, Plant and Equipment	3.93	5.30
(d)	Debt Securities	16.54	23.88
(e)	Deposits	0.04	0.16
(f)	Other Financial Liabilities	8.34	11.57
(g)	Other Non- Financial Liabilities	0.32	0.44
(h)	Other Equity	1,184.54	1,467.75
	Total Deferred Tax Liabilities	1,237.35	1,540.07
	Assets		
(a)	Loans	751.33	1,044.44
(b)	Receivable	4.24	5.88
(c)	Other Financial Assets	2.20	3.97
(d)	Other Non-Financial Assets	4.31	5.98
(e)	Derivative Financial Instruments	-	0.05
(f)	Borrowings	6.19	12.63
(g)	Provisions	55.53	62.88
	Total deferred Tax Assets	823.80	1,135.83
	Net Deferred Tax Liability	413.55	404.24

NOTE 22: OTHER NON-FINANCIAL LIABILITIES

S.No.	PARTICULARS	As at 31st March, 2020	As at 31 st March, 2019
Α	Amount received in advance	1.16	1.16
В	Other Liabilities	50.40	36.34
С	Revenue received in advance	3.41	3.86
D	Unamortised Security Deposit	0.70	0.65
E	Finance Lease Liability	0.01	0.01
	Total = A + B + C + D + E	55.68	42.02



NOTE 23: EQUITY SHARE CAPITAL

(₹ in crore)

S.No.	PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Α	Authorised		
	2,500,000,000 equity shares of ₹ 10/- each		
	(previous year 2,500,000,000 equity shares of ₹ 10/- each)	2,500.00	2,500.00
В	Issued, Subscribed and Paid up		
	2,001,900,000 equity shares of ₹ 10/- each		
	fully paid-up in cash (previous year 2,001,900,000 equity		
	shares of ₹ 10/- each fully paid-up in cash)	2,001.90	2,001.90
		2,001.90	2,001.90

Note 23 (a) Reconciliation of the number of outstanding equity shares :

The reconciliation of the number of shares outstanding and the amount of the share capital as at the beginning and at the end of the year.

S.No.	PARTICULARS	As at 31st March	2020	As at 31st March,	2019
		Number of Shares	(₹ in crore)	Number of Shares	(₹ in crore)
(a)	Shares at the beginning of the year	2,001,900,000	2,001.90	2,001,900,000	2,001.90
(b)	Add: Shares issued during the year	-	-	-	-
(c)	Shares at the end of the year (c) = (a+b)	2,001,900,000	2,001.90	2,001,900,000	2,001.90

Note: 23 (b) Rights attached to Equity Shares:

The shareholders of the Company are entitled to receive dividend as and when Declared by the company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to the shareholders of a listed company, under the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Memorandum of Association and Articles of Association of the Company.

Note: 23 (c) Shares in the company held by each shareholder holding more than 5 percent shares:

S.No.	Name of Shareholder	As at 31st March,	2020	As at 31st March	, 2019
		Number of Shares	% of Holding	Number of shares held	% of Holding
1	The President of India through :				
(a)	Ministry of Housing and Urban Affairs	1,382,841,253	69.08	1,382,841,253	69.08
(b)	Ministry of Rural Development	415,000,000	20.73	415,000,000	20.73
	Sub Total 1 (a+b)	1,797,841,253	89.81	1,797,841,253	89.81
2	Others	204,058,747	10.19	204,058,747	10.19
	Total (1+2)	2,001,900,000	100.00	2,001,900,000	100.00



(₹ in crore)

NOTE 24: OTHER EQUITY

				ð	Other Reserves	es		Retained Earning	Earning	
		Securities	Debenture/	Capital	Welfare	Special	Reserve	General	Surplus	
S.No.	S.No. PARTICULARS	Premium (Bonds) *	Bonds Redemption Reserve **	(KfW) Reserve	Reserve	Reserve ***	for Bad & Doubtful Debt	Reserve		Total
4	Balance as at 1st April, 2018	1.26	2,557.38	59.96	72.07	3,845.19		1,405.08	(0.12)	7,940.38
\equiv	Profit during the period								1,179.85	1,179.85
€	Other Comprehensive Income for the period								(4.46)	(4.46)
$\widehat{\blacksquare}$	Transferred to Surplus from General Reserve									
<u>(×</u>	Transferred from Surplus to DRR		439.83						(439.83)	•
3	Transferred from Surplus to General reserve		•						•	•
(<u>v</u>	Transferred from Surplus to Special Reserve					450.00		•	(450.00)	•
(vii)	Transferred from Surplus to Reserve for Bad &					1	86.86		(86.86)	•
(iii/	Less: Interim Dividend								135.13	135.13
(X	Less: Dividend Tax								27.78	27.78
m	Balance as at 31st March, 2019	1.26	2,997.21	59.96	72.07	4,295.19	86.86	1,405.08	35.67	8,952.86
(E)	Final Dividend for the year 2018-19								(30.03)	(30.03)
€	Dividend Distribution Tax for the year 2018-19								(6.17)	(6.17)
$\widehat{\blacksquare}$	Profit during the period								1,708.20	1,708.20
<u>(š</u>	Other Comprehensive Income for the period								(16.64)	(16.64)
3	Total Comprehensive Income for the period								1,691.03	1,691.56
Ē	Transferred to Surplus from General Reserve									•
(VIII)	Transferred from Surplus to DRR		439.83						(439.83)	•
(Milly)	Transferred from Surplus to General reserve								•	•
<u>(x</u>	Use of Reserve for Bad & Doubtful Debts against Principal Waiver						(86.86)			(86.86)
$\widehat{\times}$	Transferred from Surplus to Special Reserve					200.00			(200.00)	•
(X	Transferred from Surplus to Reserve for Bad &						93.08		(93.08)	•
	Doubtfull Debt									
(iix)	Less: Interim Dividend				•				150.14	150.14
(xiii)	Less: Dividend Tax								30.86	30.86
၁	Balance as at 31st March, 2020	1.26	3,437.04	96'65	72.07	4,795.19	93.08	1,405.08	477.12	10,340.36

Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.

(1) 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.

(2) The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalaent 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 and 2015-16. *

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) amounting to ₹ 181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹ 4613.44 crore. **



NOTE 25: INTEREST INCOME

(₹ in crore)

S.No.	PARTICULARS	Year	ended 31st Mai	ch, 2020	Year	ended 31 st Mar	rch, 2019
		On financial assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest income on securities classified as sets at fair value through profit and loss	On financial assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest income on securities classified as sets at fair value through profit and loss
(i)	Interest on Loans	-	7,456.64	-	-	5,435.86	-
	Less: Interest waived off	-	0.74	-	-	0.61	-
	Net Interest on Loans- Sub Total (i)	-	7,455.90	-	-	5,435.25	-
(ii)	Interest Income from Investments	-	21.89	-	-	22.01	-
(iii)	Interest on Deposits with Banks/Financial Institution						
	- Scheduled Bank - Indian Branches	-	0.04	-	-	2.08	-
	- Scheduled Bank - Foreign Branches	-	2.42	-	-	3.18	-
	- Financial Institution	-	2.32	-	-	3.07	-
	Interest on Deposits- Sub Total (iii)	-	4.78	-	-	8.33	-
(iv)	Interest on Loan against Public Deposits	-	-	-	-	-	-
	Total (i+ii+iii+iv)	-	7,482.57	-	-	5,465.59	-

NOTE 26 : NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Α	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
(ii)	On financial instruments classified at fair value through profit or loss		
	- Investments	(5.53)	8.26
	- Derivatives	(13.68)	(30.21)
	Total A	(19.21)	(21.95)
В	Total Net gain/ (loss) on fair value changes		
(i)	Fair Value changes:		
	- Realised	-	3.27
	- Unrealised	(19.21)	(25.22)
	Total Net gain/(loss) on fair value changes(B) to tally with (A)	(19.21)	(21.95)

Note: Fair value changes in this schedule are other than those arising on account of accrued interest income/ expense.



NOTE 27: OTHER INCOME

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2020	Year ended 31 st March, 2019
(i)	Net gain/ (loss) on derecognition of property, plant and equipment	0.01	-
(ii)	Other Income on loans	-	-
(iii)	Interest on Staff Advances	4.28	5.58
(iv)	Interest on Income tax Refund	2.50	2.57
(v)	Interest on Construction Project (Refer S.No. 5(b)(vi) of Note 40 - Explanatory Note)	27.20	26.62
(vi)	Overhead Charges on Construction Project	0.07	0.11
(vii)	Management Development Programme	1.13	1.22
(viii)	Miscellaneous Income	4.23	7.48
(ix)	Excess Provision of Interest on short Income tax written back	0.10	-
	Total	39.52	43.58

NOTE 28: FINANCE COSTS

S.No.	PARTICULARS	Year ended 31st	March, 2020	Year ended 31st	March, 2019
		On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost
(i)	Interest on Debt Securities				
(a)	Secured	-	1,397.50	-	1,396.24
(b)	Unsecured	-	2,871.86	-	942.16
(ii)	Interest on borrowings (other than Debt Securities)				
(a)	Secured	-	186.09	-	170.73
(b)	Unsecured				
	- Indian	-	353.30	-	473.33
	- Foreign	-	14.88	-	18.15
(iii)	Interest on deposits	-	18.88	-	38.52
(iv)	Interest on Income Tax	-	2.00	-	0.72
(v)	Net Loss in Foreign Currency Translation and Transaction	-	3.03	-	30.17
(vi)	Others - Interest on Security Deposit & Deposit for Services	-	(0.05)	-	0.01
(vii)	PDS Brokerage	-	0.32	-	0.48
	Total	-	4,847.81	-	3,070.51



NOTE 29: EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year end 31 st March		Year en 31 st March	
		Directors *	Total	Directors *	Total
(i)	Salaries and wages **	1.27	206.36	1.37	188.87
(ii)	Gratuity **	(0.03)	2.13	0.01	15.90
(iii)	Contribution to provident and other funds **	0.09	19.73	0.10	9.74
(iv)	Staff welfare expenses	-	3.16	-	2.46
(v)	Insurance **	-	0.18	-	0.60
(vi)	Group saving linked Insurance premium	-	0.02	-	0.02
(vii)	Staff Development/Training	0.01	0.31	-	0.16
(viii)	Administrative Charges - Provident/ Hudco Pension Fund	-	0.35	-	0.34
(ix)	HUDCO Pension Fund **	0.09	6.75	0.02	5.94
(x)	Contribution to Benevolent Fund	-	0.03	-	0.09
	Total	1.43	239.02	1.50	224.12

 ^{*} Included in total.

NOTE 30: IMPAIRMENT ON FINANCIAL INSTRUMENTS

S.No.	PARTICULARS	Year ended 31	st March, 2020	Year ended 31	st March, 2019
		On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost
(i)	Loans	-	0.53	-	244.53
(ii)	Investments	-	-	-	-
(iii)	Other Assets - Provision on Debtors	-	0.56	-	1.65
	- Provision on advances		0.03		-
(iv)	Principal Waiver / Written Off	-	154.64	-	81.09
	Total	-	155.76	-	327.27

^{**} Includes provision / payment for directors.



NOTE 31: OTHER EXPENSES

S.No.	PARTICULARS	Year ended 31st	March, 2020	Year ended 31st	March, 2019
		Directors	Total	Directors	Total
Α	ADMINISTRATIVE				
(i)	Office Rent	-	1.18	-	1.19
(ii)	Repairs & Maintenance to Building	-	11.21	-	11.07
(iii)	Repairs & Maintenance to Other Assets	-	1.00	-	1.69
(iv)	Repairs & Maintenance to Vehicle	-	0.33	-	0.32
(v)	Loss on sale of Fixed Assets (Net)	-	-	-	-
(vi)	Loss on sale of Investment	-	0.21	-	-
(v)	Loss on sale of Fixed Assets (Net)	-	-	-	0.01
(vi)	Insurance	-	0.14	-	0.15
(vii)	Rates & Taxes	-	2.29	-	4.05
(viii)	Travelling	0.25	3.62	0.40	3.55
(ix)	Legal & Professional Fee	-	5.98	-	8.33
(x)	Auditors Remuneration :				
(a)	Audit Fees				
	- Current Year	-	0.23	-	0.23
	- Previous Year (Arrears)	-	-	-	-
(b)	Tax Audit Fees				
	- Current Year	-	0.10	-	0.10
	- Previous Year (Arrears)	-	-	-	-
(c)	Other Services	-	0.17	-	0.22
(d)	Reimbursement of expenses	-	0.02	-	0.02
(xi)	Electricity	-	2.15	-	2.19
(xii)	Printing, Stationery & Photocopying	-	1.14	-	1.36
(xiii)	Postage, Telegram, Telephone & Telex	-	2.22	-	1.70
(xiv)	Advertisement, Publicity & Sponsorship	-	3.25	-	4.29
(xv)	Exhibition & Conference (Net)	-	0.12	-	0.26
(xvi)	Subscription & Membership	-	0.14	-	0.13
(xvi)	Donation	-	-	-	-
(xvii)	Miscellaneous #	0.15	32.27	0.26	24.93
	Total A	0.40	67.77	0.66	65.79
В	OTHER EXPENSES				
(i)	Grant in Aid/ R & D expenditure	-	0.20	-	0.10
(ii)	Expenses on Consultancy	-	0.27	-	0.19
(iii)	Expenses on Management Development Programme	-	1.24	-	0.70
(iv)	Research and Development Plan	-	0.64	-	0.65
	Total B	-	2.35	-	1.64
	Total (A+B)	0.40	70.12	0.66	67.43

[#] Includes ₹ 0.14 crore (Previous year ₹ 0.24 crore) on acount of Sitting fee paid to Directors.



NOTE 32: CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in crore)

Particulars	1 st April 2019	Cash flows	Changes in fair values	Exchange difference	Other	31 st March 2020
Debt securities	51,236.78	2752.08	-	-	2.63	53,991.49
Borrowings other than debt Securities	8,322.02	(1048.68)	(11.82)	14.85	0.28	7276.65
Deposits	289.16	(121.01)	-	-	0.32	168.47
Total Liabilities from financing activities	59,847.96	1582.39	(11.82)	14.85	3.23	61,436.61
Particulars	1 st April 2018	Cash flows	Changes in fair values	Exchange difference	Other	31 st March 2019
Debt securities	28,643.98	22,588.40	-	-	4.40	51,236.78
Borrowings other than debt Securities	7,007.00	1,284.49	0.47	29.70	0.36	8,322.02
Deposits	625.66	(336.98)	-	-	0.48	289.16
Total Liabilities from financing activities	36,276.64	23,535.91	0.47	29.70	5.24	59,847.96

NOTE 33: CAPITAL

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are safety and security of share capital and maximize the shareholder wealth.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator Viz., NHB. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

Regulatory Capital

	2020	2019
	(₹ in crore)	(₹ in crore)
Tier I (NOF)	12,354.41	10,698.97
Tier II	9.41	6.87
Risk Wtd. Assets	21,713.14	19,088.42
	2020	2019
CRAR	(%)	(%)
CRAR - Tier I Capital	56.90	56.05
CRAR - Tier II Capital	0.04	0.04
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-



NOTE 34: REVENUE FROM THE CONTRACTORS WITH CUSTOMERS (IND AS - 115)

Particulars	2019-20	2018-19
	(₹ in crore)	(₹ in crore)
Sale of Services		
- Consultancy, Trusteeship and Consortium	3.95	2.67
Fees and Commission Income	6.27	46.62
Total revenue from contracts with customers	10.22	49.29
Timing of revenue recognition		
Services transferred at a point in time	6.27	46.62
Services transferred over time	3.95	2.67

The company has not recognized any contract balances as at the reporting date.

NOTE 35: FAIR VALUE MEASUREMENT

35.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

35.2. Valuation governance

The Company's fair value methodology and the governance over its models include a number of controls and other procedures to ensure enough safeguards and maintain its quality and adequacy. All new product initiatives (including their valuation methodologies) are as per the approved policy of the Company. The on-going measurement on fair value estimates is reviewed by the appropriate functional department of the Risk management and related finance functions.

35.3. Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

		31st Mar	ch, 2020			31 st Mar	ch, 2019	
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Derivative financial instrument								
Interest rate swaps	-	-	-	-		0.14	_	0.14
Currency swaps	-	1.61	1	1.61		15.28		15.28
Forward Contract	-	-	-	-				
Total derivative financial instruments	-	1.61	-	1.61	-	15.42	-	15.42
Financial assets at fair value through profit or loss								-
Mutual fund		66.18		66.18	-	65.61		65.61
Equities		0.10	165.23	165.33		0.17	175.72	175.89
Total financial assets at FVTPL		66.28	165.23	231.51	-	65.78	175.72	241.50



NOTES 35: (Contd.)

(₹ in crore)

	31 st March 2020			31st March 2019				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Total assets measured at fair value		67.89	165.23	233.12	-	81.20	175.72	256.92
Liabilities measured at fair value								-
Derivative financial instruments								-
Currency swaps	-	-	-	-		0.13	-	0.13
Interest rate swaps	-	-	-	-				
Total derivative financial instruments	-	-	-	-	-	0.13	-	0.13
Total financial liabilities measured at fair value	-	-	-	-	-	0.13	-	0.13
Assets for which fair value are disclosed								
Investment property (Refer Note 13A)		495.36				494.71		

35.4. Valuation techniques

Mutual fund

Mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme.

Equity instruments

Equity instruments are not actively traded on public stock exchanges but the active prices on a regular basis are available. Such instruments are classified as Level 2. Other equity instruments are fair valued based on the average of the discounted cash flow method and Net assets value (as provided by independent valuer). It is classified as Level 3.

Interest rate swaps, Currency swaps and Forward rate contracts

The most frequently applied valuation techniques include forward pricing and swap models and forward contract using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are classified under Level 2.

35.5. Valuation adjustments and other inputs and considerations

Credit valuation adjustments (CVA)

The Company calculates CVA on a counterparty basis over the entire life of the exposure.

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2019 or 2020.

35.6. Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

Particulars	2019-2020	2018-2019	
Type of adjustment	₹ in crore	₹ in crore	
Credit value adjustment	0.13	0.07	
Total	0.13	0.07	



NOTES 35: (Contd.)

35.7. Transfer between level 1 and level 2

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2019 and 31 March 2020.

35.8. Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. The Company requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in crore)

31 st March, 2020	At 1 st April 2019	Purchase	Sales	Issuances	Net interest income, net trading income and other income	At 31 st March, 2020	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL)							
Equities	175.89	0.00	4.46	0.00	(6.31)	165.33	(6.10)
Total financial assets designated at FVTPL	175.89	0.00	4.46	0.00	(6.31)	165.33	(6.10)
Total financial assets measured at fair value	175.89	0.00	4.46	0.00	(6.31)	165.33	(6.10)
					Net interest		Unrealised gains

31 st March, 2019	At 1 st April 2018	Purchase	Sales	Issuances	Net interest income, net trading income and other income	At 31 st March, 2019	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL)		-				-	
Equities	160.59	-	1.45	4.46	15.56	175.89	12.29
Total financial assets designated at FVTPL	160.59	-	1.45	4.46	15.56	175.89	12.29
Total financial assets measured at fair value	160.59	0	1.45	4.46	15.56	175.89	12.29

35.9. Changes in key assumptions and range of inputs

- (a) Net Asset Value (NAV) Method: The Net Asset Value Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on the valuation date.
- (b) "Discounted Projected Cash Flow" valuation technique is used to calculate Impact on fair value of level 3 financial instruments measured at fair value using the following unobservable input such as Discount Rate, Recovery rates, Interest Rate and Revenue from operations to ascertain the change.
- (c) To arrive at fair value of unquoted investments average of Net asset Value (NAV) and Discounted Projected Cash flow as on 31.03.2020 is taken.



NOTES 35: (Contd.)

The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation.

All changes in the fair market value would be reflected in the Statement of profit and loss based on the classification FVTPL.

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities.

March 2020

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% -10%	5% increase (decrease) in growth rate would result in an increase/(decrease) in fair value by: ₹ 150.87 crore.
	Weighted Average Cost of Capital (WACC)	12% - 15%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹ 10.96 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.21 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.21 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.21 crore).

March 2019

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	3% - 6%	5% increase (decrease) in growth rate would result in an increase (decrease) in fair value by: ₹ 62.34 crore.
	Weighted Average Cost of Capital (WACC)	11% - 15%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹ 12.58 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 0.02 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 0.02 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 0.02 crore).

35.10. Quantitative analysis of significant unobservable inputs

Interest rate volatility

Interest Rate volatility measures the expected future variability of a market price. It is generally quoted as a percentage; a higher number represents a more volatile instrument, for which larger swings in price (or interest rate) are expected. Volatility is a key input used to estimate the future prices for the underlying instrument (equity share). Interest rate volatility varies from time to time and therefore, it is not viable to make reliable and meaningful general statements about volatility levels.

Discount Rates

Discount rates are used for calculating the present value of future cash flows. In discounted cash flow models, discount rates are used as the direct reflection of the expected rate of return of the investments made by the company in the due course of the business. Hence, these rates reflect the net present value of an asset. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.



Recovery Rates

Recovery rates reflect the estimated loss that the company will suffer given expected defaults (Non-performing Assets). The recovery rate is given as a percentage and reflects the opposite of loss severity (i.e. 100% recovery reflects 0% loss severity). In line with the operation of the Company, probability of Non-performing assets to loss assets plays an important role to ascertain the recovery rates. Higher loss severity levels / lower recovery rates indicate lower expected cash flows upon the default of the instruments. Recovery rates for complex, less liquid instruments are usually unobservable and are estimated based on historical data.

Revenue from operations

Revenue is the value of all sales of goods and services recognized by a company in a period. Revenue (also referred to as Sales, Turnover, or Income) forms the beginning of a company's Income Statement and often considered the "Top Line" of a business. Growth in revenue from operation directly impacts the profitability of the company, as operation expenses are deducted from a company's revenue to arrive at its profit.

35.11. Sensitivity of fair value measurements to changes in unobservable market data

Sensitivity of fair value measurements to changes in unobservable market data cannot be ascertained due to potential off-sets from economic or accounting hedge relationships in place.

35.12. Fair value of financial instruments not measured at fair value

Set out a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

	Carrying		31st Ma	rch, 2020		Carrying		31 st Ma	arch, 2019	
Particulars	amount	Level 1	Level 2	Level 3	Total	amount	Level 1	Level 2	Level 3	Total
T distinguis	₹ in crore	₹ in crore	₹ in crore							
Financial assets:										
Cash and cash equivalent	222.67	-	222.67	-	222.67	111.10	-	111.10	-	111.10
Bank balances other than cash and cash equivalent	200.14	-	200.14	-	200.14	228.94	-	228.94	-	228.94
Trade Receivables	6.24	-	6.24	-	6.24	4.42	-	4.42	-	4.42
Loans and advances to customers	74,267.92	-	-	74,267.92	74,267.92	70,963.71	-	0.00	70,963.71	70,963.71
Financial investments – at amortised cost	-	-	-	-	-	292.01	-	-	292.01	292.01
Other financials assets	697.90	-	-	697.90	697.90	458.41	-	-	458.41	458.41
Total financial assets	75,372.87	-	427.05	74,965.82	75,691.54	72058.59	-	344.46	71714.13	72058.59
Financial liabilities:										
Trade payables	0.11	-	0.11		0.11	0.16	-	0.16		0.16
Debt securities	53,991.49	-	18,924.34	39,652.22	58,576.56	51,236.78	-	19,144.02	34,094.51	53,238.53
Borrowing other than debt securities	7,276.65	-	-	7,276.65	7,276.65	8322.02	-	-	8,322.02	8,322.02
Deposits	168.47	-	-	168.47	168.47	289.16	-	-	289.16	289.16
Other financial liability	1639.42	-	-	1639.42	1639.42	1384.62	-	-	1384.62	1384.62
Total financial liabilities	63,076.04	-	18,924.45	48,736.66	67,661.21	61,232.74	-	19,144.18	44090.31	63279.49



35.12.1. Valuation Methodology of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Notes 36.4 and 36.5

Short-term financial assets and liabilities

For financial assets and financial liabilities, that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, Trade receivables, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The carrying amount of fixed interest rate bearing loans and floating interest rate bearing loans are taken as fair values. It is classified under Level 3.

Financial asset at amortised cost

The fair values of financial assets at amortised cost are the carrying amount of the financial asset. It is classified under Level 3.

Debt Securities

Fair value of traded bonds is market price of the bonds as on the balance sheet date or close to balance sheet date. It is classified as Level 2 since it is not actively traded. Fair value of non traded bonds is calculated based on discounted cashflow method (income approach) and it is classified as Level 3.

In case of Commercial Paper which is Current Liability i.e. short term maturity (less than or equal to twelve months), the face value of outstanding commercial paper is considered as fair value and is classified as Level 3.

Borrowing other than debt securities

The carrying amount of fixed interest rate bearing borrowings and floating interest rate bearing borrowings are taken as fair values, since these are reasonable approximation of their fair value. It is classified under Level 3.

NOTE 36. RISK MANAGEMENT

36.1. Introduction and risk management structure

Company, being a Housing Finance Company is exposed to various types of risks like credit risk, operational risk, liquidity risk, market risk and foreign currency risk. Company is fully committed to manage these risks in an effective and proactive manner, for which HUDCO has in place a Risk Management Policy and Operating Manual in line with its objectives covering both the internal and external environment. With a view to minimize the impact of various risks to which Company is exposed to, Company has in place a Board level Committee namely 'Risk Management Committee of the Board' (RMCB) which reviews various suggestions/ recommendations/reports and action taken by three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- · Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

HUDCO has effective Assets and Liabilities Management system. ALCO reviews the risks relating to Assets and Liabilities and ensures management of mismatches through liquidity gap analysis, interest rate sensitivity analysis as per NHB guidelines. It is ensured that the ALM risks, if any, are managed within the permissible limits.



The Credit Risk Management Committee (CRMC) oversees and ensures that the institution's credit policies are complied with and the procedures are being consistently applied.

The Operational Risk Management Committee (ORMC) oversees and ensures the implementation of operational risk framework to explicitly manage each and every source of operational risk including Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk.

36.2. Credit risk

For management of credit risks in an effective manner, Company has established a strong appraisal mechanism containing comprehensive appraisal techniques/guidelines in order to ensure timely repayments of principal & interest amount.

36.2.1. Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

36.2.2. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 74,267.92 crore and ₹ 70,963.71 crore as of 31st March 2020 and 31st March, 2019 respectively, being the total of the carrying amount of balances with loans.

36.2.3. Analysis of risk concentration

HUDCO takes into consideration NHB norms for risk categorisation and the norms adopted for extending loan under HUDCO Niwas. Higher LTV is permissible for lower loan amounts while LTV reduces with the higher loan amounts. (Refer 9A)

31st March, 2020

Loans to customers: LTV wise bifurcation: For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	8.12	0.47	0.95	9.54
41%-60%	14.63	0.22	3.6	18.45
61%-80%	68.74	2.62	9.55	80.9
More than 80%- Individual and bulk loan	9.95	0.56	4.94	15.45
More than 80%- bulk loan	181.76	-	-	181.76
Total	283.20	3.87	19.04	306.11

Customer profile (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	42,992.76	821.21	41.17	43,855.14
Government - urban Infrastructure	27,810.16	1,726.04	148.9	29,685.10
Non Government	0.55	-	2,718.54	2,719.09
Retail	283.20	3.87	19.04	306.11
Total	71,086.67	2,551.12	2,927.65	76,565.44



Loan Commitments:

Customer profile (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,827.83	-	-	1,827.83
Government - urban Infrastructure	3,899.12	-	-	3,899.12
Non Government	-	-	-	-
Retail	1.37	-	-	1.37
Total	5,728.32	0.00	0.00	5,728.32

31st March, 2019

Loans to customers:

LTV wise bifurcation:

For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	6.95	0.14	1.10	8.19
41%-60%	15.99	0.73	3.92	20.64
61%-80%	72.56	1.94	10.21	84.71
More than 80%- Individual and bulk loan	423.61	0.48	5.07	429.16
Total – Individual	519.11	3.29	20.30	542.70
Total	519.11	3.29	20.30	542.70

Customer profile (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	40,809.84	-	87.89	40,897.73
Government - urban Infrastructure	28,562.07	143.05	37.78	28,742.90
Non Government	1.53	-	3,140.61	3,142.14
Retail	519.11	3.29	20.30	542.70
Total	69,892.55	146.34	3,286.58	73,325.47

Loan Commitments:

Customer profile: (₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	3,055.70	-	•	3,055.70
Government - urban Infrastructure	4,884.25	-	-	4,884.25
Non Government	-	-	-	-
Retail	-	-	-	-
Total	7,939.95	-	-	7,939.95

36.3. Liquidity risk

To manage the liquidity risk, Company has in place an effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, public deposits, term loans etc.



The Company maintains a pool of liquid assets which represents the primary source of liquidity in stress scenarios. Its composition is subject to limits designed to reduce concentration risks which are monitored on an on-going basis.

Analysis of financial assets and liabilities by remaining contractual maturities-

	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
As at 31st March, 2020	- Cimentino							
Financial assets								
Cash and cash equivalent and other bank balances	295.42	31.34	96.05	-	-	-	-	422.81
Net settled derivative assets	3.77	3.77	11.31	-	-	-	-	18.85
Financial assets at fair value through profit and loss	-	-	-	-	-	-	233.51	233.51
Loans	5343.20	5347.26	19932.86	16658.34	14449.46	35258.25	10091.72	106081.09
Financial investments at amortised cost	-	-	-	-	-	-	-	-
Other financial assets	226.00	-	-	-	451.87	-	-	677.87
Trade receivables	3.12	3.12	-	-	-	-	-	6.24
Total undiscounted financial assets	5871.51	5385.49	20040.22	16658.34	14901.33	34258.25	10325.23	107440.37
Financial liabilities								
Net settled derivative liabilities	3.80	3.73	10.74	-	-	-	-	18.27
Deposits	116.56	59.10	24.59	2.74	-	-	-	202.99
Debt securities	4336.47	3602.85	22851.32	8553.30	9562.80	28517.81	5129.55	82,284.10
Borrowings (other than debt securities)	3621.89	322.85	2499.30	793.07	576.05	246.60	60.75	8120.51
Trade payable	0.06	0.05	-	-	-	-	-	0.11
Other financial liabilities	819.71	819.71	-	-	-	-	-	1639.42
Total undiscounted financial liabilities	8898.49	4808.29	25115.95	9349.11	10138.85	28764.41	5190.30	92265.42
Net undiscounted financial assets/(liabilities)	(3026.98)	577.21	(5075.73)	7309.23	4762.47	5493.83	5134.93	15174.96
As at 31st March, 2019								
Financial assets								
Cash and cash equivalent and other bank balances	137.54	63.26	109.66	29.58	-	-	-	340.04
Net settled derivative assets	456.6	3.46	13.83	3.46	-	-	-	477.35
Financial assets at fair value through profit and loss	-	-	-	-	-	-	244.51	244.51



(₹ in crore)

	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
Loans	4,786.16	5822.32	20,306.24	13,319.76	12,719.17	32,261.84	8,207.46	97,422.95
Financial investments at amortised cost	-	292.01	-	-	-	-	-	292.01
Other financial assets	-	-	-	-	398.34	-	-	398.34
Trade receivables	2.21	2.21	-	-	-	-	-	4.42
Total undiscounted financial assets	5,382.51	6,183.26	20,429.73	13,352.80	13117.51	32,261.84	8,451.97	99,179.62
Financial liabilities								
Net settled derivative liabilities	443.70	3.87	14.76	3.51	-	-	-	465.84
Deposits	98.21	39.11	196.07	4.75	0.05	-	-	338.19
Debt securities	3803.57	6320.73	14419.42	11379.01	7038.72	33370.23	5477.42	81809.10
Borrowings (other than debt securities)	1562.64	1,036.11	5,458.78	812.41	568.18	282.46	11.82	9732.40
Trade payable	7.32	7.32	-	-	-	-	-	14.64
Other financial liabilities	623.97	623.97	-	-	-	-	-	1,247.93
Total undiscounted financial liabilities	6539.41	8031.11	20089.03	12199.68	7606.95	33652.69	5489.24	93608.10
Net undiscounted financial assets/(liabilities)	(1156.90)	(1847.85)	340.70	1153.12	5510.56	(1390.85)	2962.73	5571.52

36.4. Market risk

In order to mitigate the risks arising from fluctuations in interest rates and foreign currency exchange rates, Company periodically reviews and determines its lending rates based on its cost of funds and the market scenario. Further, the interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

36.4.1. Total market risk exposure

	31 st March, 2020	31st March, 2019	Drimary rials consistivity
	Carrying a	Primary risk sensitivity	
Assets			
Cash and cash equivalent and other bank balances	422.81	340.04	
Derivative financial instruments	1.61	15.42	Interest rate/FX
Financial assets at FVTPL	231.51	241.50	Equity price
Loans	74,267.92	70,963.71	Interest rate
Trade receivables	6.24	4.42	
Investment in Associates and joint ventures	2.00	2.00	
Other Financial assets	697.90	458.41	
Financial investments–amortised cost	-	292.01	
Total	75,629.99	72,317.51	



(₹ in crore)

	31 st March, 2020	31st March, 2019	Primary risk sensitivity
	Carrying a	mount	Primary risk sensitivity
Liabilities			
Borrowings (other than Debt Securities)	7,276.65	8,322.02	Interest rate/FX
Derivative financial instruments	-	0.13	Interest rate/FX
Deposits	168.47	289.16	
Debt Securities	53,991.49	51,236.78	Interest rate
Trade payables	0.11	0.16	
Other financial liabilities	1639.42	1,384.62	
Total	63,076.14	61,232.87	

36.4.2. Interest rate risk

The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31st March 2019 and 31st March 2020.

Particulars	Increase (decrease) in basis points	Sensitivity of profit & loss	Sensitivity of equity	Increase (decrease) in basis points	Sensitivity of profit & loss	Sensitivity of equity
	2019-20	2019-20	2019-20	2018-19	2018-19	2018-19
Derivative Financial Instruments	100/(100)	0.02/(0.02)	-	100/(100)	0.10/(0.10)	-
Loans and Advances	100/(100)	154.63/(154.63)	-	100/(100)	163.61/(163.61)	-
Borrowings	100/(100)	4.12/ (4.12)		100/(100)	12.95/(12.95)	
Debt Securities	107/(107)	0.22/(0.22)	-	90/(90)	0.24/(0.24)	-

36.4.3. Currency risk

In order to mitigate the risks associated with Foreign Currency Fluctuations, Company has a Foreign Currency Risk Management policy.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the INR would have resulted in an equivalent but opposite impact.



Currency	Change in currency rate in %	Effect on profit before tax	Effect on equity	Change in currency rate in %	Effect on profit before tax	Effect on equity
	2019-20	2019-20	2019-20	2018-19	2018-19	2018-19
		₹ in crore	₹ in crore		₹ in crore	₹ in crore
USD	1	2.31/ (2.31)	-	1	7.19/(7.19)	-
JPY	1	0.92/(0.92)	-	1	1.09/(1.09)	-

36.4.4. Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. At 10 per cent increase in the value of the Company's equities at 31st March 2020 would have increased equity by INR 16.53 crore. An equivalent decrease would have resulted in an equivalent but opposite impact and would cause a potential impairment, which would reduce profit before tax by approximately INR 16.53 crore.

36.4.5. Operational Risk

In order to mitigate the operational risk(s) associated with the operations of the organization both internal as well as external including technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc, Company has established a strong reporting and monitoring mechanism.

Operational Risk Management framework covers managing each and every source of Operational Risk as a distinct risk to the institution's safety and soundness. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational risk Factors and Key Risk Indicators (KRIs)' from Regional Offices/ departments which are further reviewed and analyzed for mitigation of operational risk.

NOTE 37: TAX EXPENSES

(₹ in crore)

Particulars	Period ended 31 st March, 2020	Period ended 31 st March, 2019
Current income tax:		
Current income tax charge	453.00	584.90
Adjustments in respect of current income tax of previous year	(1.80)	(0.62)
Deferred tax:		
Relating to origination and reversal of temporary differences	14.91	98.78
Income tax expense reported in the statement of profit or loss	466.11	683.06

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March, 2020:

Particulars	Period ended 31 st March, 2020	Period ended 31 st March, 2019
Accounting profit before income tax	2174.53	1,863.21
Tax at statutory Income Tax rate of 25.168% for March, 2020 and 34.944% for March, 2019	547.29	651.08
Adjustment in respect of Current Income Tax of Prior Years	(1.80)	(0.62)
Income not subject to Tax (Less)	-	-
Dividend Income	0.95	1.22
Rental Income (30% : Standard Deduction)	2.68	3.07



(₹ in crore)

Particulars	Period ended 31 st March, 2020	Period ended 31 st March, 2019
Deductions	-	-
Difference in Depreciation	(0.12)	0.08
Profit on sale of Fixed Assets	-	-
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	116.12	149.88
Provision for Bad & Doubtful Debt u/s 36(1)(viia) of the Income Tax Act, 1961	23.43	30.35
PM Care Fund	12.58	-
Reversal of Excess Provision for short Income tax	0.02	-
Expenses disallowed in Income Tax Act 1961 (Add)		
ECL and Principal Waiver	39.04	113.78
Provision on Advances, Debtors etc.	-	0.49
Provisions for Employee Benefit	10.24	4.41
Disallowance as per sec 43B	(0.65)	1.37
Loss on sale of Fixed Assets	-	-
Others	1.89	0.72
HUDCO Recreational Club Exp	-	-
Interest u/s 234	0.50	0.25
CSR	14.33	1.47
Ind AS Adjustment to P& L A/C	(3.98)	(4.68)
Capital Gain Tax	-	0.61
Sub Total	451.20	584.28
Deferred Tax Liability	14.91	98.78
Total Tax expenses	466.11	683.06
Effective Income tax Rate (in %)	21.43	36.66

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2020	31 st March, 2020	2019-20	2019-20
Derivative Financial Instruments	0.41	-	4.93	-
Investments	23.25	-	2.33	-
Property, Plant and Equipment	3.93	-	1.37	-
Debt Securities	16.54	-	7.30	-
Deposits	0.04	-	0.12	-
Other Financial Liabilities	8.34	-	3.23	-
Other Non- Financial Liabilities	0.32	-	0.12	-



(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2020	31st March, 2020	2019-20	2019-20
Other Equity	1184.56	-	283.22	-
Loans	-	751.34	(293.10)	-
Receivable	-	4.24	(1.64)	-
Other Financial Assets	-	2.20	(1.77)	-
Other Non-Financial Assets	-	4.31	(1.67)	-
Borrowings	-	6.19	(6.44)	-
Provisions	-	55.53	(7.35)	-
OCI	-	-	(5.60)	5.60
Total	1237.36	823.81	(14.91)	5.60

(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31st March, 2019	31 st March, 2019	2018-19	2018-19
Derivative Financial Instruments	5.39	0.05	10.56	-
Investments	25.58	-	(0.52)	-
Property, Plant and Equipment	5.30	-	(0.08)	-
Debt Securities	23.88	-	1.5	-
Deposits	0.16	-	0.17	-
Other Financial Liabilities	11.57	-	(7.08)	-
Other Non- Financial Liabilities	0.44	-	0.00	-
Other Equity	1,467.75	-	(186.95)	-
Loans	-	1044.44	83.70	-
Receivable	-	5.88	0.18	-
Other Financial Assets	-	3.97	1.37	-
Other Non-Financial Assets	-	5.98	0.28	-
Borrowings	-	12.63	(3.96)	-
Provisions	-	62.88	4.41	-
OCI	-	-	(2.40)	2.40
Total	1,540.07	1,135.83	(98.78)	2.40

NOTE 38: DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC UNDER LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS (LODR) OF SEBI-FINANCIAL STATEMENT

The outbreak of COVID-19 pandemic across the world and the countrywide lockdown has impacted the economy to a large extent. The Novel Corona Virus (COVID-19) being a Pandemic as declared by the WHO, has the social & economic structure and it continues to impact individuals and businesses causing various Governments to impose restrictions of varying scale.

The extent to which the COVID 19 pandemic will impact the company's future results will depend on developments, which highly uncertain including among other things, any new information concerning the severity of the COVID-19 and any action to contain its spread or mitigate its impact whether government mandated or elected by the company. The company will continue to closely monitor



any material changes to future economic conditions. However, since HUDCO primarily operates in the space of providing financial assistance for Housing and Urban Development Projects of Government and Government agencies, we believe, we hold a much stable asset class which can withstand the pandemic relatively better compared with other asset class.

HUDCO continues to have robust liquidity and funding profile. The company continues to maintain adequate liquidity to meet the repayment/redemption obligations as well as operational requirements. The company also continues to maintain its impeccable track record of servicing its debt/liabilities in time without there being any instance of delay/default, till date.

In accordance with the RBI notification dated 27th March, 2020 and 17th April, 2020, the Company has granted a moratorium on the payment of installments falling due between 01st March, 2020 and 31st May, 2020 to eligible borrowers whose account is standard and not in default.

Based on the current indications of future economic conditions, the company has maintained an incremental ECL provision of ₹ 87.35 crore for COVID-19 in additions to the normal ECL provision and with this inclusion the company believes the ECL provision is adequate.

NOTE 39: IND AS-116 LEASES-AMENDMENT EFFECTIVE FROM 01.04.2019

Policy of 'Leases' has been modified in the significant accounting policies due to the applicability of Ind AS 116 "Leases".

Ind AS 116 was notified with effect from April 1, 2019 which replaces Ind AS 17. Ind AS 116 sets out the principles for the recognition, measurement, presentation, and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at April 01, 2019. Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases.

Leases previously accounted for as operating leases

Company has lease contracts for the office building which are cancellable by the both the lessor and lessee. Company has some contracts which are cancellable by the either lessor and lessee and at present there is no estimation by the company to continue or discontinue the same, further amount of that leases is not material for the company and therefore company is not creating ROU on that assets based on the materiality as per the guidance given under the Indian accounting standard. Further company used hindsight in determining the lease term where the contract contained options to extend or terminate the lease and therefore its leases are covered under the short-term leases as per the guidance under the Ind AS-116.

Based on the details given above, Company is having a NIL financial impact due to adoption of the Ind AS-116 Leases.

Amounts recognised in Statement of Profit and Loss relating to short term leases is ₹ 1.18 crore during the year 2019-20 and in the previous year 2018-19 is ₹ 1.19 crore.

b) Company as a Lessor

The Company has given its Assets on the leases; details of the same are given under the Note No-13A Investment Property.

Lease Rental recognized as income during the year 2019-20 is ₹ 35.54 crore and in the Previous year 2018-19 is ₹ 29.25 crore.



NOTE 40: EXPLANATORY NOTES TO ACCOUNTS

- The financial results for the Financial Year ended 31st March, 2020 have been drawn up on the basis of Ind-AS that are applicable to the Company based on MCA Notification G. S. R. 111 (E) and G. S. R. 365 (E) dated 16th February, 2015 and 30th March, 2016 respectively. Any guidance/ clarifications issued by NHB or other regulators are adopted/implemented as and when they are issued/applicable. The results have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S.R. 1022 (E) issued by the Ministry of Corporate Affairs on 11th October, 2018.
- 2) Pursuant to disinvestment by the President of India through the then Ministry of Housing and Urban Poverty Alleviation in May 2017, HUDCO came under the purview of Deduction of Tax at Source on Interest other than the Interest on Securities under section 194A of the Income Tax Act, 1961 (as amended). HUDCO had applied to Central Government for exemption under section 194A(3)(iii)(f) of the Income Tax Act, 1961 for non-deduction of Income Tax at Source.

In exercise of the powers conferred by sub-clause (f) of clause (iii) of sub-section (3) of section 194A of the Income-tax Act, the Central Government vide Gazette Notification No. 26/2019 dated 20th March, 2019 notified HUDCO for the purpose of said clause, for non-deduction of Income Tax at Source. Hence w.e.f. 20th March 2019, Banks/ Fls/ Borrowers of HUDCO are not required to deduct the tax at source while paying interest to HUDCO.

- 3) Additional information for Consolidated Financial Statements Schedules-III of the Companies Act, 2013:
 - a) Associate Company which has been consolidated in the consolidated financial statements

Name of the Entity	Net Assets Assets min liabilit	us Total	Share in Profit or Loss		Share in OCI		Share in Total comprehensive income	
Indian	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit/ Loss (%)	Amount	As a % of Consolidated OCI (%)	Amount	As % of total comprehensive income	Amount
HUDCO	99.999%	12341.49	100.01%	1708.42	100%	(16.64)	100.01%	1691.78
Investment as per Equity method in Associate i.e. Shristi Urban Infrastructure Development Ltd. (SUIDL)	0.001%	0.77	(0.01%)	(0.22)	0%	-	(0.01)%	(0.22)
Total	100%	12342.26	100%	1708.20	100%	(16.64)	100%	1691.56

- b) Following Companies have not been consolidated in the consolidated financial statements for reasons given as under:
 - I. Pragati Social Infrastructure Development Ltd. (PSIDL)-HUDCO Board has approved the exit from the Associate Company Pragati Social Infrastructure & Development Ltd.(PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filed petition to National Company Law Tribunal (NCLT).
 - II. Ind Bank Housing Ltd.-HUDCO has provided for full diminution in value of investment.
- c) Signa Infrastructure India Ltd –HUDCO Board has approved the exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e. SIIL and indicated the value of the shares (₹10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The same is under consideration of the Associate partner. HUDCO is regularly pursuing with them to sort out the issue. HUDCO has decided to exit from this entity and provide for full diminution in the value of investment.



4) Contingent Liabilities & other commitments not provided for and counter guarantees issued by the Company:

(a) Contingent Liabilities:

(₹ in crore)

		2019-20	2018-19
i.	Claims of Contractors not acknowledged as debts *	-	0.16
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 up to 31.03.2020 of ₹ 279.80 crore (previous year ₹ 296.19 crore) under protest. (This does not include unquantified demands pertaining to interest/ penalties which may be levied after the finalisation of appeals)	284.02	300.41
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31.03.2020 of ₹ 0.14 crore (previous year ₹0.14 crore) under protest. (This does not include un-quantified demands pertaining to interest/penalties which may be levied after the finalisation of appeals).	4.55	5.84

^{*} Counter claims of the Company is NIL as on 31.03.2020 (previous year NIL) against the claim of contractors not acknowledged as debts.

In case of Associate Company

(₹ in crore)

S. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
I	Contingent Liabilities	0.28	0.28

Claim against the Company not acknowledged as debt

In case of M/s Crux Consultants Pvt. Ltd. vs. M/s Shristi Urban Infrastructure Development Ltd. and Anr. ADJ-01 (South East), Saket Courts, New Delhi has awarded the decree to recover the contractual amount i.e. ₹ 27,61,469.76 along-with pendente lite interest @ 12% per annum and future interest @ 6%. The Hon'ble Delhi High Court passed order on 18.01.2019 which says "Subject to appellant depositing the 2/3rd of the decreetal amount payable as on the date of the impugned judgement and decree in this court within a period of six weeks from today, there shall be stay of operation of the impugned judgement and decree."

Shrishti Udaipur Hotels & Resorts Pvt Ltd., (Now Sarga Udaipur Hotels & Resorts Pvt Ltd.,) had stopped paying rentals to sub-lessor due to litigation between sub-lessor and Forest deptt, HUDCO has treated the non-payment of rental to sub-lessor as event of default and recalled the loan. The company has challenged such recall by a writ petition filed before Hon'ble High Court of Rajasthan at Jaipur and same is sub-judice. In view of this, fair market value of sub-leased land is not determined.

(b) Capital commitments not provided for:

		2019-20	2018-19
i.	Estimated amount of commitments remaining to be executed on capital account	27.27	33.86



In case of Associate Company

Estimated amount of Capital Commitments remaining to be executed (Net of advances) is ₹ 12.32 crore (Previous Year ₹ 12.32 crore).

(c) CSR commitments not provided for:

(₹ in crore)

		2019-20	2018-19
i.	Estimated amount of CSR commitments remaining to be executed	26.52	23.03

(d) Finance Lease Commitments:

	31st March	ı, 2020	31st Marc	ch, 2019
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	23,532	2,597	23,532	2,818
After one year but not more than five years	70,596	6,632	94,128	9,229
Total minimum lease payments	94,128	9,230	1,17,660	12,047
Less: Amounts representing finance charges	84,898	-	1,05,613	-
Present value of minimum lease payments	9,230	9,230	12,047	12,047

- 5) (a) The above does not include any contingent liability in respect of Andrews Ganj Project (AGP), arising on account of various court cases/ arbitration/ allottees' claims against cancellation of allotment etc., as in this case, HUDCO is only working as an agent being project executed on behalf of Govt. of India. As such, liability (if any) whenever ascertained / finalised shall be passed on to MoHUA, Govt. of India and met out of AGP (No Lien AGP Account), being maintained separately, in line with the directions of the then MoUD.
 - (b) i) HUDCO had initiated execution of Andrews Ganj Project (AGP) on behalf of the then Ministry of Urban Development, (MoUD) in the year 1989-90.
 - ii) As per minutes of the meeting held on 7th September, 1995, it has been agreed to pay interest @ 17% p.a. (simple) on the expenditure incurred on AGP along with 1.5% of project cost as administrative charges.
 - iii) As per Perpetual Lease Deed dated 4th July, 1997, the Company is liable to make available "Net Resources" from the development and disposal of properties of the AGP to then MoUD and accordingly the Company was crediting interest on Net Resources generated on the project upto 3th November, 2004. Subsequently, a separate "No Lien AGP Account" has been opened under the name of "HUDCO AGP Account", in which the surplus lying to the credit of the then MoUD was credited and interest accrued/ earned on "No Lien AGP Account" was also credited to that account.
 - iv) HUDCO contends that as per minutes of the meeting held on 7th September, 1995 and in terms of Perpetual Lease Deed dated 4th July, 1997, the status of the Company is "Agent of MoUD". The contention of HUDCO is that it is working as an agent and as such total ownership rights and responsibilities of AGP are of MoHUA-GOI (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by learned Shri GE Vahanvati, the then Solicitor General of India, vide his opinion dated 12th April, 2005. This opinion was re-confirmed by learned Shri GE Vahanvati as Attorney General of India vide his opinion dated 19th August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India.



- V) Keeping this position in view and in accordance with HUDCO's Board decision in 459th meeting dated 24th August, 2009, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them in "No Lien AGP Account" being separately maintained by HUDCO. As on 31st March, 2020, this account has a deficit in the form of debit balance of ₹ 462.63 crore, recoverable from MoHUA (erstwhile MoUD). This represents amount paid by HUDCO on behalf of the Ministry for the capital and revenue expenditures on AGP project over and above the recoveries and the accumulated interest amounting to ₹ 207.69 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27th April, 2015 have also asserted that HUDCO shall continue to implement and manage the AGP in terms of Perpetual Lease Deed and all the pending issues shall be looked into for resolution by the Ministry. The MoHUA (erstwhile MoUD) in the said meeting has also decided that HUDCO as a Lessee will bear all the liabilities including the liabilities generated out of compliance of various court orders in cases related to the project. The company vide its letter dated 30th September, 2015, conveyed its reservation to accept the decision for bearing the liabilities of Andrews Ganj project as HUDCO is acting as an agent of MoHUA, Government of India, for AGP, in terms of perpetual lease deed conditions and other agreed terms.
- vi) The Ministry has been informed specifically of the above facts and figures on various occasions through correspondence as also in the meetings. A communication was received from Dy. L&DO vide letter dated 22nd March, 2016 wherein Dy. L&DO had conveyed that HUDCO may continue to implement Andrews Ganj project and manage "No Lien AGP Account" in line with the terms and conditions as stipulated in the Perpetual Lease Deed dated 04th July, 1997. The Ministry again informed in specific vide Dy. L&DO letter dated 31st May 2018 that HUDCO as a lessee is permitted to incur/book maintenance and legal expenditure in respect to Andrews Ganj Project from "No Lien AGP Account". Like earlier years, in-line with the minutes of meeting dated 07.09.1995, the perpetual lease deed dated 04.07.1997, income of ₹ 27.20 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period year ended 31st March, 2020.
- vii) As decided by HUDCO Board in its 596th meeting held on 14th June 2018, Ministry of Housing and Urban affairs has been requested vide letter dated 9th July 2018 to consider to taking over the Andrews Ganj project with assets and liabilities and pay the amount incurred / to be incurred by HUDCO, towards implementing the project. It has also been conveyed that "till the project is taken over by Ministry", HUDCO shall be continuing implementing the project as per existing arrangements and continue booking maintenance and legal expenses, interest @ 10.75% p.a. and administrative charges @1.5% in "No Lien AGP Account". The decision on the same from the Ministry is awaited.
- viii) The company, in its aforesaid capacity as an agent of MoHUA (erstwhile MoUD), relating to AGP, 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 ₹ 462.63 crore, as on 31st March, 2020.
- c) i) The Company had allotted a hotel site including car parking space to M/s.Tomorrowland Technologies Exports
 Ltd. i.e. TTEL (formerly known as M/s. M S Shoes East Limited). Due to default in payment of installments by
 TTEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount
 paid by TTEL in terms of the allotment letter.
 - TTEL started litigation regarding hotel site and filed suit for declaration in lower courts that cancellation of allotment letter by HUDCO, be declared as null & void. The Sr. Civil Judge passed final order dated 3rd July, 2010 against HUDCO. HUDCO filed first appeal against the Order of Sr. Civil Judge before Additional District Judge (ADJ) Delhi. The ADJ vide Order dated 18th July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of TTEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 3rd July, 2016 in favour of HUDCO. TTEL challenged the High Court Order by filing SLP NO: 34338/2016 in the Supreme Court. The matter is currently in pendency before Hon'ble Supreme Court.
 - ii) The allotment of 9 blocks of guest houses, restaurants, kitchens and shops, which were allotted to TTEL, was cancelled due to default in payment of installment by TTEL and amount of first installment paid by TTEL was forfeited as per terms of allotment letter. TTEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court, vide Order dated 10th August, 2016, directed that



HUDCO & Union of India should consider the proposal given by TTEL for refund of entire amount deposited by way of 1st installment by it with HUDCO along with interest at such rate which may be deemed appropriate by Court.

In view of Hon'ble High Court of Delhi order dated 10th August, 2016, the Board in its 568th meeting held on 23rd August, 2016 resolved to approve the proposal to refund first installment forfeited by HUDCO excluding earnest money & the interest for delayed payment paid thereof by TTEL for guest house blocks after adjusting the commercial losses caused to HUDCO and other expenses incurred by HUDCO since 1997-98 from the date of completion of project subject to necessary approval/NOC of MoUD, Govt. of India.

The Hon'ble High Court passed a decree dated 13th January, 2017 for payment of 1st installment of ₹ 35.75 crore to TTEL along-with interest @ 6% p.a. w.e.f. 30.01.1995 till date of payment and directed HUDCO to refund the interest paid by TTEL (₹ 0.99 crore) on the delayed period of payment of 1st installment (from 30th November, 1994 till 30th January, 1995). If the entire amount is not paid on or before 31st December, 2017, the rate of interest would then stand enhanced to 11% p.a. However, the decree was made in-executable till 30th June, 2017.

TTEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13th January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% p.a. on quarterly rests. Subsequently, Review Petition filed by TTEL was disposed off by the High Court on 12th December, 2017. Thereafter, TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Hon'ble Supreme Court against the Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The Company filed application for recalling the Hon'ble High Court Order dated 13th January, 2017, in view of the Review Petition filed by TTEL and directions of Govt. of India. The matter was listed on 28.08.2018, after hearing all parties, Hon'ble High Court Order dated 28.08.2018 and 13.01.2017. Vide Order dated 18.09.2018, the Hon'ble Supreme Court has dismissed the SLP as withdrawn, with liberty to HUDCO to file all legal objections regarding the executability of the decree in the executing Court.

Further, TTEL also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by TTEL on 23rd December, 2017. Thereafter, TTEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% p.a. as per the decree dated 13th January, 2017. The matter was listed on 3rd May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e. HUDCO Bhawan, IHC, Lodhi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court kept the attachment order of HUDCO Property in abeyance till the next date and also directed that HUDCO will not sell the property at Andrews Ganj, Delhi. Further, the learned Justice V.N. Khare, former Chief Justice of India, has opined that, "HUDCO's consent to perform the terms of the Order dated 13th January 2017 was conditional on UOI's support and in the event any liability is indeed ascribed to HUDCO, the same should then be recoverable from the UOI".

In view of the Supreme Court's Order dated 18th September 2018, HUDCO filed objection in the Execution Petition, pending in Delhi High Court. The matter was listed on 29.10.2018. After hearing the submission of HUDCO's Counsel, the Hon'ble Court dismissed the objections. HUDCO filed two appeals in Delhi High Court as under:-

- Regular first Appeal (RFA 79/2018) against the final order/ decree 13.01.2017 and order dated 28.08.2018 (Dismissal of Recall application by High Court). Notices have been issued.
- ii) Execution First Appeal (EFA No 19/2018) against the order dated 29.10.2018, wherein objections of HUDCO in execution petition were dismissed. The matter was listed on 27.11.2018. After hearing the matter, the Hon'ble Court stayed the execution proceeding pending in Delhi High Court till the next date.

TTEL filed SLP in Supreme Court, against the High Court Order dated 27.11.2018, wherein High Court stayed the execution proceedings. However, the same has been withdrawn by TTEL on 14.1.2019.

TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Supreme Court against Decree



dated 13.1.2017 and Hon'ble High Court Order dated 12th December, 2017. The SLP filed by TTEL is currently pending in Hon'ble Supreme Court. Further, in the SLP No 10752/53 of 2018, the Union of India has filed an affidavit denying its liability on this account. The said affidavit, was placed before the Board of Directors of HUDCO and as per the decision, the company has also filed a reply/affidavit to the affidavit of Union of India denying its liabilities on account of the same bases on perpetual Lease Deed 04/07/1997 and Record Note of discussion dated 07/09/1995. The matter is currently pending before Hon'ble Supreme Court of India.

Hence, in view of the facts and circumstances stated above, the Company does not expect any liability on this account and any expenditure related thereof. In case of any liability by virtue of any court order or otherwise, the same shall be in the account of "No Lien AGP Account" of MoUD, based on the facts and documents and the legal opinions obtained by HUDCO.

(d) The arbitrator has passed an award in favour of M/s. Ansal Properties and Industries Ltd. (APIL) amounting to ₹ 8.84 crore along with interest @ 18% p.a on 28th July, 2005 in respect of the property leased to APIL at AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹ 0.85 crore along with interest @ 18% p.a on account of maintenance charges w.e.f. 1stJanuary, 2001 up-to 31stJuly, 2005. 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 "No Lien AGP Account". Now, the case is listed before Registrar General, Hon'ble High Court for further proceedings.

APIL has invoked arbitration for refund of ground rent paid by it from November, 1995 to October, 1999 and the arbitrator has pronounced the award on 21st July, 2006 holding therein that APIL is not liable to pay the ground rent up to October, 1999 i.e. till the shopping arcade was constructed and became operational in October, 1999. The amount of ₹ 3.93 crore deposited earlier by APIL has been directed to be adjusted towards the future ground rent payment dues w.e.f. November,1999 along-with Interest @ 7% p.a. for delayed payment. HUDCO has filed petition challenging the award before the Hon'ble High Court of Delhi. The Hon'ble High Court on 10thMay, 2012 has set aside the arbitration award dated 21stJuly, 2006. APIL filed an appeal against the above-mentioned order before Division Bench of Hon'ble High Court, Delhi. Division Bench vide its order dated 24thJanuary, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10th May, 2013 before Supreme Court against this order which is currently pending.

- 6) HUDCO had allotted 6435 sq. mtr. of built-up space in 1993 at HUDCO Vishala, Bhikaji Cama Place, New Delhi to EPFO on Long term Sub-lease basis. The sub-lease in favour of EPFO is yet to be executed and ₹ 0.35 crore is recoverable from EPFO.
- 7) (a) The Company has a 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 89.14% received upto 16th June, 2020 (previous year 89.88% received upto 15th May, 2019) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.

In case of Associate Company

Balances of certain debtors and creditors are in the process of confirmation/ reconciliation.

- (b) The Company has made impairment provision (as per ECL approach) of ₹ 2939.67 crore as on 31st March, 2020 as per Ind- AS requirement.
- 8) The receipts from the agencies in the loan accounts is appropriated as per loan agreement in the following order:
 - a) Other dues/ expenses recoverable
 - b) Penal interest



- c) Normal interest
- d) Principal

In the event of excess payment, the same is adjusted towards principal.

However, in respect of default cases, repayments are first adjusted towards liquidation of the oldest default by following above order and after appropriation of default, the balance, if any, is adjusted as per the normal practice as above.

- 9) Revenue from Operations includes ₹ 190.42 crore against settlement of chronic NPA accounts under the ongoing recovery/ legal process.
- 10) During the FY 2019-2020, the Resolution Plan in respect of two chronic NPAs, viz. M/s. Sunil Ispat & Power Limited and M/s. Lanco Teesta Hydro Power Pvt. Ltd., (Lanco Energy) were approved. Against the total Principal Outstanding of ₹ 389.84 crore, the Company had provided ECL Allowance of ₹ 280 crore as on 31.03.2019. The company had received ₹ 148.33 crore under the Resolution Plan approved by NCLAT/NCLT towards final settlement of loan.
- In case of RKM Powergen Private Ltd., the loan asset was categorized as sub-standard by the Company on 15th April, 2015. In view of Hon'ble High Court of Madras Order, the Company after seeking legal opinion with respect to asset classification, the loan asset has been re-classified from sub-standard to standard asset category. However, the loan is considered under Stage III and ECL Allowance of ₹ 482.57 crore has been made in the books of accounts of the Company against the principal outstanding of ₹ 482.57 crore as on 31st March, 2020 as per the applicable Indian Accounting Standards (Ind AS).
- 12) The Company had made Long Term Investments at a total cost of ₹ 99.86 crore which represents Trade Investment in Equity Shares, Investments in Associates, Infrastructure Debt Fund and bonds. As per the applicable Ind AS, Investments as on 31st March, 2020 are being shown at fair value through profit or loss, of ₹ 231.98 crore.
- 13) 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;
 - (iii) Hypothecation of Distribution Assets of the borrower Company.
 - (iv) Negative Lien on the assets of the borrower Company. Assets of the Company include the book debts and future receivable.
 - (v) Government Guarantee, First charge on the assets of the housing finance company or First Pari-Passu charge on the outstanding loans or Exclusive Charge/ First Pari-Passu charge on the present and future receivables/ Book Debts, Escrow mechanism, postdated cheques or ECS or RTGS, First Pari-Passu charge on immovable property/ Undertakings, Demand promissory note and irrevocable Power of Attorney in favour of HUDCO to recover the money from individual borrowers.

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

- 14) The Company has adopted Ind AS-19 'Employee Benefits'. Defined employee benefit schemes are as follows:
 - (a) The Company has a separate trust to manage provident fund scheme and provides interest guarantee as per Employees' Provident Fund Scheme, 1952. The Company pays fixed contribution of provident fund at a predetermined rate to the 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 under the Employees' Provident Fund Scheme, 1952 and recognizes such deficiency as an expense in the year it is determined.



In view of the interest rate guarantee by the Company, the plan although being a defined contribution plan is being treated as defined benefit plan for the purpose of disclosure as per Ind AS 19, since as per Section 17 of the Employees Provident Funds (EPF) Act, 1952, the company has to guarantee the interest rate as announced by the EPFO from time to time. Accordingly, the actuarial valuer has done valuation to the extent of interest rate guarantee and details of the same have been disclosed as given below.

The fair value of the plan assets of the Provident Fund and the accumulated members' corpus is ₹ 313.76 crore and ₹ 330.20 crore respectively (Previous year ₹ 301.16 crore and ₹ 301.10 crore respectively). The fair value of the assets of the provident fund as at 31st March, 2020 is lower than the obligation under the defined contribution plan. Accordingly, provision of ₹ 16.44 crore is required to be made based on actuarial valuation during the year 2019-20.

The charge to Profit and loss Account for the valuation period is ₹ 9.29 crore. The amount for Other Comprehensive Income is ₹ 7.15 crore.

The actuarial assumptions include discount rate of 6.60% (Previous year - 7.35%) and an average expected future period of 9.17 years (Previous year–9.69 years). The Company recognized ₹ 9.34 crore (Previous year - ₹ 8.66 crore) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to this plan by the Company are at rates specified in the rules of the schemes.

- (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:

	Grat	tuity		Leave En	cashment			tirement
			E	L	н	PL	Medical	Benefits
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Component of Employer Expenses								
a. Current Service Cost	2.33	1.90	3.14	3.10	0.78	0.47	4.17	4.07
b. Interest Cost	(0.03)	(0.09)	1.85	1.72	0.65	0.60	10.39	10.27
c. Past Service Cost	-	14.31	-	-	-	-	-	-
d.Unrecognized Past service cost	-	-	-	-	-	-	-	-
e. Expected return on plan assets	(0.30)	(0.74)	NA	NA	N.A.	N.A.	N.A.	N.A.
f. Actuarial (Gain) / Loss	6.49	7.85	5.50	0.96	0.64	0.76	8.89	(0.25)
g. Recognised in Other Comprehensive Income	(6.20)	(7.11)	NA	N.A.	N.A.	N.A.	(8.89)	0.25
h. Recognised in the Statement of Profit & Loss.	2.29 \$	16.12\$	10.49	5.78	2.07	1.83	14.56	14.34
Net Asset / (Liability) recognised in Balance Sheet as at 31.03.2020								
a. Present value of Obligation as at 31.03.2020	75.09	66.92	32.00	25.22	9.96	8.82	158.21	143.42



	Grat	tuity		Leave End	cashment			tirement
			Е	L	НЕ	PL	Medical	Benefits
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
b. Fair Value of plan assets as at 31.03.2020	72.95	66.19	N.A. #	N.A. #	N.A. #	N.A. #	N.A.#	N.A. #
c. Liability / (Assets) recognised in Balance Sheet	2.14*	0.73*	32.00	25.22	9.96	8.82	158.21	143.42
3. Change in present value of obligation as on 31.03.2020								
Present Value of obligation as at 31.03.2019	66.92	46.30	25.22	22.58	8.82	7.89	143.42	135.11
Current service cost	2.33	1.90	3.14	3.10	0.78	0.47	4.17	4.07
Interest Cost	4.63	3.31	1.85	1.72	0.65	0.60	10.39	10.27
Past Service Cost	-	14.31	-	-	-	-	-	-
Unrecognized Past service cost	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	(0.07)	-	(0.74)	-	(0.02)	-	(0.32)	-
Actuarial gains and losses arising from changes in financial assumptions	3.42	1.01	1.27	0.40	0.45	0.14	3.97	1.71
Actuarial gains and losses arising from experience adjustments	3.14	6.84	4.97	0.56	0.17	0.62	5.24	(1.96)
Benefits Paid	(5.28)	(6.75)	(3.71)	(3.14)	(0.93)	(0.90)	(8.66)	(5.78)
Present Value of obligation as at 31.03.2020	75.09	66.92	32.00	25.22	9.96	8.82	158.21	143.42
4. Change in the Fair Value of Plan Assets								
Present value of plan assets as on 31.03.2019	66.19	46.53	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Expected return on Plan Assets	4.66	3.40	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual company Contribution	7.08	22.27	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Benefits Paid	(5.28)	(6.75)	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Return on Plan Assets excluding amount included in Net Interest Expense	0.30	0.74	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from experience adjustments	-	-	-	-	-	-	-	-



(₹ in crore)

	Gra	tuity		Leave En	cashment			tirement Benefits
				L	Н	PL	Medicai	benents
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Fair Value of Plan Assets as at 31.03.2020	72.95	66.19	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual Return on plan assets	4.96	4.14	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
5. The Principal assumptions used in determining defined benefits obligations for the company's plans								
Discount Rate (p.a.) (%)	6.60	7.35	6.60	7.35	6.60	7.35	6.90	7.35
Expected rate of returns on plan assets (p.a.) (%)	6.60	7.35	N.A	N.A.	N.A.	N.A.	N.A	N.A.
Salary increase rate (p.a.) (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Withdrawal Rates	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages						
Leave availment rate	N.A.	N.A.	3% p.a.	3% p.a.	3% p.a.	3% p.a.	N.A.	N.A.
Leave encashment in service	N.A.	N.A.	2% p.a.	0% p.a.	0% p.a.	0% p.a.	N.A.	N.A.
6. Details of the Plan Assets at cost as on 31.03.2020								
Government of India Securities, Corporate Bonds etc.	N.A#.	N.A#.						
Gratuity Fund Managed by Insurer	100%	100%						

Gratuity

	31 st Ma	arch, 20	31st Ma	arch, 19	31 st M	arch, 20	31 st Ma	arch, 19	31st Ma	rch, 20	31st Ma	rch, 19
Assumptions	otions Discount rate Future salary increases			es	Withdrawal rate sensitivity			itivity				
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	72.78	77.52	64.93	69.01	75.79	74.44	67.52	66.2	75.26	74.92	67.05	66.78

HPL

	31 st Ma	arch, 20	31st Ma	rch, 19	31st Ma	arch, 20	31st Ma	arch, 19	31st Ma	rch, 20	31st Ma	rch, 19
Assumptions		Discou	ınt rate		F	Future salary increases			Withdrawal rat		al rate sensitivity	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	9.65	10.27	8.54	9.11	10.26	9.67	9.09	8.56	9.89	10.02	8.76	8.87



EL

	31 st Ma	arch, 20	31st Ma	rch, 19	31 st Ma	arch, 20	31 st Ma	rch, 19	31 st Ma	rch, 20	31st Ma	rch, 19	
Assumptions	Discount rate			Discount rate Future salary increases					es	Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%	
Impact on defined benefit obligation	31.14	32.90	24.43	26.04	32.90	31.14	25.99	24.47	31.96	32.04	25.17	25.26	

Medical Benefits

	31 st March, 20		31st March, 19		31st March, 20		31 st March, 19		
Assumptions		Discount rate				Medical growth rate increase			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	
Impact on defined benefit obligation	146.70	171.09	132.78	155.35	161.90	154.86	147.39	139.85	

Expected payment for future years

	Gratuity		н	PL	E	L	Medical	benefits
	31st March, 20	31st March, 19						
Within the next 12 months (next annual reporting period)	6.90	7.76	1.15	0.97	3.89	2.38	4.30	4.05
Between 2 to 5 years	30.73	26.44	4.19	3.55	14.61	10.29	22.20	20.93
Between 5 and 10 years	44.07	42.65	5.53	5.32	17.11	15.86	45.36	42.71
Total expected payments	81.70	76.85	10.87	9.84	35.61	28.53	71.86	67.69

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

- \$ It represents the amount to be recognised in the Statement of Profit & loss as per actuarial valuation. However, since the scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company, so the premium paid is debited to the Statement of Profit & Loss.
- # The scheme of Gratuity is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company. Further, the schemes of Leave Encashment and Post-Retirement medical benefits are unfunded.
- * The Company expects to contribute ₹ 2.14 crore (Previous year ₹ 0.73 crore) to the Gratuity Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2020 is 6.62 years (Previous year 7 years).

The Company expects to contribute ₹ 4.30 crore (Previous year ₹ 4.05 crore) to the Medical Benefit Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2020 is 22.81 years (Previous year 23.23 years).

In case of Associate Company

As per Indian Accounting Standard - 19 "Employee Benefits", the disclosures of Employee Benefits are as follows:



(a) Defined Benefit Plans/Long Term Compensated Absences :

Description of Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc.

*Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The liabilities are determined on accrual basis and not on the basis of actuarial principles since the same is not considered material.

(b) The Gratuity and Provident Fund expenses have been recognised under "Contribution to Provident and Other Funds" and Leave Encashment under" Salaries and Wages" Head of Associate company.

15) Details of Provisions

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
Α	Provision for employees benefit				
(i)	Leave encashment	34.03	12.56	4.64	41.95
	Previous Year	30.47	7.61	4.05	34.03
(ii)	Post-retirement medical benefit	143.43	14.56	(0.23)	158.22
	Previous Year	135.10	14.35	6.02	143.43
(iii)	Welfare expenses	1.77	0.36	0.23	1.90
	Previous Year	1.76	0.09	0.08	1.77
(iv)	Gratuity	0.73	(4.79)	(6.20)	2.14
	Previous Year	-	(6.38)	(7.11)	0.73
(v)	Provident Fund	-	9.29	(7.15)	16.44
	Previous Year	-	-	-	-
В	Others				
(i)	Provision for Income Tax	584.90	455.00	584.90	455.00
	Previous Year	441.15	584.90	441.15	584.90
С	Provisions on Loans (ECL -Net)				
(i)	Provision on loans (ECL)	2939.16	2.59	2.08	2939.67
	Previous Year	2694.63	244.53	-	2939.16
D	Corporate Social Responsibilities (CSR)				
	Previous Year	4.82	-	4.82	-
E	Provisions on Investment/ Advances/ De	btors/ Staff Ad	vances/against di	sputed service tax p	aid
(i)	Provisions on Investment	3.11	-	-	3.11
	Previous Year	3.11	-	-	3.11
(ii)	Provision on staff advances	0.13	0.01	-	0.14
	Previous Year	0.09	0.04	-	0.13



(₹ in crore)

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
(iii)	Provision on Advances	3.03	-	-	3.03
	Previous Year	2.22	0.81	-	3.03
(iv)	Provision on Doubtful Debts	16.84	-	0.01	16.82
	Previous Year	16.30	0.79	0.25	16.84
(v)	Provision against disputed service tax paid	2.49	-	-	2.49
	Previous Year	2.49	-	-	2.49

National Housing Bank's credit concentration norms state that a Housing Finance Company's agency wise exposure should not exceed 15% of its net owned funds. Further, as per NHB's circular dated 21.03.2013, 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.

The Company is complying with National Housing Bank's credit concentration norms except in one case of investment in another HFC viz., Indbank Housing Ltd. (IBHL), a subsidiary of Indian Bank in which HUDCO has invested 25% capital of investee.

HUDCO had invested ₹ 2.50 crore, even before guidelines were applicable, in the Equity Shares of IBHL, whose total paid-up capital is ₹10 crore resulting in investment to the extent of 25% of the equity.

IBHL had informed that the earlier decision for merger of IBHL with the parent bank was taken by the IBHL Board on account of the then situation prevailing at that point of time. IBHL took various steps towards revival of housing finance business. The authorized capital of the company was increased from ₹ 50 crore to ₹ 150 crore. The company initiated steps for restructuring of capital by converting loan liabilities of Indian Bank into Compulsory Convertible Preference shares (CCPS) carrying 0.01% rate for ₹ 130 crore. However, the required permission of RBI was not forthcoming and hence conversion of loan liability to CCPS could not be carried out.

During the year 2019-20, IBHL has appointed M/s. SBI Capital Services Ltd as advisors for suggesting options available to the company for enhancement of Housing Finance business through organic/inorganic means and IBHL is in touch with prospective investors for infusion of funds, which will lead to dilution of HUDCO's stake.

NHB, from time to time, has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO. However, vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 02.04.2018, NHB capped the credit concentration (Exposure) limit for Government/Public agencies as follows:

- a) The individual exposure limit of HUDCO to Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) shall be capped at 50% of its NOF.
- b) The exposure limit of HUDCO for State Government (under group exposure) shall be capped at 150% of its NOF in respect of State of Telangana and 100% of NOF for all other States. HUDCO is required to take suitable steps to bring down the group exposure in respect of State of Telangana also to 100% within a maximum period of 3 years. The conditions relating to compliance by the concerned State with the FRBM limits shall continue to be ensured by HUDCO.

The Board of Directors of HUDCO in its 594th meeting held on 19th April, 2018 considered above and directed that "NHB be again requested to expeditiously review its decision communicated vide its letter dated 2nd April, 2018 and permit HUDCO to continue on the already approved pattern of credit concentration norms communicated by NHB vide its letters from time to time".

NHB vide its letter No. NHB(ND)/DRS/SUP/7085/2018 dated 13th July, 2018 has conveyed its decision to allow HUDCO to continue its disbursals as per the schedule in relation to the existing sanctions made upto May 31, 2018. However, HUDCO shall be required to take suitable steps to bring down the exposure to Government/Public Agencies and State Governments (under group exposure) in the above cases also to 50% and 100% respectively latest by March, 2023.



The exposure limits of upto 50% for Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/non-housing related activities) and upto 100% for State Governments (under group exposure) will continue to be applicable in all other cases. The condition relating to compliance by the concerned State with the FRBM limits shall continue.

HUDCO vide letter dated 6th March, 2019 requested NHB seeking relaxation in the individual/group exposure norms. Further, HUDCO also sought exemption from exposure norms for funding of PMAY (U) programme through Extra Budgetary Resources (EBRs).

NHB has vide its letter no. NHB(ND)/DRS/SUP/879/2019 dated 8th March, 2019 granted relaxation in credit concentration norms (under individual borrower exposure to Government /public agency) to HUDCO to extend loan upto ₹ 20,000 crore to BMTPC under the PMAY-U subject to the condition that demand under Credit Linked Subsidiary Scheme (CLSS) is met on priority while utilizing funds lent to BMTPC.

NHB has vide its letter no. NHB(ND)/DRS/SUP/880/2019 dated 8th March, 2019 granted relaxation to HUDCO in respect of credit concentration (exposure) norms upto 140%, 175% and 120% of the NOF in respect of the State of Andhra Pradesh, Telangana and Uttar Pradesh respectively (under group exposure) and upto 55% (under individual exposure) each in case of APTIDCO and HMWSSB subject to the following conditions:

- (i) HUDCO shall continue to ensure that the extended exposures (beyond 50% and 100% respectively) are guaranteed by the State Government(s) and HUDCO will cease to extend further exposure to these states if FRBM limits are breached.
- (ii) HUDCO shall also be required to bring down its exposure to 50% in respect of individual exposure and 100% in respect of group exposure latest by March 31st, 2023, in accordance with the roadmap for graded reduction in exposure approved by Board of Directors.
- (iii) The position should be reviewed by the Board of HUDCO on a six monthly basis to ensure strict adherence to the Board approved exposure reduction plan.
- (iv) In the event of HUDCO failing to comply with the above exposure reduction plan, HUDCO will be required to assign risk weight of 100% on the excess exposure in addition to any regulatory penalty as may be applied by the NHB.

The exposure limit of up-to 50% for Govt.,/Public agencies(inclusive of the exposure limit of up-to 30% for infrastructure/Non housing related activities) and up-to 100% for State Govt.,(under group exposure) will continue to be applicable in all other cases.

RBI has vide its letter no 1736/3.10.136/2019-20 dated 5th March, 2020 granted relaxation of credit concentration norms for exposure to Telangana State Housing Corporation Limited (TSHCL) upto 75% of Net Owned Fund of HUDCO subject to following conditions:

- (i) The additional exposure is backed by explicit guarantee from State Government.
- (ii) The exposure to TSHCL will be brought down to 50% of NOF by March 31, 2023 as prescribed by NHB (ND)/DRS/ SUP/880/2019 dated March 08, 2019. A detailed action plan to this effect may be forwarded to NHB.
- (iii) Other conditions as prescribed by NHB vide their above mentioned letter dated March 08, 2019 are adhered to.
- In respect of Bonds/ Deposits/ Debentures, the Company in terms of section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 5th September, 2016 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 Investor Education and Protection Fund (IEPF). The unclaimed amount lying in current liability includes interest of ₹ 0.04 crore as on 31st March, 2020 (previous year ₹ 0.05 crore), 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.
- 18) The disclosure relating to unpaid amount as at the year-end together with interest paid / payable as required under the MSMED



Act, 2006 have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSMED Act, 2006. No interest has been paid/payable by the Company during the current year to the parties covered under the Micro, Small and Medium Enterprises Development Act, 2006.

In case of Associate Company

The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2020 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2019 – Nil).

19) The Company is engaged in the business of providing loans/finance for Housing/ Infrastructure projects and all other activities of the Company revolve around the main business within India. Accordingly, the company does not have separate reportable segments in terms of Indian Accounting Standard (Ind AS-108) on "Operating Segments".

In case of Associate Company

In line with Ind AS 108 –Operating Segments, taking into account the organizational structure, product type as well as the differing risks and returns criterion, there are no distinguishable Geographical or Business components on the basis of which segments can be identified.

- 20) Provision of Impairment loss as required under Ind- AS- 36 is complied with.
- 21) Pursuant to Taxation Laws (Amendment) Ordinance 2019, dated 20.09.2019, the company intends to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute income at the revised rate i.e. 25.17% from the current financial year. The tax expense for the quarters and year ended March 31, 2020 is after considering the impact of the revised tax rates. The Company continues to create the Deferred Tax Liability (DTL) on Special Reserve created and maintained u/s 36(1)(viii) of the Income Tax Act, 1961 and u/s 29C of the NHB Act, 1987 and provision for bad & doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961.
- 22) The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019. However, redemption of deposits already taken shall be made on due dates.
- The company has maintained 100% asset cover by way of charge on the receivables of the company and/ or lien on deposits for all the secured bonds issued by the company and outstanding as on 31st March, 2020.
- 24) The Company is a 'Large Corporate' as per criteria under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26.11.2018. Necessary disclosure has been made to the stock exchanges, where securities of the Company are listed, in this regard.
- 25) The Company makes full provision on doubtful debtors/ receivables which are outstanding for more than three years.
- 26) The Company has taken various office premises on cancellable operating lease basis with an option to renew the lease by mutual consent on mutually agreeable terms. The aggregate lease rentals payable is charged as office rent under Note No. 32 (Other Expenses) of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all risks & rewards incidental to the ownership of an asset.
- 27) During the year under review, a provision for bad and doubtful debts under section 36(1)(viia), of Income Tax Act 1961 equivalent to 5% of the taxable income (after allowing deduction u/s 36(1)(viii)), totaling to ₹ 93.08 crore has been created.
- (a) The company has declared an interim dividend of ₹ 150.14 crore (excluding Dividend Distribution Tax) @ ₹ 0.75 per share of ₹ 10/- each, to its shareholders, during the year 2019-20 after approval of Board of Directors in its meeting held on 18th March, 2020. The same has been paid on 30th March, 2020 and as on 31st March, 2020 an amount of ₹ 0.26 crore was unclaimed:
 - (b) The Board of Directors at its meeting held on 26th June, 2020 has recommended a Final Dividend of ₹ 2.35 per share of ₹ 10/- each, which is subject to approval of shareholders at the ensuing Annual General Meeting.



29) Details of Expenditure / Earnings in foreign currency :

(₹ in crore)

Particulars	2019-20	2018-19
Expenditure		
a) Travelling	0.20	0.20
b) Interest on foreign loan	6.88	7.73
c) Others	-	-
Total Expenditure	7.08	7.93
Earnings		
a) Interest on overseas deposit	2.82	2.99

30) Earnings Per Share:

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	2019-20	2018-19
Net Profit for the period attributable to equity shareholders (₹ in crore) (a)	1708.20	1179.85
Weighted Average number of Equity Shares (b)	2,00,19,00,000	2,00,19,00,000
Basic / Diluted Earning Per Share of ₹ 10/- each (₹) (a / b)	8.53	5.89

31) As per the Ind-AS- 109, the impairment of the loan asset is being arrived by working out on Expected Credit Loss. The Project loans portfolio is segregated into Government and Non-Government segment. In case of government loans, it is segregated into Housing and UIF segment and non-government loans are segregated sector wise i.e. Building Material Industries, Core, Emerging, Energy, Roads And Transportation Value Added Real Estate And Social Housing. Further, all the loans are divided into three categories:-

Stage - 1 - 0-30 days

Stage - 2 - 31-90 days

Stage – 3 - Above 90 days.

Summary of ECL as on 31st March, 2020

Portfolio	Stage 1	Stage 2	Stage 3	Total
Government				
Govt- Housing	4.11	8.80	41.17	54.08
Govt- UIF	1.93	49.81	40.18	91.92
Govt - Total	6.04	58.61	81.35	146.00
Non-Government				
BUILDING MATERIAL INDUSTRIES	-	-	12.51	12.51
CORE SECTOR	-	-	2.82	2.82



(₹ in crore)

Portfolio	Stage 1	Stage 2	Stage 3	Total
EMERGING SECTOR	-	-	349.88	349.88
ENERGY SECTOR	-	-	1702.53	1702.53
ROADS AND TRANSPORTATION SECTOR	-	-	141.76	141.76
VALUE ADDED REAL ESTATE	0.02	-	463.56	463.58
SOCIAL HOUSING SECTOR	-	-	13.32	13.32
Non Govt - Total	0.02	-	2686.38	2686.40
ECL on Loan Commitment	0.46	-	-	0.46
ECL on Interest Accrued	0.06	-	-	0.06
ECL on Morotorium	87.35	-	-	87.35
ECL on Project loans	93.92	58.61	2767.73	2920.27
ECL on Morotorium HUDCO Niwas Ioan	0.01	-	-	0.01
ECL on Interest Accrued	-	-	-	-
ECL on Loan Commitment	-	-	-	-
ECL on HUDCO Niwas	0.29	0.07	19.04	19.40
Total ECL	93.81	58.68	2786.77	2939.67

32) Exit from Associate Companies:

(a) Signa Infrastructure India Ltd. (SIIL)

The company has decided to exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e. SIIL and indicated the value of the shares (₹ 10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The company has not responded to HUDCO offer. The Board of HUDCO was updated of the latest status and HUDCO Board in its 617th Meeting held on 19/12/2019 vide Item No. 617.15 decided that steps be taken for termination of joint venture agreement with M/s. Marg construction Ltd. (Promoter of Signa Infrastructure India Ltd) withdrawl of HUDCO Nominee Director and further action for dissolution (wind up) of JV Company on grounds of non-compliance of various statutory compliances. In pursuance of Board Decision, HUDCO Nominee Director has already forwarded his resignation to the Company. Further legal opinion has been obtained and further course of action would be taken accordingly.

(b) Pragati Social Infrastructure & Development Ltd.

The company has decided to exit from the Associate Company (Pragati Social Infrastructure & Development Ltd.-PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filled petition to National Company Law Tribunal (NCLT), which is pending adjudication.

(c) Shristi Urban Infrastructure Development Ltd.

The company had decided to exit from the Associate Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In pursuance of the Board's approval, the valuation of Associate Company is being carried out.

33) Sale of Investment in Electrosteel Steel Ltd. (ESL)

As per the approved Resolution Plan of Electrosteel Steel Limited. (ESL), HUDCO was allotted 4458406 equity shares of ESL



of face value of ₹ 10 each, (payable at pre-agreed rate ₹ 9.54/-) amounting to ₹ 4.46 crore against HUDCO's share towards the unsustainable debt of ₹ 222.92 crore during the year 2018-19.

During the current year, surrender of 44,58,406 equity shares of Electro Steel Limited (ESL) @ ₹ 9.54 per share (at pre-agreed rate) was approved by board resolution dated 18.12.2019 and thereafter exit application was filed on 19.12.2019 in line with the exit offer. Accordingly, an amount ₹ 4.25 crore divided into 44,58,406 equity shares of ₹ 9.54 each was received on 08.01.2020 resulting into loss on sale of shares amounting to ₹ 0.21 crore.

34) Valuation of Investment

The Company had invested ₹ 2.50 crore in the shares of the Indbank Housing Ltd. (IBHL) around 20 years back. Considering the fact that IBHL has highly negative Net Worth and meagre volume of trading in the share of the company, even though market price of the share as on 31st March, 2020 is ₹ 17.20 per share (previous year ₹ 35.45 per share), HUDCO continues to reflect the investment of ₹ 2.50 crore in IBHL at diminished value of ₹ 1 only as on 31st March, 2020.

35) Related parties Disclosure:

a) Associates

- Shristi Urban Infrastructure Development Ltd.
- (2) Pragati Social Infrastructure & Development Ltd.
- (3) Signa Infrastructure India Ltd.
- (4) Indbank Housing Ltd.

b) Key Management Personnel during the year 2019-2020:

SI. No.	Director(s)	Status
1	Shri M. Nagaraj *	Chairman & Managing Director (Addl. Charge)- (w.e.f.07.01.2020 to 06.04.2020) & Director Corporate Planning (DCP) (Whole time Director) (w.e.f 01.02.2019)
2	Shri D. Guhan	Director Finance & Chief Financial Officer (Whole time Director) (w.e.f. 31.12.2019 - Afternoon)
3	Dr. M. Ravi Kanth	Chairman & Managing Director (Whole time Director) (w.e.f 11.04.2014 to 20.12.2019)
4	Shri Rakesh Kumar Arora	Director Finance & Chief Financial Officer (Whole time Director) (w.e.f. 01.10.2015 to 30.11.2019) (Superannuated on 30.11.2019)
5	Smt. Arshi Ahmad Ali	Executive Director (Finance) & Chief Financial Officer (w.e.f 18.12.2019 to 31.12.2019 - Forenoon)
6	Shri Harish Kumar Sharma	Company Secretary (w.e.f. 06.11.2013)

^{*} Note:

1. Ministry of Housing and Urban Affairs (MoHUA), Government of India, being the Administrative Ministry/ appointing authority has assigned current charge of the post of Chairman & Managing Director to Shri M. Nagaraj, Director



Corporate Planning, effect from 7th January, 2020 for a period of 3 months or until further orders whichever is earlier, vide orders dated 7th January, 2020, which was completed on 6th April, 2020;

- 2. Further, Shri Shiv Das Meena (DIN: 01881010), Additional Secretary, Ministry of Housing and Urban Affairs, Government of India, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO with effect from 21st April, 2020, accordingly, he was Key Managerial Personnel from 21st April, 2020. Further, the MoHUA has conveyed that in pursuance of DOPT order dated 12th May, 2020, Shri Meena, is relieved of his duties in the MoHUA, GoI, with effect from 18th May, 2020 (F/N) to enable him to join Central Pollution Control Board, Ministry of Environment, Forest and Climate Change; and
- 3. Further, MoHUA vide order dated 27th May, 2020 has again assigned the current charge of the post of Chairman & Managing Director, HUDCO to Shri M. Nagaraj, Director (Corporate Planning) for a period of three months with effect from 27th May, 2020 or until further orders whichever is earlier.

c) Transactions with Associates:

Investment in Associates

(₹ in crore)

Proportion of ownership	25%	40%	26%		
Nature of Transactions	Indbank Housing Ltd.	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.	Total
Investments					
Balance as at 01.04.2019	2.50	2.00	0.13	0.01	4.64
Additions during the year	-	-	-	-	-
Deductions during the year	-	-	-	-	-
Balance as at 31.03.2020	2.50	2.00	0.13	0.01	4.64

d) Transactions with Key Management Personnel:

- a. Shri M. Nagaraj, Director Corporate Planning had joined HUDCO on 1st February, 2019 and he has not availed any advance. Hence, there is no outstanding as on 31.03.2020.
- b. Shri D. Guhan has joined as Director Finance, HUDCO on 31st December 2019. Prior to this he was Executive Director–Finance in HUDCO. He has taken Car Advance in July-2013 in the ordinary course of business. The balance outstanding as on 31.03.2020 is ₹ 0.007 crore including Interest accrued ₹ 0.007 crore (maximum outstanding during the period he was DF was ₹ 0.01 crore).
- c. Shri Harish Sharma, Company Secretary has taken a house building loan of ₹ 0.22 crore (interest bearing) from the company which was released in two tranches of ₹ 0.11 crore in December, 2016 and ₹ 0.11 crore in March, 2018, vehicle loan of ₹ 0.06 crore (interest bearing) and festival loan of ₹ 0.01 crore (interest free) 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 31.03.2020 is ₹ 0.18 crore including interest accrued ₹ 0.02 crore, ₹ 0.002 crore and ₹ Nil (maximum outstanding during 2019-20 was ₹ 0.23 crore).
- d. Smt. Arshi Ahmad Ali was CFO, HUDCO from 18th December to 31st December, 2019. Prior to this, she was Executive Director (Finance) in HUDCO and from 1st January, 2020, she was again designated as Executive Director (Finance) in HUDCO. She has taken a welfare loan of ₹ 0.02 crore (interest bearing) from the Company in May, 2017 and festival loan of ₹ 0.01 crore (interest free) in the ordinary course of business. The balance outstanding as on 31st Dec, 2019 is ₹ 0.01 crore including interest accrued ₹ 0.0012 crore (maximum outstanding is ₹ 0.012 crore during the period she was CFO in December, 2019)

e) Managerial Remuneration :

The remuneration of key management personnel and a relative of key management personnel of the Company are set



out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

(₹ in crore)

	2019-20	2018-19
Short term employees benefits	2.39	2.71
Post-employment benefits#	0.37	0.44
Other long term benefits	-	-
Terminal benefits	-	-
TOTAL	2.76	3.15

[#] Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

f) As per DPE letter dated 21st January, 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.

In case of Associate Company:

- a) Name of the related parties and description of relationship:
 - 1. Holding Company of Reporting Enterprise

Shristi Urban Infrastructure Development Corporation Ltd. (SIDCL)

2. Fellow subsidiaries

Sarga Hotel Private Ltd (Formerly Shristi Hotel Private Limited)

Sarga Udaipur Hotel & Resorts Pvt. Ltd.,

(Formerly Shristi Udaipur Hotels & Resorts Pvt. Ltd.)

KanchanJanga Integrated Infrastructure Dev. Pvt. Ltd.

Avarsekar Reality Private Limited

Finetune Engineering Services Private Limited

Vipani Hotels & Resorts Private Limited

Border Transport Infrastructure Dev. Limited

East Kolkata Infrastructure Development Pvt. Ltd.

Medi-Net Services Private Limited

Vindhayachal Attivo Food Park Ltd., (New)

b) Transactions with Related parties:

Nature of transaction /	Holding Company		
Name of the related party	2019-20 ₹	2018-19 ₹	
Borrowings			
Shristi Urban Infrastructure Development Corporation Limited			
Taken during the year	39,03,193	60,35,169	
Interest on Loan	46,24,811	44,87,484	



Nature of transaction /	Holding C	Holding Company		
Name of the related party	2019-20 (₹)	2018-19 (₹)		
Name of the related party				
Balance Outstanding:	31 st March, 2020	31 st March, 2019		
Shristi Infrastructure Development Corporation Limited				
Borrowings	35,51,37,244	35,12,34,051		
Interest payable	2,58,64,421	2,17,02,091		

Nature of transaction /	Subsidiary		
Name of the related party			
Balance Outstanding:	31 st March, 2020 31 st March, 2019		
Sarga Udaipur Hotels & resorts Pvt. Ltd.			
Investment in equity	3,00,00,000	3,00,00,000	
Reimbursement of Expenses	5,53,657	7,53,657	

Nature of transaction /	Company secretary		
Name of the related party	Company secretary		
Balance Outstanding:	31 st March, 2020	31 st March, 2019	
Yogesh Upadhyay			
Salary	-	14,75,339	
Salary Payable	-	1,59,004	

- The transactions with related party have been entered at an amount which is not materially different from those on normal commercial terms.
- The amounts outstanding are unsecured and will be settled in cash.
- · No guarantees have been given or received.
- No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.

C) Share in Net Assets and Income

Information in respect of Investments in Indbank Housing Limited has not been incorporated as HUDCO has provided for full diminution in the value of investment

36) Information in relation to the interest of the company in Associates:

a) Details of Associates

Name of the Company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%
Signa Infrastructure India Ltd.	0.01	India	26%
Indbank Housing Ltd.	2.50	India	25%
Total	4.64		



b) The following table summarizes key information relevant to associate Shristi Urban Infrastructure Development Ltd.

Particulars	31 st March, 2020	31 st March, 2019
Cash and cash equivalents	18,30,757	7,72,284
Trade receivables	5,18,32,926	5,25,06,314
Property, plant and equipment	76,347	86,129
Capital work-in-progress	31,90,79,823	30,91,93,276
Other financial assets	52,70,525	53,26,787
Other current assets	24,81,297	25,33,510
Other non-current assets	14,98,69,762	14,97,12,125
Current tax assets	14,96,068	19,95,670
Provisions	(2,12,354)	(8,69,659)
Borrowings	(35,51,37,244)	(35,12,34,051)
Trade payable	(62,52,403)	(62,52,895)
Other liabilities	(13,17,18,140)	(11,94,68,681)
Net Assets	3,86,17,364	4,43,00,809
Profit after tax	(55,73,534)	(74,01,714)

Information in respect of Investments in Associate namely Pragati Social Infrastructure & Development Ltd, M/s. Signa Infrastructure India Ltd and Indbank Housing Limited has not been incorporated as HUDCO has decided to exit from the Associate and has provided for full diminution in the value of investment.

37) a) The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 1st August, 2016 and provisions of CSR in the Companies Act, 2013 with the approval of HUDCO's Board on the recommendations of CSR Committee of Board.

As per Companies Act, 2013, company approved allocation for CSR Budget for the FY 2019-20, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹ 27.67 crore. The amount spent during the year is ₹ 56.93 crore.

(₹ in crore)

S.	Particulars	Amount			
No.	2019-20		9-20	2018-19	
1	Gross Amount of CSR required to be spent	27	.67	22	.28
2	Amount spent during the year on:	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
	i) Construction/ Acquisition of any asset	-	-	-	-
	ii) On purpose other than (i) above	56.93	-	4.20	-

As per HUDCO's approved CSR Policy, 1st 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. 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 agency and therefore the 1st 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 had 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 20.09.2011. However, vide Office Memorandum No. M-05/0012/2014-DPE(MoU) dated 17th July, 2019, DPE informed that the guidelines prescribed vide above Office Memorandum dated 20.09.2011 have become redundant and stood withdrawn. The Board of Directors of HUDCO in its meeting held on 19.02.2020 noted the above development and has also approved to continue with HUDCO's own R&D policy formulated in 2012. The Board of Directors also approved to discontinue with earmarking 0.5% of PAT until the accumulated non-lapsable R&D funds are fully utilized.

An amount of ₹ 10.81 crore as on 31.03.2019 was available with HUDCO as non-lapsable R&D funds. During the FY 2019-20, an amount of ₹ 0.84 crore was spent on R&D projects.

38) Additional Disclosure requirement as per NHB Directions

a) Capital to Risk Assets Ratio (CRAR)

	Particulars	2019-20	2018-19
i)	CRAR (%)	56.94	56.09
ii)	CRAR - Tier I capital (%)	56.90	56.05
iii)	CRAR - Tier II Capital (%)	0.04	0.04
iv)	Amount of subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

Note: CRAR is prepared on Half-yearly basis. CRAR as on 31.03.2020 has been calculated based on provisional and un-audited Ind-AS financial statements.

b) Reserve Fund u/s 29C of NHB Act, 1987

Particulars		2019-20	2018-19		
Bala	Balance at the beginning of the year				
(a)	Statutory Reserve u/s 29C of the National Housing Bank Act,1987	4,295.19	3,845.19		
(b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act,1987				
(c)	Total	4,295.19	3,845.19		
Add	Addition / Appropriation / Withdrawal during the year				
Add	:	500.00	450.00		
(a)	Amount transferred u/s 29C of the NHBAct,1987				
(b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act,1987				
Les	Less:		-		
(a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act,1987				



(₹ in crore)

Part	Particulars		2018-19
(b)	Amount withdrawn from the Special Reserve u/s36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act,1987	-	-
(c)	Transfer to General Reserve	-	-
Balance at the end of the year			
(a)	Statutory Reserve u/s 29C of the National Housing Bank Act,1987	4,795.19	4,295.19
(b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act,1987		
(c)	Total	4,795.19	4,295.19

c) Investments

(₹ in crore)

Part	iculars	2019-20	2018-19
Valu	e of Investments		
(i)	Gross value of Investments		
	(a) In India	235.39	538.62
	(b) Outside India	-	-
(ii)	Provisions for Depreciation		
	(a) In India	3.11	3.11
	(b) Outside India	-	-
(iii)	Net value of Investments		
	(a) In India	232.38	535.51
	(b) Outside India	-	-
Move	ement of provisions held towards depreciation on investments		
(i)	Opening balance	3.11	3.11
(ii)	Add: Provisions made during the year	-	-
(iii)	Less: Write-off/Written-back of excess provisions during the year	-	-
(iv)	Closing balance	3.11	3.11

d) Derivatives:

i) Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)¥

Part	iculars	2019-20	2018-19
(i)	The notional principal of swap agreements	-	436.30
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	0.14
(iii)	Collateral required by the HFC upon entering into swaps	-	NIL



(₹ in crore)

Parti	Particulars		2018-19
(iv)	Concentration of credit risk arising from the swaps	-	\$
(v)	The fair value of the swap book @	-	0.14

- \$ HUDCO has entered into swap agreements with Authorized Dealers Banks. All the swap agreements entered into with banks are well within the maximum exposure hedging limit as approved by the HUDCO Board.
- @ Mark to Market Value.
- ¥ The above details are in respect of Interest Rate Swap entered into by the Company for FCTL loan availed from Axis Bank.

ii) Exchange Traded Interest Rate(IR)Derivative

Particulars		Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year(instrument- wise)	NIL
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2020 (instrument-wise)	NIL
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL

iii) Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Qualitative Disclosure

a) The Company has Risk Management Policy duly approved by the Board. The Policy covers the currency risk (including interest rate risk) of the Company. This policy provides the guiding parameters within which the Company can take decisions for managing the Currency Risk that it is exposed to on account of foreign currency loans. The purpose of the policy is to provide a framework to the company for management of its foreign currency risk.

➡ Risk Management Structure:

- a) The Company enters into derivatives viz. Principal only Swaps, Currency and Interest Rate Swaps for hedging the interest/ exchange rate risk in foreign currency liabilities. An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of Director Finance with Head of Resources, Head of Operations, Head of Loan accounts, Head of General Accounts, Head of Economic Cell, Head of Risk Management as Member Secretary, or any other officer nominated as by ALCO Chairman as its members. ALCO monitors effectiveness of existing and new hedging instruments/ strategies being used/ to be used for management of the Currency risk and also for taking stock of the market movements. The decisions of the ALCO are reviewed by the Risk Management Committee (RMC) for managing the risks. The decisions taken by the RMC are subsequently reported to the Board of Directors.
- b) These derivative transactions are done for hedging purpose and not for trading or speculative purpose.
- c) Reference may be drawn to Sub point No. 4.6 of para 4 of Notes forming part of accounts under Significant Accounting Policies for relevant accounting policy on Transactions in Foreign Currency.



B. Quantitative Disclosure

(₹ in crore)

Particulars	Currency Derivatives* 2019-20	Interest Rate Derivatives 2019-20
(i) Derivatives (Notional Principal Amount)	17.17	-
(ii) Marked to Market Positions[1] **		-
(a) Assets(+)	1.61	-
(b) Liability(-)		-
(iii) Credit Exposure[2]	17.17	-
(iv) Unhedged Exposures	150.40	-

^{*} Swap arrangement entered into with Bank of India and Exim Bank in respect of foreign currency loans availed from ADB and USAID have not been considered as Currency Derivatives. Only the Currency Swap entered into by the Company with ICICI Bank in respect of USAID-II loan has been considered as Currency Derivative.

e) Securitisation:

(i) Outstanding Amount of Securitised assets for originating HFCs.

S. No.	Particulars	No./Account
1	No. of SPVs sponsored by the HFC for securitization transactions*	
2	Total amount of securitised assets as per books of the SPVs sponsored	
3	Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	
	(I) Off-balance sheet exposures towards Credit Enhancements	
	(II) On-balance sheet exposures towards Credit Enhancements	
4	Particulars	
	(I) Off-balance sheet exposures towards Credit Enhancements	NIL
	a) Exposure to own securitizations	
	b) Exposure to third party securitizations	
	(II) On-balance sheet exposures towards Credit Enhancements	
	a) Exposure to own securitizations	
	b) Exposure to third party securitizations	
	*Only the SPVs relating to outstanding securitisation transactions may be reported here	

^{**} The mark to market positions mentioned above are those as informed by the counterparties (generally banks).



(ii) Details of Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction

Part	iculars	2019-20	2018-19
(i)	No. of accounts	NIL	NIL
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC	NIL	NIL
(iii)	Aggregate consideration	NIL	NIL
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v)	Aggregate gain / loss over net book value	NIL	NIL

(ii) Details of Assignment transactions undertaken by HFCs

Parti	iculars	2019-20	2018-19
(i)	No. of accounts	NIL	NIL
(ii)	Aggregate value (net of provisions) of accounts assigned	NIL	NIL
(iii)	Aggregate consideration	NIL	NIL
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v)	Aggregate gain / loss over net book value	NIL	NIL

(iv) Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased

Part	iculars	2019-20	2018-19
(a)	No. of accounts purchased during the year	NIL	NIL
(b)	Aggregate outstanding	NIL	NIL
(c)	Of these, number of accounts restructured during the year	NIL	NIL
(d)	Aggregate outstanding	NIL	NIL

B. Details of non-performing financial assets sold

Pa	rticulars	2019-20	2018-19
1.	No. of accounts sold	NIL	NIL
2.	Aggregate outstanding	NIL	NIL
3.	Aggregate consideration received	NIL	NIL



f) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in crore)

Particulars	Upto 30/31 days (1 month)	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 month & upto 1 year	Over 1 year & upto 3 years	Over3 years &up to 5years	Over5 years & up to 7years	Over7 years & up to 10years	Over 10 Years	Total
Liabilities											
Deposits	6.74	16.38	28.17	43.38	50.40	21.43	1.97	-	-	-	168.47
Borrowings from Bank	867.97	2512.43	5.67	79.31	164.47	1947.12	634.48	486.06	181.29	53.98	6932.78
Market Borrowing	200.00	1,900.00	576.90	400.00	712.45	14,843.09	3,041.67	4,330.97	23,596.73	4,378.96	53,991.49
Foreign Currency Liabilities	-	-	28.51	19.25	48.65	171.17	21.16	19.44	28.07	7.62	343.87
Advances	66.49	640.92	640.86	1,374.17	2,900.46	11,497.09	10,248.29	8,882.64	30,813.47	7,203.53	74,267.92
Investments	-	-	-	-	-	-	-	-	-	233.51	233.51
Foreign Currency Assets	-	-	28.52	-	29.40	93.84	-	-	-	-	151.76

^{*} Mismatches, if any, are supported by committed/undrawn working capital limits from banks.

g) Exposure

i) Exposure to Real Estate Sector

Categ	ory		2019-20	2018-19
a)	Direc	ct Exposure		
	(i)	Residential Mortgages-		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	67.14	78.40
	(ii)	Commercial Real Estate-		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits:	1,152.78	1,271.33
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures-		
		a) Residential		-
		b) Commercial Real Estate	-	-
b)	Indir	ect Exposure		
	1	based and non-fund based exposures on National Housing Bank and Housing Finance Companies (HFCs)	-	200.00



ii) Exposure to Capital Market

(₹ in crore)

Particulars	2019-20	2018-19
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (At Cost)	49.86	51.17
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures/ units of equity oriented mutual funds' does not fully cover the advances;	NIL	NIL
(v) Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers;	NIL	NIL
(vi) Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii) Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	46.72	51.17

- (iii) Details of financing of parent company products: Not Applicable
- h) Disclosure of Penalties imposed by NHB and other regulators : NIL
- i) Rating assigned by Credit Rating Agencies and migration of rating during the year
 - i. The credit rating of HUDCO's domestic debt instrument(s) and Banking Sector Loan(s)/ Facilities reaffirmed as "AAA-Stable" (Long Term) and "A1+" (Short Term) the highest rating on Standalone basis by the three credit rating agencies, viz., M/s India Ratings and Research Private Ltd (IRRPL), M/s CARE Ratings and ICRA Ratings.
 - ii. As on 31st March, 2020, HUDCO for its International Borrowing Program continued to enjoy international credit rating from two international credit rating of "Baa2" and "BBB-" respectively from Moody's and FITCH, International Credit Rating Agencies, for its international borrowing program. Both the assigned ratings are at the Sovereign ceiling and equivalent as that of Republic of India.

Moody's Investors Service, Singapore, vide its press release date June 1, 2020, has downgraded India's Sovereign rating of "Baa2" to "Baa3" with negative outlook. In line with India's "Baa3" Sovereign rating, Moody's Investors Service, vide its press release dated June 2, 2020, has downgraded the rating of HUDCO to "Baa3" from "Baa2" level with Negative outlook.

Further, Fitch Ratings vide its press release dated June 24th, 2020 has revised the outlook of HUDCO 'BBB-rating to 'Negative' from 'Stable'. The rating action follows the change in the outlook on Govt. of India's rating to 'Negative' from 'Stable' on 18th June, 2020.

Both the assigned ratings are at the Sovereign ceiling and equivalent as that of Republic of India.



j) Change in Accounting Policies

	During the year 2019-20, 5 of the accounting policy have been modified with some clarificatory change in compliance of CAG observation and a new accounting policy on Ind As 116 on "Leases" and its Estimates which has been incorporate per the following details.				
	Significant accounting policies:	Proposed Changes and Addition	Remarks with financial impact, if any		
4.1	In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standard (referred to as "Ind AS") notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended, with effect from 1st April 2018. The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1st April 2017. Previous period figures in the standalone financial statements have been restated to Ind AS. Upto the year ended March 31st, 2018, the company had prepared the standalone financial statement under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India, and the applicable Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014.	Statement of Compliance The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1st April 2017.	Changes due to the removal of first time adoption of the Ind As. No financial Impact		
4.12	Leases A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance Lease Finance leases are capitalized at the commencement of lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.	Company as a lessee (i) The Company Recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier	Changes due to the Amendment issued effective from 01.04.2019 Ind As 116 "Leases". No Financial Impact		



Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably expected that the Company will obtain ownership by the end of the lease term, in which case the useful lives applicable for similar assets owned by the Company are applied.

Operating Lease:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. The Company has ascertained that the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and therefore, the lease payments are recognized as per terms of the lease agreement in the Statement of Profit and Loss.

of the end of the useful life of the right-touse-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.



The Company recognizes lease payments received under operating lease as income on a straight-line basis over unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income". 4.13 Financial instruments Financial instruments A financial instrument is any contract that A financial instrument is any contract that gives rise to a financial asset of one entity gives rise to a financial asset of one entity and a financial liability or equity instrument of and a financial liability or equity instrument of another entity. another entity. Initial recognition and measurement Initial recognition and measurement The Company recognizes financial assets and The Company recognizes financial assets and financial liabilities when it becomes a party to financial liabilities when it becomes a party to the contractual provisions of the instrument. the contractual provisions of the instrument. All financial assets and financial liabilities i.e. All financial assets and financial liabilities are Loans and Advances, Equity investments, recognised initially at fair value plus or minus. Derivative financial instruments and all other in the case of financial assets or financial

Subsequent measurement

financial liability.

(a) Non-derivative financial instruments

liability not at fair value through profit or loss,

transaction costs that are attributable to the

acquisition or issue of the financial asset or

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business

charged to profit and loss. Subsequent measurement

- (a) Non-derivative financial instruments
- (i) Financial assets carried at amortised cost

financial assets and liabilities are recognised

initially at fair value plus or minus transaction

costs that are attributable to the acquisition or

issue of the financial asset or financial liability

except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are

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Changes have been incorporated in compliance to the CAG observations.

No financial Implication



model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

(b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

as equity instruments other than which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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All equity investments in scope of Ind AS 109 are initially measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are subsequently measured at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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(i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.16 Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance with the principles laid down in IndAs 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due:-

 Stage - 1 0-30 days

 Stage - 2 31-90 days

 Stage - 3 Above 90 days.

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 Stage – 1 0-30 days

 Stage – 2 31-90 days

 Stage – 3 Above 90 days.

There is only clarificatory change in order to be in conformity of the approved ECL Approach note.

No Financial Impact



The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provisions (over and above the NHB 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 the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification Loans

The company allows concessions or modification of loan term as a response to the borrowers financial difficulties rather than taking possession or to other wise enforce collection of security. The company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case by case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.

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When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.



b) Non-financial assets

(i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

o) Non-financial assets

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5.7

Leases (Estimates)

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.

Changes on Estimates incorporated due to the Amendment of Ind As 116 "Leases" effective from 01.04.2019.

No Financial impact.



k) Provisions and Contingencies

(₹ in crore)

S. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	2019-20	2018-19
1	Provisions for depreciation	-	-
2	Provision made towards Income tax	453.00	584.90
3	Provision towards NPA*	(375.90)	159.90
4	Provision for Standard Assets *		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(1.07)	(0.99)
	ii) Commercial Real Estate - CRE	1.64	(3.97)
	iii) Other than CRE & CRE-RH	17.54	99.78
	iv) Others (special dispensation by NHB)	(29.26)	(8.36)
	v) Investment in unquoted Bonds	-	-
5	Other Provision and Contingencies		
	A. Provision for Employee Benefit		
	i) Leave Encashment	7.92	3.56
	ii) Post-Retirement medical benefit	14.79	8.32
	iii) Welfare expenses	0.13	0.01
	iv) Gratuity	1.41	0.73
	v) Provident Fund	16.44	-
	B. Provision on Debtors/ recoverable, other loans and advances	0.59	1.39

^{*} The figures reported above are as per NHB Provision, however the same is not appearing in the Profit & Loss due to application of ECL as per Ind As norms.

I) Concentration of Public Deposits, Advances, Exposures and NPAs

i. Concentration of Public Deposits*

(₹ in crore)

Particulars	2019-20	2018-19
Total Deposits of twenty largest depositors (₹ in crore)	139.78	215.20
Percentage of Deposits of twenty largest depositors to Total Advances of the HFC total Deposits of the HFC	82.90%	74.30%

^{*} The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019.

ii. Concentration of Loans & Advances

Particulars	2019-20	2018-19
Total Loans & Advances to twenty largest borrowers (₹ in crore)	61547.56	56050.24
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	80.38%	76.44%



iii. Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	2019-20	2018-19
Total Exposure to twenty largest borrowers / Customers (₹ in crore)	67560.46	62762.28
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	76.61%	75.78%

iv. Concentration of NPAs

(₹ in crore)

Particulars	2019-20	2018-19
Total Exposure to top ten NPA accounts	2204.85	2024.07

v. Sector wise NPAs

SI. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		2019-20	2018-19
A.	Housing Loans:		
1.	Individuals	15.31%	15.25%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	100.00%	100.00%
4.	Others(specify)	0.09%	0.21%
B.	Non-Housing Loans:		
1.	Individuals	0.00%	0.00%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates#	93.28%	75.47%
4.	Others(specify)	1.67%	1.34%

[#] Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

m) Movement of NPAs

Par	ticulars	2019-20	2018-19
(I)	Net NPAs to Net Advances (%)	0.19%	0.27%
(II)	Movement of NPAs (Gross)		
	a) Opening balance	2804.01	3127.46
	b) Additions during the year	143.78	4.34
	c) Reductions during the year	502.72	327.79



(₹ in crore)

Part	iculars	2019-20	2018-19
	d) Closing balance	2445.07	2804.01
(III)	Movement of Net NPAs (Project Loans)		
	a) Opening balance	192.06	674.62
	b) Additions during the year	122.21	(325.92)
	c) Reductions during the year	105.23	156.64
	d) Closing balance	209.04	192.06
(IV)	Movement of provisions for NPAs		
	(excluding provisions on standard assets)		
	a) Opening balance	2611.94	2452.84
	b) Provisions made during the year	20.85	329.37
	c) Write-off/write-back of excess provisions	396.75	170.27
	d) Closing balance	2236.04	2611.94

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

Break up of Loan & Advances and Provisions thereon	d Housing		Non-Housing	
Provisions thereon	2019-20	2018-19	2019-20	2018-19
Standard Assets*				
a) Total Outstanding Amount	44544.42	41736.21	30224.61	29370.14 #
b) Provisions made	186.31	174.76	127.94	151.60
Sub-Standard Assets				
a) Total Outstanding Amount	0.84	1.25	143.05	5.46
b) Provisions made	0.13	0.19	21.46	0.82
Doubtful Assets – Category-I				
a) Total Outstanding Amount	0.16	0.64	3.70	466.09
b) Provisions made	0.04	0.16	0.93	116.52
Doubtful Assets – Category-II				
a) Total Outstanding Amount	0.48	63.76	184.83	521.21
b) Provisions made	0.19	30.32	101.28	437.64
Doubtful Assets – Category-III				
a) Total Outstanding Amount	153.88	198.61	1935.36	1524.29
b) Provisions made	153.88	198.61	1935.36	1524.29



(₹ in crore)

Break up of Loan & Advances and	Hou	Housing		lousing
Provisions thereon	2019-20	2018-19	2019-20	2018-19
Loss Assets				
a) Total Outstanding Amount	22.63	22.70	0.16	
b) Provisions made	22.63	22.70	0.16	
TOTAL				
a) Total Outstanding Amount	44722.41	42023.17	32491.72	31887.19
b) Provisions made	363.17	426.74	2187.13	2230.87
c) Additional Provision made	-	-	482.57	296.71
d) Total Provision made	363.17	426.74	2669.70	2511.58

[#] Includes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

o) Overseas Assets

Particulars	2019-20		:	2018-19
	(₹ in crore)	(US \$ in Millions)	(₹ in crore)	(US \$ in Millions)
Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	75.88	10.07	94.61	13.68

p) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored			
Domestic Overseas			
Nil	Nil		

q) Customers Complaints

Particulars	2019-20	2018-19
a) No. of complaints pending at the beginning of the year	2	25
b) No. of complaints received during the year	1358	1639
c) No. of complaints redressed during the year	1360	1662
d) No. of complaints pending at the end of the year	Nil	2

- r) There are no advances outstanding where intangible securities such as charge over rights, licences, authority etc.
- s) The Company has not extended any loan/advances against gold as collateral security.

^{*} Standard includes Principal outstanding and Interest Accrued.

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NOTE 40: (Contd.)

- 39) a) Figures of the previous period have been regrouped/ rearranged/ re-casted 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 ACS 6557 Sd/-D. Guhan Director Finance DIN 06757569 Sd/-M. Nagaraj Chairman & Managing Director DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

> Sd/-Prem Behari Gupta Partner

Partner (Membership No. 080245)

Place of signature : New Delhi Date : 26th June, 2020



Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

SI. No.	Particulars	Details
1.	Name of the subsidiary	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	NOT APPLICABLE
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures		Shristi Urban Infrastructure Development Ltd.	Signa Infrastructure India Ltd.	Pragati Social Infrastructure Development Ltd. *	Ind Bank Housing Ltd.	
1.	Latest audited Balance Sheet Date	31st March, 2019	31st March, 2017	Not Available	31st March, 2020	
2.	Date on which the Associate or Joint Venture was associated or acquired	20 th June, 2005	18th August, 2006	6 th April, 2005	28 th January, 1991	
3.	Shares of Associate/Joint Ventures held by the company on the year end					
	Number of Shares	20,00,000	13,000	1,30,000	25,00,000	
	Amount of Investment in Associates/ Joint Venture (₹)	2,00,00,000	1,30,000	13,00,000	2,50,00,000	
	Extent of Holding %	40	26	26	25	
4.	Description of how there is significant influence	Agreement	Agreement	Agreement	Associate	
5.	Reason why the associate/joint venture is not consolidated	Not Applicable	HUDCO has decided to exit from said entity and provided for full diminution in the value of investment. Further accounts for FY 2019-2020 are also not available	HUDCO has decided to exit from said entity and provided for full diminution in the value of investment. Further accounts for FY 2019-2020 are also not available	HUDCO has provided for full diminution in the value of investment.	
6.	Net worth attributable to shareholding as per latest un-audited Balance Sheet (as on 31.03.2020) (₹ in crore)	0.77	Not Applicable	Not Applicable	Not Applicable	
7.	Profit/Loss for the Year ended 31.03.2020					
	i. Considered in Consolidation (₹ in crore)	(0.22)	Not Applicable	Not Applicable	Not Applicable	
	ii. Not Considered in Consolidation (₹ in crore)		Not Applicable	Not Applicable	Not Applicable	

^{*} Case filed before National Company Law tribunal, Kolkata on 28.2.2013 against M/s. Pragati Social Infrastructure & Development Ltd. under section 241 (Application to Tribunal for relief in cases of oppression, etc) of Companies Act, 2013, therefore the company has not provided unaudited / audited accounts for the year 2019-2020 or any of the previous years and the same are also not available at MCA site.

Sd/- Sd/- Sd/- Sd/- Sd/- Sd/Harish Kumar Sharma D. Guhan M. Nagaraj
Company Secretary Director Finance Chairman & Managing Director
ACS 6557 DIN 06757569 DIN 05184848

As per our Separate report of even date attached

For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

> Sd/-Prem Behari Gupta Partner

Place of signature: New Delhi
Date: 26th June, 2020

(Membership No. 080245)



YEARWISE DETAILS OF HUDCO'S OPERATIONS

YEAR	NO.OF SCHEMES	GROSS LOAN SANCTIONED	AMOUNT RELEASED	DWELLING UNITS	PLOTS	
1971-72	19	34.86	5.51	22095	10883	
1972-73	46	36.06	7.44	21269	3297	
1973-74	53	30.63	13.15	19017	4390	
1974-75	67	37.52	22.63	25165	1450	
1975-76	163	54.47	35.84	36345	798	
1976-77	242	72.70	40.08	53714	16738	
1977-78	179	88.05	48.78	140141	5539	
1978-79	227	107.98	65.86	99463	9475	
1979-80	227	139.20	77.04	202841	6317	
1980-81	346	161.68	89.97	268363	6107	
1981-82	392	193.62	105.24	276948	14342	
1982-83	516	221.33	131.78	284879	11890	
1983-84	617	283.93	149.11	316349	7344	
1984-85	677	352.88	199.82	318837	16601	
1985-86	697	387.42	222.51	339832	15210	
1986-87	581	392.02	270.15	306716	9182	
1987-88	650	496.73	324.60	300938	18285	
1988-89	755	651.28	438.05	380547	82701	
1989-90	844	906.84	541.60	665485	32870	
1990-91	1164	1385.89	735.00	832803	20211	
1991-92	956	1348.09	834.00	669905	29844	
1992-93	831	1110.42	858.91	399179	20821	
1993-94	971	1368.45	1003.58	416274	24111	
1994-95	1094	1763.24	1121.50	372803	12945	
1995-96	912	1966.91	1241.80	393692	18258	
1996-97	973	2470.59	1575.90	423248	43623	
1997-98	795	3061.86	2263.20	553156	22457	
1998-99	1146	6666.67	3200.71	1860357	23669	
1999-00	659	8899.89	4372.74	1635844	22117	
2000-01	360	7912.73	4829.32	3097651	8871	
2001-02	341	8140.53	4661.78	736519	12477	
2002-03	316	15627.21	8179.68	873047	35471	
2003-04	364	13415.31	6136.27	969883	5842	
2004-05	317	13861.62	5920.88	1119742	15758	
2005-06	224	10099.19	3766.52	192197	2181	
2006-07	287	12162.55	3452.41	140970	5573	
2007-08	306	13500.61	3754.02	98868	4185	
2008-09	192	14754.30	4020.07	114009	1477	
2009-10	147	16623.76	3098.07	297907	1191	
2010-11	134	19761.68	5104.28	295732	2643	
2010-11	130	20511.40	6905.74	422524	181853	
2011-12	140	23974.06	6079.10	439286	57247	
2013-14	134	17490.94	7437.50	1434102	243	
2014-15	162	21095.54	8101.29	484128	128	
2015-16	202	30774.44	8249.96	457879	701	
	+			_		
2016-17	178	31861.97	9145.00 16564.83	271498	0	
2017-18	116	386848.03		1548602	0	
2018-19	77 50	34451.54	31008.59	2068151	0	



CUMULATIVE STATEWISE PERFORMANCE AS ON 31-MARCH-2020

(₹ In Crore)

S. NO.	STATE/ UT'S	NO. OF SANCTION	PROJ. COST	LOAN SANC	LOAN REL.	DWELLIN	IG UNITS	PLOTS	
			()			UPGD	NEW		
1	ANDHRA PRADESH	1352	48850.09	19500.72	16672.55	98426	2393320	3343	
2	ARUNACHAL PRADESH	9	16.48	6.38	6.39	0	1822	0	
3	ASSAM	193	1282.85	730.88	897.51	15536	40713	1803	
4	BIHAR	205	14814.36	3677.51	1232.95	23032	80162	5740	
5	CHHATTISGARH	265	26025.44	1954.44	1869.33	314	88247	18572	
6	DELHI	77	62188.64	21634.83	21442.73	0	1694920	0	
7	GOA	37	516.53	283.10	277.24	5983	1410	1526	
8	GUJARAT	1254	78626.48	7796.34	6861.93	55868	538349	8196	
9	HARYANA	384	8719.57	4549.40	2518.39	17437	107428	4987	
10	HIMACHAL PRADESH	185	2371.96	1223.33	1200.22	948	73647	2022	
11	JAMMU & KASHMIR	116	4407.26	547.49	546.33	11123	12828	11330	
12	JHARKHAND	131	10261.91	3892.24	3441.49	10346	360721	2000	
13	KARNATAKA	1434	43702.56	15252.02	13218.76	287596	2691141	38872	
14	KERALA	1108	17782.90	10465.04	6288.19	99286	1255454	651	
15	MADHYA PRADESH	1322	19349.88	8491.57	8380.13	9436	189971	141286	
16	MAHARASHTRA	1231	110611.70	11985.66	8613.90	52566	450546	18626	
17	MANIPUR	40	297.63	155.61	140.51	385	14360	0	
18	MEGHALAYA	37	1388.91	758.78	364.04	291	15104	1	
19	MIZORAM	40	237.77	148.26	148.26	5150	7890	148	
20	NAGALAND	502	1823.27	1331.88	1329.46	78	22389	333	
21	ORISSA	455	6234.35	3750.56	1576.35	15283	261723	7148	
22	PUNJAB	541	8630.37	4610.25	3185.37	14864	103170	7169	
23	RAJASTHAN	1213	21422.81	13636.33	11930.20	0	943230	70493	
24	SIKKIM	42	4252.75	1188.91	991.46	3854	12050	0	
25	TAMIL NADU	2259	46193.58	18035.21	14107.01	324776	1195510	161749	
26	TELANGANA	865	46863.67	25944.17	21299.76	45817	930754	2344	
27	TRIPURA	39	1157.56	489.58	152.78	1909	5661	1	
28	UTTAR PRADESH	1305	78269.39	20304.34	17279.88	31991	1297142	65877	
29	UTTARAKHAND	115	2938.89	979.84	715.79	3506	54668	560	
30	WEST BENGAL	335	8589.31	3345.58	3417.01	3020900	194188	5346	
31	A & N ISLANDS	17	26.07	13.29	10.90	500	534	0	
32	CHANDIGARH	77	1719.09	118.50	171.16	0	28036	8045	
33	DADRA NAGAR HAVELI	2	0.35	0.25	0.00	45	42	0	
34	PUDUCHERRY	97	2358.19	1237.19	928.20	0	8455	0	
35	TOTAL SANCTIONS	17284	681932.57	208039.48	171216.18	4157246	15075585	588168	

TOTAL SANCTIONS INCLUDING HUDCO NIWAS

 LOAN AMOUNT
 :
 214864.64 Cr.

 RELEASE AMOUNT
 :
 176363.81 Cr.

 DWELLING UNITS
 :
 19619236 Cr.

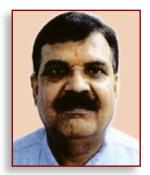


SECTORWISE URBAN INFRASTRUCTURE PROJECTS SANCTIONED AS ON 31-03-2020

SL.	CATEGORY		CURRENT YEAR		
NO.		Current No. of Projects	Cumul. No. of Project	Current Loan Sancd.	Cumul. Loan Sancd.
1	Water Supply	5	552	2774.67	29926.49
2	Sewerage, Drainage, Solid Waste MGT	0	115	0.00	6518.45
3	Transporataion/Roads	9	564	8417.05	42999.02
4	Area Development.	0	114	0.00	1607.99
5	Social Infrastructure	16	578	215.67	8258.29
6	Other Infrastructure	10	416	4716.50	33952.07
	Total	40	2339	16123.89	123262.31



SENIOR EXECUTIVES



Shri Ajay Mishra Chief Vigilance Officer



Dr. D. Subrahmanyam Sr. ED (O)



Shri V. Thirumavalavan ED (BHRO)



Shri J. Prem Nawaz ED (HR/Admn.) (upto 31.07.2020)



Smt. Rekha V. Sarathy ED (IA)



Dr. SK Gupta EDT (HSMI)



Shri Akhilesh Kumar EDP (C&C/CSR)



Shri Shailesh Prakash Tripathi ED (IT/ISO)



Smt. Arshi Ahmad Ali ED (GA/LA) (upto 31.07.2020)



Shri Qamar Ali EDF (LC)



Shri HT Suresh ED (RF/H)



Dr. Alok Kumar Joshi EDP (UI)



Dr. H. VermaED (Risk Mgt./CRO)



Shri Yatish Kumar Singh ED (Law-O)



Shri Harish Kumar Sharma Company Secretary



HUDCO OFFICES

Corporate-cum-Registered Office

Housing and Urban Development Corporation Limited

Hudco Bhawan, Core 7-A, India Habitat Centre, Lodhi Road, New Delhi - 110 003.

Tel.: 24649610-23, 24627113-15 After Office Hours: (011) 24648193-95 Voice Mail Service: (011) 24648160, 63, 64

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Training & Research Wing Human Settlement Management Institute HUDCO House, Lodhi Road,

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41708297, 41808297 Fax: (011) 26493726

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Fax: 0361-2339150

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Housefed office Complex

2nd Floor, Rukminigaon

G.S. Road Guwahati-781 022

Tel.: 0361-2339148, 2339018

5-10-193, 1st floor HACA Bhavan,
Opposite Assembly, Saifabad,
Hyderabad - 500 004

Tel.: 040-23231297

Fax: 040-23243938 Email: hro@hudco.org

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Block-III, Paryavas Bhawan Jail Road, Arera Hills Bhopal - 462 011 Tel.: 0755-2763542 Fax: 0755-4932959 Email: bhro@hudco.org

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Fax: 044-28589746 Email: cro@hudco.org

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House No. 221, United Colony, Near Govt. Higher Secondary School Gate Half Nagarjan

Dimapur-797 112 (Nagaland) Tel.: 03862-224365, 224323 Fax: 03862-224323

Email: dimapurro@hudco.org rohudco_kohima@yahoo.com

JAIPUR

Behind Rajasthan Housing Board Office, Vidhyut Marg, Jyoti Nagar Jaipur - 302 005

Tel.: 0141-2740158 Fax: 0141-2740702 Email: jro@hudco.org

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Tel.: 0522-2720834 Fax: 0522-2720841 Email: Iro@hudco.org hudcolucknow@gmail.com



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RANCHI

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Tel.: 0651-2241526 Fax: 0651-2241236 Email: ranchi@hudco.org hudcoranchi@gmail.com

PATNA

Block-B2, 2nd Floor, Mouryalok Complex, Dak Bunglow Road

Patna - 800 001 Tel.: 0612-2234994 Fax: 0612-2221886 Email: pro@hudco.org hudcopro@gmail.com

THIRUVANANTHAPURAM

3rd Floor, "SAPHALYAM Complex" Palayam University, P.O., Thiruvananthapuram-695 034 Tel.: 0471-2339742-45 Fax: 0471-2329006

Email: tro@hudco.org hudcotro@gmail.com

RAIPUR

1-B, Surva Appartment, Katora Talab, Raipur - 492 001 Tel.: 0771-4001908 Fax: 0771-2422023 Email: raipurro@hudco.org

VIJAYAWADA

rcraipur@gmail.com

36-14-1, Veeramachaneni Complex, Jammichettu Centre, Mogalrajpuram Vijayawada - 520 010

Tel: 0866-2493306, 2493307 Fax: 0866-2493308 Email: vro@hudco.org hudcovro@gmail.com

DEVELOPMENT OFFICES

Agartala

3/1, Officers Quarters Lane, Krishna Nagar.

Agartala - 799 001(Tripura)

Tel: 0381-2205701 Fax: 0381-2205701

Email: agartala@gmail.com

Goa

EDC House, 'C' Block Mezzanine Floor, DV Road, Panaji, Goa - 403 501 Tel: 0832-2420790 Fax: 0832-2420790

Email: dancards@sancharnet.in

Aizwal

Lalnghinglova Building, Chaltlang Road H.No.C-15, 2nd Floor, Chanmari. Aizwal - 796 007 (Mizoram) Tel: 0389-2342289

Fax: 0389-2342289

Email: doaizhudco@gmail.com

Imphal

PDA Building North AOC Imphal - 795 001 (Manipur)

Fax: 0385-2421708

Email: hudcoimphal@yahoo.com

Tel: 0385-2421708

Kokrajhar

Boro Bhatarmari (Near IOC Petrol Pump) Ganga Cinema Hall, Kokrajhar - 783 370 (Assam)

Tel: 03661-275779 Fax: 03661-275779

Shillong

1st Floor, Laitumkhrah Main Road, (Behind Bata Shoes) Shillong - 793 003 (Meghalaya)

Tel: 0364-2502321 Fax: 0364-2502320

Puducherry

No.11,12,13, LIC Building, Ground Floor, Kamaraj Salai, New Saram, Puducherry - 605 013 Tel: 0413-2244214/216

Fax: 0413-2244214/216 Email: pdo@hudco.org

Shimla

No. 4 Shakuntala Niwas Opp. Himachal Pradesh Secretariat. Chhota Shimla - 171 002

Tel: 0177-2628449 Fax: 0177-2628449 Mob. No.: 9814865499

Gangtok

HUDCO Development Office, 2nd Floor, Gangtok Municipal Corporation, Deorali, Gangtok -737 102.

Tel: 03592-281107 Fax: 03592-281107

Email: hudcosdo@gmail.com

Itanagar

Second Floor.

Tadar Trade Centre Bank, Tin-ali, Itanagar - 791 111 (Arunachal Pradesh)

Tel: 0360-2216867 Fax: 0360-2216867

Port Blair

Post Bag No. 5, Aberdeen Bazaar, Port Blair - 744 101

Tel: 03192-231544 Fax: 03192-231544

Email: hudcopbdo@hudco.org



DETAILS OF AUDITORS AND BANKERS

STATUTORY AUDITORS

M/s PREM GUPTA & CO. Chartered Accountants, 4 Shivaji Marg, Najafgarh Road, New Delhi - 110 015

BANKERS NAME AS ON 31.03.2020

SI. No. List of Banks & Address

1. Canara Bank

74, Janpath, New Delhi - 110 001 Ph. No.: 23387243

2. Corporation Bank

M-3&4, Shopping Centre Greater Kailash-II, New Delhi - 110 048 Fax No.: 29212059

Ph. No.: 29210667/29223701

3. IDBI Bank Ltd.

Videocon Tower, 1st Floor, E 1, Jhandewalan Extension, New Delhi - 110 055 Fax No.: 66084834 Ph. No.: 66084828

4. Syndicate Bank

Khan Market Branch, Lok Nayak Bhawan, New Delhi - 110 003 Ph. No.: 24616694/24611872

5. Union Bank of India

Moti Bagh Branch, Palika Bhawan, Opp. Hyatt Regency, Sector-13, R.K. Puram, New Delhi - 110 066 Fax No.: 24676843

rax No.. 24070043

Ph. No.: 24676843/24100083/26872621

6. ICICI Bank

9A, Phelps Building, Inner Circle, Connaught Place, New Delhi - 110 001

7. Reserve Bank of India

Deposit Account Deptt., Account Section, Parliamentary Street,

New Delhi - 110 001 Fax No.: 3355185 Ph. No.: 23452052

8. Bank of Baroda (Formely Vijaya Bank)

D-65, Hauz Khas, Hauz Khas Market, Block- D, New Delhi - 110 016 Fax No.: 26961524

Ph. No.: 26963242

SI. No. List of Banks & Address

9. State Bank of India

India Habitat Centre, Lodi Road, New Delhi - 110 003

Ph. No.: 24656721

10. Axis Bank Limited

Statesman House, Barakhamba Road, New Delhi - 110 001

Fax No.: 23311054/47396611

11. Punjab National Bank

ECE House, 28-A, K.G. Marg, Connaught Place, New Delhi - 110 001

Fax. No.: 23710118

Ph. No.: 23739131/23711324

12. Indusind Bank

Dr. Gopal Das Bhawan 28, Barakhamba Road, New Delhi - 110 001 Ph. No.: (011) 46032442

13. Yes Bank

Plot No.: 11/48, Shopping Centre Diplomatic, Enclave, Malcha Market Chanakya Puri, New Delhi - 110 021

14. Kotak Mahindra Bank

Asset Area- 9

2nd Floor 1, IBIS Commercial Block, Hospitality District, Aerocity, Near IGI Airport,

New Delhi - 110 037

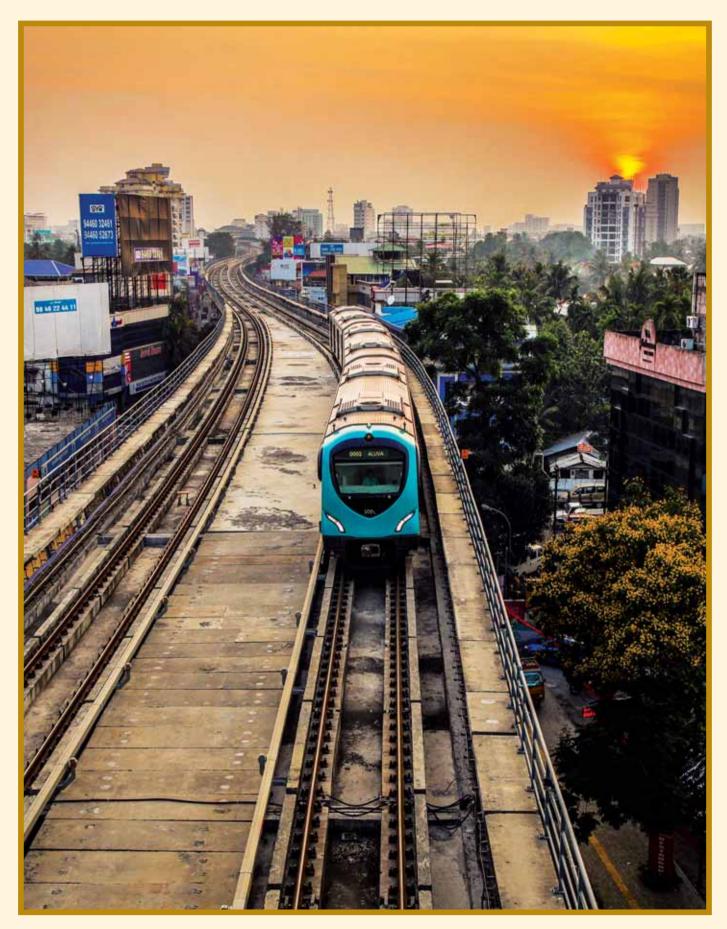
15. State Bank of India

CAG Branch 4th & 5th Floor Red Fort Capital Parasvnath Tower Bhai Veer Singh Marg, (Near Speed Post Office) Gole Market,

New Delhi - 110 001 Fax. No.: 23475580 Ph. No.: 23475562

16. HDFC Bank Ltd.

209-214, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110 001 Ph. No.: 011-61606161



Metro Rail Project - Kochi, Kerala



Housing and Urban Development Corporation Limited (A Government of India Enterprise)

HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110 003

Tel.: 011-24649610-23, 24648420, Fax: 011-24625308 Website: www.hudco.org, Email: cswhudco@hudco.org

CIN: L74899DL1970GOI005276