

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

HUDCO's philosophy in relation to Corporate Governance is to ensure transparency in all its operations with special emphasis on financial prudence, accountability and enhancing customers' satisfaction by safeguarding stakeholders' interest & maximizing their wealth by following the applicable rules, regulations and guidelines on Corporate Governance issued by the Securities and Exchange Board of India and the Department of Public Enterprises (DPE) in its letter and spirit.

Your Company is continuously strengthening the Corporate Governance Practices in the organization both internally as well as externally and is fully committed to adopt and implement the best practices on Corporate Governance in the Country in the best interest of its stakeholders.

A Certificate on Corporate Governance from M/s Grover Ahuja & Associates, Company Secretaries in Practice is annexed and forms part of the Report.

2. BOARD OF DIRECTORS

The constitution of Board of Directors of your Company is in compliance with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines.

HUDCO, being a Government Company, the power to appoint Director(s) on the Board of your Company vests with the President of India which is exercised through the Administrative Ministry i.e. Ministry of Housing and Urban Affairs.

As per Articles of Association, the number of Directors of the Company shall not be less than three and not more than fifteen, however, the Company may appoint more than fifteen Directors with the consent of the shareholders by way of a special resolution.

(a) Composition and Category of Directors

As on 31st March, 2018, the Board of your Company consists of ten Directors including 2 women directors. The composition of the Board comprises of the Chairman & Managing Director, two Functional Director(s), two Part-time Official Government Directors and five Part-time Non-official Independent Directors, the detail of which was as under:

Sl. No.	Name	Category
Whole Time Directors (Executive Directors)		
1.	Dr. M Ravi Kanth (DIN : 01612905)	Chairman & Managing Director
2.	Shri Nand Lal Manjoka (DIN : 06560566)	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora (DIN : 02772248)	Director (Finance)
Part-time Official Government Directors		
4.	Smt. Jhanja Tripathy (DIN : 06859312)	Director
5.	Shri Rajiv Ranjan Mishra (DIN : 06480792)	Director
Part-time Non-official Independent Directors		
6.	Shri Mukesh Maganbhai Arya (DIN : 02753885)	Director
7.	Prof. Chetan Vamanrao Vaidya (DIN : 07550281)	Director
8.	Shri Amarishkumar Govindlal Patel (DIN : 07591533)	Director
9.	Dr. Sudip Kumar Nanda (DIN : 00315376)	Director
10.	Smt. Pratima Dayal (DIN : 06992866)	Director

Shri Rajiv Ranjan Mishra (DIN -06480792), Part-Time Official Government Director, ceased to be Director on the Board of your Company with effect from 1st June, 2018, consequent upon withdrawal of his nomination by the President of India.



Appointment of Directors made after 31st March, 2018

Part-time Official Government Director

SI. No.	Name	Category
1.	Shri Amrit Abhijat (DIN: 03022727)	(w.e.f. 1 st June, 2018) Director

Brief Profiles of Directors

Dr. Ravi Kanth Medithi, IAS (r), aged 57 years, is the Chairman & Managing Director of your Company. He has been associated with your Company since April 11, 2014. He holds a Bachelor’s degree in Arts (Economics) from Andhra University, a Bachelor’s degree in Law from University of Delhi, a Master’s degree in Arts (Economics) from Andhra University, a Master’s degree in Business Administration (Finance) from Melbourne, Australia and a Doctorate in Agri-Exports from Andhra University.

Dr. Kanth has over 33 years of experience in public administration and has held various positions with government organisations including the Projects and Development India Limited as its Chairman & Managing Director and the Nuclear Fuel Complex, Department of Atomic Energy as its Deputy Chief Executive. He also held various positions with the Government of India, Government of Kerala and Government of the National Capital Territory of Delhi, including Principal Secretary to Government of Kerala and Joint Secretary, Ministry of Power, Government of India.

Dr. Kanth holds directorship in Delhi Mumbai Industrial Corridor Development Corporation Limited and Bangalore Metro Rail Corporation Limited and does not hold membership of Committees of the Board in other Companies.

Nand Lal Manjoka, IRTS (Ex.), aged 59 years, is the Director (Corporate Planning) of your Company. He has been associated with your Company since April 11, 2013. He holds an Executive Master’s degree in International Business and MBA (International Business) from the Indian Institute of Foreign Trade, New Delhi and a Post Graduate diploma in Banking and Insurance and Leadership Programme from Harvard Kennedy School, Boston USA. He has over 35 years of experience in construction, planning, Project appraisal, terminal design and marketing business development and operations, logistic and trains operation of Indian Railways.

He has in the past been associated with Container Corporation of India as its Executive Director (Planning and Business Development). He is also a Fellow Member of the Institute of Engineers, India.

The term of appointment of Shri Manjoka has been extended by the President of India through Administrative Ministry vide its orders dated 11th April, 2018 with effect from 11th April, 2018 till 30th November, 2018 i.e. till the date of his superannuation or until further orders, whichever is earlier.

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

Rakesh Kumar Arora, aged 58 years, is the Director (Finance) and Chief Finance Officer (CFO) of your Company. He has been associated with your Company since October 1, 2015. He holds a Bachelor’s degree in Commerce (Honours) from Delhi University. He is a Fellow member of the Institute of Chartered Accountants of India and an Associate member of Institute of Company Secretaries of India.

Prior to joining your Company, he was working with the Rural Electrification Corporation Limited as its Executive Director (Finance). He has over 33 years of experience in the finance sector, including corporate accounts, investor relations, credit appraisal of power projects relating to generation, transmission and distribution, corporate social responsibility and corporate planning. He had handled multiple assignments including resource mobilization from domestic and foreign sources, treasury management and hedging of foreign currency exposure. Additionally, he had also handled responsibilities of internal audit and Company Secretary.

Shri Arora was assigned additional charge of Director (Finance) of NBCC (India) Limited by the Ministry of Housing and Urban Affairs, Government of India vide letter no. O-17034/75/2017-PS dated 22nd January, 2018 from 1st February, 2018, which was relinquished by him on 12th March, 2018 as per directions of the Ministry.

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

Jhanja Tripathy, IRAS, aged 58 years, is a Part-time Official Government Director of your Company. She has been associated with your Company since May 3, 2014. She holds a Post Graduate Diploma in Industrial Relations and Personnel Management and a Master’s degree in Psychology.

Smt. Jhanja Tripathy has over 32 years of experience in finance, vigilance and administrative functions. She has in the past held various positions with various Ministries of the Government of India. Presently, she is holding the position of Joint Secretary and Financial Advisor with the Ministry of Housing and Urban Affairs (MoHUA), Government of India.

Smt. Tripathy holds directorship in Hindustan Prefab Limited, Kolkata Metro Rail Corporation Limited, NBCC (India) Limited, Mumbai Metro Rail Corporation Limited, Maharashtra Metro Rail Corporation Limited, Metro-Link Express for Gandhi Nagar and Ahmedabad (MEGA) Company Limited and Lucknow Metro Rail Corporation Limited.

Further, she is holding the position of Chairperson/member in the Committees of Companies other than HUDCO as under:

Position	Name of Committee	Name of Company
Chairperson	Audit Committee	Hindustan Prefab Ltd., Kolkata Metro Rail Corporation Ltd., Mumbai Metro Rail Corporation Ltd., Maharashtra Metro Rail Corporation Ltd.
Member	Audit Committee	NBCC (India) Ltd., Lucknow Metro Rail Corporation Ltd.,
Member	Corporate Social Responsibility	Hindustan Prefab Ltd., NBCC (India) Ltd.,

Amrit Abhijat, IAS, aged 50 is a Part-time Official Government Director of your Company. He has been associated with our Company since 1st June, 2018. He holds a Post-graduation degree in History from Kirori Mal College, Delhi University, Master's degrees in Developmental Studies from the University of Sussex, UK. He has also done Courses, in Environmental law and Rural Development amongst others.

He has over 23 years of experience in administrative functions. He served in various capacities, like Secretary in the Ministries of Home, Information, Technical Education, Tourism and Agri-marketing in the Government of Uttar Pradesh. Shri Abhijat taught for a brief period in the Khalsa College, Delhi University. Presently, Shri Abhijat is serving as Joint Secretary and Mission Director, Ministry of Housing and Urban Affairs (MoHUA), Government of India, looking after the ambitious scheme of Housing for All/ Pradhan Mantri Awas Yojna (Urban).

Shri Abhijat holds directorship in Kanpur City Transport Services Limited and Agra- Mathura City Transport Services Limited. He does not hold membership of Committees of the Board in other Companies.

Mukesh Maganbhai Arya, IA&S (r) aged 62 years, is Part-time Non-official Independent Director of your Company. He has been associated with your Company since June 17, 2016. He holds Bachelor's degrees in Commerce (Honours) and Law from the University of Bombay and is an associate member of the Institute of Cost and Works Accountants of India. He holds a Certification in Fraud Examination (CFE) from the Association of Certified Fraud Examiners, Texas, USA and a Certification in Internal Audit from the Institute of Internal Auditors, USA.

He has over 36 years of experience in public administration and accountancy. He has in the past, held various positions such as the Accountant General of Assam, Meghalaya, Arunachal Pradesh and Mizoram, Principal Director of Audit for Direct Taxes, Principal of Director Training, Research and IT audit in the office of the Comptroller and Auditor General of India and Director, UNRWA. He is also an Independent Member of the World Health Organisation Advisory Committee and the Director and Treasurer of Association of Certified Fraud Examiners (India Chapter). He also holds membership of Independent Expert Oversight Advisory Committee of World Intellectual Property Organisation (WIPO)

Shri Arya is a founder director of Red Flag Oversight Consultancy Services Private Limited and does not hold membership of Committees of the Board in other Companies

Prof. Chetan Vamanrao Vaidya, aged 65 years, is a Part-time Non-official Independent Director of your Company. He has been associated with your Company since June 22, 2016. He holds a Bachelor's degree in Architecture from the MS University of Baroda and a Master's degree in City Planning from the Indian Institute of Technology, Kharagpur.

Prof Vaidya has wide experience of academic, research and consultancy in the field of architecture and planning with over 30 year experience. He has in the past held important positions such as the Director of the School of Planning and Architecture (SPA), New Delhi from 2012-17 and Director of National Institute of Urban Affairs (NIUA) from 2008-12. He was also member of several Committees/ Expert Groups set up by Ministries of Human Resource Development, Urban Development and Culture, Government of India as well State Governments.

He is presently short-term Urban Advisor to UNDP, New Delhi working on mainstreaming Sustainable Development Goals (SDGs) in urban sector and draft National Urban Policy. The NITI Ayog had nominated him as Chairperson of Working Group of 'City Governance and Smart Cities' as part of national Development Agenda @75 (year 2022). He is Chairman of Planning Education Board of AICTE.

Prof. Vaidya is not holding directorship and membership of Committees of the Board in other Companies.

Amarishkumar Govindlal Patel, aged 58 years, is a Part-time Non-official Independent Director of your Company. He has been associated with your Company since August 16, 2016. He holds a Bachelor's degree in Commerce from Gujarat University. He has business experience in the trade of chemicals, in the state of Gujarat. He is a former member of Gujarat Legislative Assembly, having been elected in 1998 from the Asarwa constituency.

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

Pratima Dayal, IAS (r) aged 69 years, is a Part-time Non-official Independent Director of your Company. She has been associated with your Company since April 18, 2017. She holds a Bachelor's degree in Economics and Master's degree in History from University of Delhi, and a Master's degree in Agriculture Economics from Cornell University, New York, USA.

Smt. Dayal has over 47 years of development experience at senior levels in the Government of India (IAS) and International organizations. She has worked for over two decades as a member of the Indian Administrative Service of Government of India and worked across the entire operational spectrum – from the grassroots to the national policy level. She has in the past been associated with the Asian Development Bank for 13 years as its principal economist both in Manila, Philippine & in the India Country Office.

Smt. Dayal is a designated partner with Mirabelle Arts Limited Liability Partnership and does not hold membership of Committees of the Board in other Companies.

Dr. Sudip Kumar Nanda, IAS (r), aged 62 years, a Part-time Non-official Independent Director of your Company. He has been associated with your Company since April 18, 2017. He holds Bachelor's and Master's degrees in Law from Gujarat University, a Master's degree in Political Science from the University of Delhi, and a Doctorate in Rural Economics.

Dr. Nanda has over 31 years of rich experience and has, in the past, been associated with Gujarat State Fertilizer and Chemicals Limited as its Chairman & Managing Director and with Gujarat State Financial Corporation as its Managing Director. He worked with various government departments, including in the capacity as Additional Chief Secretary, Home; Principal Secretary, Food & Civil Supply, Forest & Environment and Health. He is also a recipient of, among others, the India CEO Award, 2015, the Udyog Ratna Award and the Golden Peacock Award. He was also honoured by UNESCO, Subash Chandra Bose Award for Communal harmony and public services.

Dr. Nanda is a director of Sajjan India Limited and Accelency Edutech Foundation and does not hold membership of Committees of the Board in other Companies.

(b) Attendance Record and Directorship/Committee Position for the period commencing from 1st April, 2017 to 31st March, 2018

Sl. No.	Name of the Director(s)	No. of Board Meeting(s)		Last AGM Attended (held on 28.09.2017)	Number of directorship/ committee membership excluding HUDCO held as on 31.03.2018	
		Held during their tenure from 01.04.2017 to 31.03.2018	Attended		Directorship	Committee Chairmanship/ Membership
1.	Dr. M. Ravi Kanth	16	16	Yes	2	-
2.	Shri Nand Lal Manjoka	16	15	Yes	-	-
3.	Shri Rakesh Kumar Arora	16	16	Yes	-	-
4.	Smt. Jhanja Tripathy	16	10	No	7	6
5.	Shri Rajiv Ranjan Mishra*	16	07	No	1	1
6.	Shri Mukesh M Arya	16	15	Yes**	1	-
7.	Prof. Chetan V Vaidya	16	15	Yes	-	-
8.	Shri Amarishkumar G Patel	16	15	Yes	-	-
9.	Smt. Pratima Dayal	16	11	Yes***	-	-
10.	Dr. Sudip Kumar Nanda	16	15	Yes	2	-

* Shri Rajiv Ranjan Mishra, ceased to be Director w.e.f. 1st June, 2018

** Also attended as Chairman of the 'Audit Committee'.

*** Also attended as Chairperson of the Stakeholders Relationship Committee' and 'Nomination and Remuneration Committee'.

Note:

- (i) None of the Directors is a member of more than 10 Committee(s) and Chairman of more than 5 Committee(s) across all the Public Limited Companies in which, he/she is a Director as per Regulation 26 of the SEBI (LODR) Regulations, 2015.
- (ii) Chairmanship/ membership of Committees include Chairmanship/ membership of Audit and Stakeholders' Relationship Committee(s) only other than HUDCO as per Regulation 26 of the SEBI (LODR) Regulations, 2015.
- (iii) In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Smt. Jhanja Tripathy, Part time official Government Director shall retire by rotation at the 48th Annual General Meeting and is eligible for reappointment.
- (iv) There is no inter-se relationship between the directors.

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

During the financial year 2017-18, 16 meetings of the Board of Directors were held on the following dates:

25.04.2017, 12.05.2017, 17.05.2017, 30.05.2017, 29.06.2017, 11.07.2017, 24.07.2017, 09.08.2017, 28.09.2017, 13.10.2017, 06.11.2017, 06.12.2017, 21.12.2017, 05.02.2018, 28.02.2018 and 20.03.2018

(d) Shareholding by Directors in the Company as on 31st March, 2018 was as under:

Sl. No.	Name of Director	Shareholding as on 31.03.2018	Remarks
1	Shri Rajiv Ranjan Mishra	100	held as nominee of President of India
2.	Smt. Jhanja Tripathy	100	held as nominee of President of India

Except as above, none of the other Directors held any shares in the Company as on 31st March, 2018.

The Ministry of Housing and Urban Poverty Alleviation and Ministry of Urban Development have been merged and renamed as the Ministry of Housing and Urban Affairs (MoHUA) by the Government of India vide Gazette of India: Extraordinary notification dated 6th July, 2017.

With the disinvestment of 10.19% of the shareholding by President of India through the then Ministry of Housing and Urban Poverty Alleviation during the financial year 2017-18, the shareholding in HUDCO as on 31st March, 2018 comprises of- Ministry of Housing and Urban Affairs (69.08%), Ministry of Rural Development (20.73%) and the Public (10.19%).

- (e) The Company's Board comprises of mix of executive/ non-executive directors with wide range of skills, experience and expertise in different fields. They are nominated for various programmes of the professional interest from time to time as per their convenience and consent. The familiarization programme is available on the website of the Company at <https://hudco.org/writereaddata/Stat-Ind.Dir.Prog.pdf>

3. COMMITTEES OF THE BOARD OF DIRECTORS

HUDCO has in place various Committees of the Board constituted/reconstituted from time to time in compliance with provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE guidelines or from operation point of view.

As on 31st March, 2018, the following Committees were in place:

- a) Audit Committee
- b) Corporate Social Responsibility Committee
- c) Stakeholders Relationship Committee
- d) Risk Management Committee
- e) Nomination & Remuneration Committee (as per Companies Act, 2013)
- f) Remuneration Committee for PRP (as per DPE Guidelines)
- g) Committee of Directors to oversee the Sustainable Development Activities including R&D (as per DPE Guidelines)
- h) Committee to Review NPA
- i) Review Committee on Wilful Defaulters
- j) Customers Relationship Committee

Audit Committee

Brief Description of terms of reference

Your Company has in place Audit Committee constituted in the year 2001. The scope and term of reference of Audit Committee is in compliance with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines. The meetings of the Audit Committee are held regularly to review various issues in terms of its scope and terms of reference.

Director (Finance)/Chief Financial Officer, Executive Director -Internal Audit/ Finance are invitees to the Audit Committee Meeting(s). The Statutory Auditors of the Company are also invited from time to time as per requirement(s). Further, the recommendations of the Audit Committee were considered/accepted and implemented by the Board.

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

Composition, name of members and chairman

The composition of the Audit Committee as at 31st March, 2018 was as under:

SI.No.	Name	Position	Status of Member
1.	Shri Mukesh M Arya	Chairman	Part-time Non-official Independent Director
2.	Shri Rajiv Ranjan Mishra	Member	Part-time Official Government Director
3.	Prof. Chetan V Vaidya	Member	Part-time Non-official Independent Director
4.	Shri Amarishkumar G Patel	Member	Part-time Non-official Independent Director
5.	Smt. Pratima Dayal	Member	Part-time Non-official Independent Director

The Committee was further reconstituted on 19th April, 2018 and the present composition of the reconstituted committee is as under:

SI.No.	Name	Position	Status of Member
1.	Shri Mukesh M Arya	Chairman	Part-time Non-official Independent Director
2.	Smt. Jhanja Tripathy	Member	Part-time Official Government Director
3.	Prof. Chetan V Vaidya	Member	Part-time Non-official Independent Director
4.	Shri Amarishkumar G Patel	Member	Part-time Non-official Independent Director
5.	Smt. Pratima Dayal	Member	Part-time Non-official Independent Director
6.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

Smt. Jhanja Tripathy, Part-time Official Government Director has been appointed as member, Audit Committee in place of Shri Rajiv Ranjan Mishra. Further, Dr. Sudip Kumar Nanda, Part-time Non-official Independent Director has been appointed as a member w.e.f 19th April, 2018.

Meetings and Attendance during the year

During the financial year 2017-18, six meeting(s) of the Audit Committee were held on the following dates:

30th May, 2017, 24th July, 2017, 13th October, 2017, 6th November, 2017, 5th February, 2018 and 5th March, 2018.

Attendance of members at the meetings

SI.No.	Name of Member	No. of Audit Committee Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Shri Mukesh M Arya	6	6
2.	Shri Rajiv Ranjan Mishra	6	0
3.	Prof. Chetan V Vaidya	6	6
4.	Shri Amarishkumar G Patel	6	5
5.	Smt. Pratima Dayal (from 29 th June, 2017)	5	3

Corporate Social Responsibility Committee

Brief Description of terms of reference

Your Company has in place Corporate Social Responsibility Committee constituted in compliance with the provisions of Section 135 of the Companies Act, 2013. The scope and terms of reference of the Committee is in line with the provisions of the Companies Act, 2013 and the rules made thereunder and DPE guidelines on Corporate Governance. The recommendations of the Committee were placed before the Board for its approval.

Composition, name of members and chairman

The composition of the Committee as at 31st March, 2018 was as under:

Sl.No.	Name	Position	Status of Member
1.	Dr. M. Ravi Kanth	Chairman	Chairman & Managing Director
2.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director
3.	Prof. Chetan V Vaidya	Member	Part-time Non-official Independent Director
4.	Shri Amarishkumar G Patel	Member	Part-time Non-official Independent Director

Executive Director–Corporate Social Responsibility is invited as a special invitee to attend the meeting(s) of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The Committee was further reconstituted on 19th April, 2018 by appointing Dr. Sudip Kumar Nanda, Part-time Non-official Independent Director as a member of the Committee. The present composition of the Committee is as under:

Sl.No.	Name	Position	Status of Member
1.	Dr. M. Ravi Kanth	Chairman	Chairman & Managing Director
2.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director
3.	Prof. Chetan V Vaidya	Member	Part-time Non-official Independent Director
4.	Shri Amarishkumar G Patel	Member	Part-time Non-official Independent Director
5.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

Attendance of members at the meetings

During the year under review, four meetings of the Committee were held on 29th May, 2017, 28th September, 2017, 6th December, 2017 and 5th February, 2018, where attendance of the members was as under:

Sl.No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Dr. M. Ravi Kanth	4	4
2.	Shri Mukesh M Arya	4	4
3.	Prof. Chetan V Vaidya	4	4
4.	Shri Amarishkumar G Patel	4	3

Stakeholders Relationship Committee

Brief Description of terms of reference

In compliance with the provisions of Section 178 of the Companies Act, 2013, HUDCO has constituted Stakeholders Relationship Committee for redressal of grievances of the stakeholders.

The scope and terms of reference of Committee is in line with the provisions as contained in the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition, name of members and chairman

The composition of the Committee as at 31st March, 2018 was as under:

Sl.No.	Name	Position	Status of Member
1.	Smt. Pratima Dayal	Chairperson	Part-time Non-official Independent Director
2.	Smt. Jhanja Tripathy	Member	Part-time Official Government Director
3.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
4.	Shri Rakesh Kumar Arora	Member	Director (Finance)

Shri Harish Kumar Sharma, Company Secretary is the Compliance Officer.

There is no change in the composition of the Committee as on date.

Attendance of members at the meetings

During the year only four meetings of the Committee were held on 30th May, 2017, 28th September, 2017, 6th December, 2017 and 5th February, 2018, where attendance of the members was as under:

SI.No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Smt. Pratima Dayal (from 29 th June, 2017)	3	2
2.	Smt. Jhanja Tripathy	4	3
3.	Shri Nand Lal Manjoka	4	4
4.	Shri Rakesh Kumar Arora	4	4

Status of shareholders grievances as on 31st March, 2018

The status of shareholders grievances as on 31st March, 2018 was as under

Opening balance	Received during the year	Resolved during the year	Closing balance
0	455	433	22

All the pending complaints as on 31st March, 2018 have been duly resolved subsequently.

Risk Management Committee

Brief Description

With a view to minimize the impact of various risks to which your Company is exposed to, it has constituted Board level 'Risk Management Committee' as per the requirement(s) of clause 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee is headed by Chairman & Managing Director which reviews various suggestions/ recommendations/reports and actions taken by three sub-committees namely: Assets & Liabilities Management Committee (ALCO), Credit Risk Management Committee (CRMC) and Operational Risk Management Committee (ORMC)

Composition, name of members and chairman

The composition of the Committee as at 31st March, 2018 was as under:

SI.No.	Name	Position	Status of Member
1.	Dr. M Ravi Kanth	Chairman	Chairman & Managing Director
2.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora	Member	Director (Finance)
4.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

There is no change in the constitution of the Committee as on date.

Further, Senior Executive Director (C&H), Senior Executive Director (CI&SC/CP/Trg) and Executive Director (Risk Management) attends the meetings of the Committee as special invitees.

The Company Secretary acts as the Secretary to the Committee.

Attendance of members at the meetings

During the year, only two meetings of the Committee were held on 13th October, 2017 and 20th March, 2018, where attendance of the members was as under:

SI.No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Dr. M. Ravi Kanth	2	2
2.	Shri Nand Lal Manjoka	2	1
3.	Shri Rakesh Kumar Arora	2	2
4.	Dr. Sudip Kumar Nanda	2	2

Nomination & Remuneration Committee (as per Companies Act, 2013)

Brief Description and scope & terms of reference

In terms of the provisions of Section 178 of the Companies Act, 2013, your Company has in place 'Nomination & Remuneration Committee' of the Board. The scope and terms of reference of the Committee is in line with the Companies Act, 2013 subject to exemptions granted to Government Companies from time to time.

Your Company, being a Government Company, its Directors are appointed by the President of India through the Administrative Ministry, wherein, evaluation of its Directors is also carried out by the Administrative Ministry, being the appointing authority. The terms and conditions of appointment and remuneration payable to its Functional Directors including Chairman & Managing Director are approved by the President of India through the Administrative Ministry, i.e. Ministry of Housing and Urban Affairs (MoHUA).

Further, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with the provisions of Section 134 of the Companies Act, 2013 with respect to performance evaluation of the Board and its committees.

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

Composition, name of members and chairperson

The composition of the Committee as at 31st March, 2018 was as under:

SI.No.	Name	Position	Status of Member
1.	Smt. Pratima Dayal	Chairperson	Part-time Non-official Independent Director
2.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director
3.	Prof. Chetan V Vaidya	Member	Part-time Non-official Independent Director
4.	Shri Amarishkumar G Patel	Member	Part-time Non-official Independent Director

There is no change in the constitution of the Committee as on date.

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

Company Secretary acts as Secretary of the Committee.

Attendance at the meetings

During the year, only four meetings of the Committee were held on 12th May, 2017, 28th September, 2017, 6th December, 2017 and 21st December, 2017. The attendance of members during the year 2017-18 was as under:

SI.No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Smt. Pratima Dayal (from 29 th June, 2017)	3	2
2.	Shri Mukesh M Arya	4	4
3.	Prof. Chetan V Vaidya	4	4
4.	Shri Amarishkumar G Patel	4	4

Remuneration Committee for Performance Related Pay (as per DPE Guidelines)

Brief Description and scope & terms of reference

In terms of DPE guidelines, your Company has in place 'Remuneration Committee' for the purpose of payment of 'Performance Related Pay' payable to its employees. The scope, powers and terms of reference of the Committee are as per directives issued by the DPE to decide the annual bonus/variable pay and policy for its distribution across the executives and non-unionised supervisors within the prescribed limits.

Composition, name of members and chairperson

The composition of the Committee as at 31st March, 2018 was as under:

SI.No.	Name	Position	Status of Member
1.	Smt. Pratima Dayal	Chairperson	Part-time Non-official Independent Director
2.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director
3.	Prof. Chetan V Vaidya	Member	Part-time Non-official Independent Director
4.	Shri Amarishkumar G Patel	Member	Part-time Non-official Independent Director

There is no change in the constitution of the Committee as on date.

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

Company Secretary acts as Secretary of the Committee.

Attendance of members at the meetings

During the year, the Committee met on 11th July, 2017, where attendance of the members was as under:

SI.No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Smt. Pratima Dayal (from 29 th June, 2017)	1	1
2.	Shri Mukesh M Arya	1	1
3.	Prof. Chetan V Vaidya	1	1
4.	Shri Amarishkumar G Patel	1	1

Committee of Directors to Oversee the Sustainable Development Activities Including R&D (as per DPE Guidelines)

Brief Description and scope & terms of reference

In terms of DPE guidelines, your Company has in place 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 vide office memorandum dated 20th September, 2011 and necessary allocation of funds for R&D activities has been made as per DPE guidelines.

Composition, Name of members and Chairman

As on 31st March, 2018, the Committee comprised of the following members:

SI.No.	Name	Position	Status of Member
1.	Prof. Chetan V Vaidya	Chairman	Part-time Non-official Independent Director
2.	Shri Rajiv Ranjan Mishra	Member	Part-time Official Government Director
3.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
4.	Shri Rakesh Kumar Arora	Member	Director (Finance)

The Committee was further reconstituted on 19th April, 2018, the present composition of the Committee is as under:

SI.No.	Name	Position	Status of Member
1.	Prof. Chetan V Vaidya	Chairman	Part-time Non-official Independent Director
2.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora	Member	Director (Finance)
4.	Smt. Jhanja Tripathy	Member	Part-time Official Government Director
5.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

Smt. Jhanja Tripathy, Part-time Official Government Director, has been appointed as member in place of Shri Rajiv Ranjan Mishra. Further, Dr. Sudip Kumar Nanda, Part-time Non-official Independent Director has been appointed as a member of the Committee with effect from 19th April, 2018.

Composition, name of members and chairman

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

Committee to Review NPAs

Brief Description

In order to improve operational efficiency of HUDCO, the Board of Directors of your Company in its 567th meeting held on 22nd July, 2016 has constituted Committee of the Board to Review NPA's.

Composition, name of members and chairman

As on 31st March, 2018, the composition of the Committee was as under:

SI.No.	Name	Position	Status of Member
1.	Dr. M Ravi Kanth	Chairman	Chairman & Managing Director
2.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora	Member	Director (Finance)
4.	Shri Rajiv Ranjan Mishra	Member	Part-time Official Government Director
5.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director
6.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

The Committee was further reconstituted on 19th April, 2018. The present composition of the Committee is as under:

SI.No.	Name	Position	Status of Member
1.	Dr. Sudip Kumar Nanda	Chairman	Part-time Non-official Independent Director
2.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora	Member	Director (Finance)
4.	Smt. Jhanja Tripathy	Member	Part-time Official Government Director
5.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director

Upon the reconstitution of the Committee on 19th April, 2018, Dr. Sudip Kumar Nanda, Part-time Non-official Independent Director, was appointed as the Chairman of the Committee in place of Dr. M Ravi Kanth, who ceased to be the Chairman and member of the Committee, Further, Smt. Jhanja Tripathy, Part-time Official Government Director, was appointed as member of the Committee in place of Shri Rajiv Ranjan Mishra.

Attendance of members at the meetings

During the year only six meetings of the Committee were held on 30th May, 2017, 11th July, 2017, 28th September, 2017, 6th December, 2017, 19th February, 2018 and 28th February, 2018 where attendance of the members was as under:

SI.No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2017-18	attended
1.	Dr. M. Ravi Kanth	6	6
2.	Shri Nand Lal Manjoka	6	6
3.	Shri Rakesh Kumar Arora	6	6
4.	Shri Rajiv Ranjan Mishra	6	0
5.	Shri Mukesh M Arya	6	6
6.	Dr. Sudip Kumar Nanda (from 29 th June, 2017)	5	5

Review Committee on Wilful Defaulters

Brief Description

As per National Housing Bank Regulations, the Board of Directors in its 567th meeting held on 22nd July, 2016 has constituted Committee of the Board to Review the Wilful Defaulters.

Composition, name of members and chairman

As on 31st March, 2018, the composition of the Committee was as under:

SI.No.	Name	Position	Status of Member
1.	Dr. M Ravi Kanth	Chairman	Chairman & Managing Director
2.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora	Member	Director (Finance)
4.	Shri Rajiv Ranjan Mishra	Member	Part-time Official Government Director
5.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director
6.	Dr. Sudip Kumar Nanda	Member	Part-time Non-official Independent Director

The Committee was further reconstituted on 19th April, 2018. The present composition of the Committee is as under:

Sl.No.	Name	Position	Status of Member
1.	Dr. Sudip Kumar Nanda	Chairman	Part-time Non-official Independent Director
2.	Shri Nand Lal Manjoka	Member	Director (Corporate Planning)
3.	Shri Rakesh Kumar Arora	Member	Director (Finance)
4.	Smt. Jhanja Tripathy	Member	Part-time Official Government Director
5.	Shri Mukesh M Arya	Member	Part-time Non-official Independent Director

Upon the reconstitution of the Committee(s) on 19th April, 2018, Dr. Sudip Kumar Nanda, Part-time Non-official Independent Director, was appointed as the Chairman of the Committee in place of Dr. M Ravi Kanth, who ceased to be the Chairman and member of the Committee, Further, Smt. Jhanja Tripathy, Part-time Official Government Director, was appointed as member of the Committee in place of Shri Rajiv Ranjan Mishra.

Attendance of members at the meetings

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

Customers' Relationship Committee

The Board of Directors in its 567th meeting held on 22nd July, 2016 constituted Committee of the Board namely 'Customer Relationship Committee' in order to improve operational efficiency of HUDCO.

No meeting of the Committee has been held since its inception, since the issues relating thereto are directly put up to the Board for its consideration. As the Committee was non-functional, therefore, the Board decided to close the Customers' Relationship Committee w.e.f 19th April, 2018.

4. Remuneration of Directors and Key Managerial personnel

(a) The Functional Directors including Chairman & Managing Director and Company Secretary have been paid remuneration during the financial year 2017-18 as per the terms and conditions of their appointment, as per following details:

Name of Director	Salary/ Allowances	Benefits*	Performance Linked Incentives	Gross Amount
Dr. M Ravi Kanth Chairman & Managing Director	3751608	1803177	1664722	7219507
Shri Nand Lal Manjoka Director (Corporate Planning)	3853755	2033302	1166372	7053429
Shri Rakesh Kumar Arora Director (Finance) and CFO	3591904	1148720	887625	5628249
Shri Harish Kumar Sharma Company Secretary	1999981	726972	237553	2964506

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

(b) During the year financial year 2017-18, Part- time Non- Official Independent Directors have been paid remuneration by way of sitting fee for attending the meetings of the Board/ Committee(s) thereof as approved by the Board and the Administrative Ministry, within the ceilings as prescribed under the Companies Act, 2013.

The detail of sitting fee paid to Part- time Non-official Independent Directors was as under:

Name of the Director	Sitting Fee		Total (₹)
	Board Meeting (₹)	Committee Meeting (₹)	
Shri Mukesh M Arya	3,00,000	3,30,000	6,30,000
Prof. Chetan V Vaidya	3,00,000	2,40,000	5,40,000
Shri Amarishkumar G Patel	3,00,000	2,10,000	5,10,000
Smt. Pratima Dayal	2,20,000	1,35,000	3,55,000
Dr. Sudip Kumar Nanda	3,00,000	1,20,000	4,20,000

In addition to above, Shri Mukesh M Arya and Prof. Chetan V Vaidya, Part- time Non-official Independent Directors, have been paid ₹ 10,000/- and ₹ 30,000/- respectively for rendering other services in their professional capacity.

- (c) The Part time Official Government Director(s) are not entitled to any remuneration/ sitting fee from the Company.
- (d) Apart from above, Part- time Non-official Independent Directors and Part- time Official Government Director(s) do not have any pecuniary relationship or transactions with the company.
- (e) All the Directors on the Board of the Company including Functional Directors are appointed by the President of India through the Administrative Ministry. The terms and conditions of appointment of Directors including service contracts, notice period, severance fee and payment of their remuneration is as per their terms of appointment as decided by the President of India.
- (f) The Company has not issued any stock options/ convertible instruments as on date.

5. GENERAL BODY MEETINGS

Location and time, where last three annual general meetings held

Meeting No.	Financial Year	Location	Date	Time	Whether any special resolution passed
47 th	2016-17	Sirifort Auditorium, August Kranti Marg, New Delhi - 110049	28.09.2017	10:30 a.m.	Yes
46 th	2015-16	HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003	23.08.2016	12:30 p.m.	Yes
45 th	2014-15	HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003	19.10.2015*	12:30 p.m.	No

* Extension of time for holding the Annual General Meeting for the financial year 2014-15 has been obtained from the office of the Registrar of Companies, Ministry of Corporate Affairs, Govt. of India, New Delhi for a period of one month vide order dated 17th September, 2015 (SRN C63434633 dated 09.09.2015).

Postal Ballot

During the financial year 2017-18, no approval of the shareholders was sought through postal ballot.

Further, during the financial year 2018-19, Your Company has obtained approval of the shareholders by way of special resolution(s) passed on 20th May, 2018, through Postal Ballot, for the following matters namely:

- a. borrow funds not exceeding ₹ 40,000 crore by way of bonds/ debentures on private placement basis, etc.;
- b. increase in the borrowing limits to ₹ 1,00,000 crore; and
- c. insert a new clause 34A, in the Articles of Association of the Company regarding consolidation & re-issue of debt securities.

The details of voting pattern in respect of each item passed as a special resolution, was as under:

Sl. No.	Brief particulars of the item	In favour		Against	
		No. of votes casted and (%)		No. of votes casted and (%)	
1.	To borrow funds not exceeding ₹ 40,000 crore by way of bonds/ debentures on private placement basis, etc.	1446360905	99.9986	19309	0.0014
2.	Increase in the borrowing limits to ₹ 100,000 crore	1445643282	99.9496	729200	0.0504
3.	Insertion of Article 34A, in the Articles of Association	1446346880	99.9981	27059	0.0019

The postal ballot exercise was conducted by M/s Hemant Singh & Associates, Company Secretaries, in a fair and transparent manner.

Further, there is no proposal for getting approval of the shareholders by special resolution through the process of postal ballot.

6. Means of Communications

As a good Corporate Governance, your Company believes in continuous, efficient, timely and relevant communication with all its stakeholders.

The quarterly Unaudited Financial Results, Audited Financial Results, Shareholding Pattern, Corporate Governance Report and other statutory informations as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are announced within the stipulated time frame as prescribed under the relevant laws, rules and regulations. The same are filed with the Stock Exchanges namely BSE Limited and National Stock Exchange of India Limited and also hosted on the Company's website at www.hudco.org, for information of the stakeholders. Further, Unaudited Financial Results, Audited Financial Results and other Statutory Notices, etc., are also published in leading English and Hindi newspapers i.e. Economic Times, Business Standard, Nav Bharat Times (Hindi) having wider circulations across the Country.

Official news/ press releases and presentation made to investors/ analysts are hosted on the Company's website and intimation of the same are also made to the Stock Exchanges.

7. General Shareholder Information

48th Annual General Meeting – date, time and venue (financial year 2017-18)

Number	48 th
Day and Date	Tuesday, 25 th September, 2018
Time	4:00 p.m.
Venue	Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi - 110 003

Dividend payment date

Your Company has paid an Interim Dividend to the shareholders @ 5.5% (₹ 0.55 per equity share of ₹ 10/- each) for the financial year 2017-2018 after approval of the Board in its meeting held on 28th February, 2018 and the same was paid on 14th March, 2018. There being no surplus available after the payment of interim dividend and after appropriations, hence, your Directors have not recommended any final dividend for the financial year ended 31st March, 2018; hence, the interim dividend of ₹ 110.10 crore excluding dividend distribution tax of ₹ 22.42 crore paid during the year 2017-18, shall be the total payout on account of dividend.

Listing of Equity Shares

The equity shares of your Company are listed on BSE Limited and National Stock Exchange of India Limited during the financial year 2017-18, effective from 19th May, 2017. The details of listing are as under:

BSE Limited (BSE)	National Stock Exchange of India Limited (NSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Bandra Kurla Complex, Bandra(East), Mumbai – 400 051
Stock Code – 540530	Stock Code - HUDCO

ISIN of HUDCO: INE031A01017

Further, it is confirmed that the company has paid listing fee to BSE Limited and National Stock Exchange of India Limited for the financial year 2018-19.

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

The data with respect to market price of shares - high/ low during each month in the financial year 2017-18, performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc., as on 31st March, 2018 is as under:

Performance of Share at BSE in comparison to BSE Sensex

Month	Performance of Share at BSE			Movement of BSE Sensex		
	High (₹)	Low (₹)	Month Close (₹)	High (₹)	Low (₹)	Month Close (₹)
May 2017	77.80	66.45	72.95	31255.28	29804.12	31145.80
June 2017	74.30	66.15	67.10	31522.87	30680.66	30921.61
July 2017	102.35	67.10	81.85	32672.66	31017.11	32514.94
August 2017	84.90	74.10	83.10	32686.48	31128.02	31730.49
September 2017	92.60	81.15	83.15	32524.11	31081.83	31283.72
October 2017	89.85	80.50	86.05	33340.17	31440.48	33213.13
November 2017	89.00	79.75	82.20	33865.95	32683.59	33149.35
December 2017	83.85	76.20	82.70	34137.97	32565.16	34056.83
January 2018	89.50	80.80	82.25	36443.98	33703.37	35965.02
February 2018	84.40	74.10	77.10	36256.83	33482.81	34184.04
March 2018	77.45	64.55	66.35	34278.63	32483.84	32968.68

Performance of Share at NSE in comparison to NSE Sensex

Performance of Share at BSE				Movement of BSE Sensex		
Month	High (₹)	Low (₹)	Month Close (₹)	High (₹)	Low (₹)	Month Close (₹)
May 2017	77.85	66.40	73.20	9649.60	9269.90	9621.25
June 2017	74.25	66.00	67.10	9709.30	9448.75	9520.90
July 2017	102.30	67.05	81.80	10114.85	9543.55	10077.10
August 2017	84.90	74.10	83.15	10137.85	9685.55	9917.90
September 2017	92.60	81.00	83.20	10178.95	9687.55	9788.60
October 2017	89.80	80.45	85.95	10384.50	9831.05	10335.30
November 2017	89.00	79.55	82.25	10490.45	10094.00	10226.55
December 2017	83.85	76.05	82.50	10552.40	10033.35	10530.70
January 2018	89.40	80.75	82.25	11171.55	10404.65	11027.70
February 2018	84.35	73.80	77.00	11117.35	10276.30	10492.85
March 2018	77.45	64.50	66.30	10525.50	9951.90	10113.70

Note:

Since, the equity shares of the Company were listed on Stock Exchanges during the financial year 2017-18 on 19th May, 2017; hence the market price of shares for the month of April and part May is not given

Registrar & Transfer Agents
a) For Equity Shares
M/s Alankit Assignments Limited,

Registrars and Share Transfer Agents (RTA),
3E/7, Jhandewalan Extension,
New Delhi - 110055,
Email Id- rtal@alankit.com,
Contact No. 011-4254-1234/2354-1234,
Fax No. 011-4154-3474

b) For Bonds
KARVY Computershare Private Limited

Karvy Selenium Tower B,
Plot Nos. 31 & 32, Financial District,
Nanakramguda, Hyderabad - 500032
Contact No. : 040-67161590
Email: einward.ris@karvy.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. 022-43025553
Email: corporate@sbicaptrustee.com

b) For Public Deposit Scheme
IL and FS Trust Company Limited,

IL&FS Financial Centre, Plot C-22,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai - 400 051
Contact No. 022-26593560
Email: itcl@ilfsindia.com; itcldata@gmail.com

Beetal Financial & Computer Services Private Limited

Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi-110062
Phone No. 011-29961281
Email: beetalrta@gmail.com, beetal@beetalfinancial.com

Axis Trustee Services Limited

2nd Floor, Axis House,
C-2, Wadia International Centre,
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli
Mumbai - 400 025
Contact No: 022-24252525, 43252525
Email: debenturetrustee@axistrustee.com

Share transfer system

All activities pertaining to share transfer including transmission, split, consolidation, demat, remat, etc., are handled by Registrar and Transfer Agent (R&TA) of the Company as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholders Relationship Committee is updated on the transfer of shares, etc., on quarterly basis. In case of shares held in electronic form, the transfer are processed by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited, through their respective Depository Participants.

As per Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from practising Company Secretary certifying that all the certificates have been issued within 30 days from the date of lodgement for transfer, etc., and copy of the same is filed with the Stock Exchanges on half yearly basis.

Distribution of Shareholding

Distribution of Shareholding as on 31st March, 2018:

Number of Shares	Number of Shareholders	% to total	Total Shares	Amount (in Rs.)	% of shares
1 - 5000	284964	99.23	87508364	875083640	4.371
5001 - 10000	1300	0.453	9767694	97676940	0.488
10001 - 20000	494	0.172	7024317	70243170	0.351
20001 - 30000	168	0.059	4135753	41357530	0.207
30001 - 40000	63	0.022	2209574	22095740	0.11
40001 - 50000	57	0.020	2645570	26455700	0.132
50001 - 100000	62	0.022	4539843	45398430	0.227
100001 and above	68	0.024	1884068885	18840688850	94.114
Total	282408	100.000	2001900000	20019000000	100.000

Shareholding Pattern as on 31st March, 2018:

Category	As on 31 st March, 2018	
	Number of shares	Percentage of total
President of India	1797841253	89.807
Indian Financial Institutions	1558069	0.078
Insurance Companies	32638887	1.630
Banks	1963091	0.098
Mutual Funds	27570809	1.377
Alternate Investment Fund	160000	0.008
Non-Banking Financial Companies	1987041	0.099
Bodies Corporate	20832919	1.041
Foreign Portfolio Investors	6804808	0.340
Resident Individuals	99772239	4.984
HUF	5378658	0.269
Employees	1122779	0.056
Non-Resident Indians	3304179	0.165
Clearing Members	949481	0.047
Trusts	15787	0.001
Total	2001900000	100.000

Dematerialization of shares and liquidity

The shares of the Company are in compulsory dematerialized segment. As on 31st March, 2018, 99.999% of the total issued capital of the Company were in dematerialized form and the balance 0.001% representing 8618 equity share were held in physical form by the shareholders of the Company.

The shares of the Company are frequently traded at the Stock Exchanges and have not been suspended from trading during the year.

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

As on 31st March, 2018, your Company has not issued any GDRs/ ADRs/ Warrants or any Convertible instrument.

Commodity price risk or foreign exchange risk and hedging activities

Your Company being a Public Financial Institution notified under section 4A of the Companies Act, 1956, is not dealing in any commodity. HUDCO in order to manage exchange rate and interest rate risks associated with foreign currency borrowings has entered into hedging transactions.

Plant Location

Your Company being a Housing Finance Company does not have any plant, however, it has 21 Regional Offices and 11 Development Offices all over the Country apart from its Registered Office located in New Delhi.

Address for correspondence

Housing & Urban Development Corporation Limited,
HUDCO Bhawan, Core - 7A,
India Habitat Centre, Lodhi Road, New Delhi – 110003

CIN : L74899DL1970GOI005276
ISIN : INE031A01017
Telephone Nos. : 011-24648420/24649610
Fax No. : 011-24625308
E-mail id : cswhudco@hudco.org

8. Other Disclosures

- a. There were no material transactions with related parties that may have conflict with the interest of the company at large. The details as to Related Party transactions have been appropriately disclosed in point no. 39 of Note- 26, of the financial statements;
- b. There are no penalties, strictures imposed on the company by the Stock Exchange(s) or the Board or any Statutory Authority, on any matter relating to Capital Market, during the last three years;
- c. HUDCO has established Vigil Mechanism and Whistle Blower Policy to encourage honest and upright persons to assist the organization in bringing full transparency and checking malpractices in its operations and further it is affirmed that no person has been denied access to the Audit Committee;
- d. The company has complied with all the mandatory requirements of Corporate Governance and as a good Corporate Governance Practice have adopted some of the non-mandatory requirements;
- e. Policy for determining 'material subsidiaries' and 'Related Party Transactions' are available on the Company's website at following web link: <https://www.hudco.org/writereaddata/Policy%20for%20determining%20Material%20Subsidiaries.pdf>
- f. All compliances as prescribed in regulations 17 to 27 and 46(2)(b) to (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines have been complied with.
 - i. *Further, as on 31st March, 2018, 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 said norms have been relaxed to HUDCO by NHB vide letter no. NHB/ ND/ HFC/ DRS/ 3792/ 2011 dated April 5, 2011 and NHB (ND)/ DRS/ SUP/ 6682/ 2014 dated May 16, 2014 and NHB (ND)/DRS/ SUP/ 5744/ 2015 dated June 08, 2015 and NHB(ND)/ DRS/ SUP/ 7416/ 2016 dated August 24, 2016, No. NHB(ND)/DRS/ SUP/2234/2017 dated March 06, 2017 and No. NHB(ND)/ DRS /SUP/ 2235/ 2017 dated March 06, 2017 and No. NHB(ND)/ DRS / SUP/ 9435/ 2017 dated 19th September, 2017.*

- g. 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.
- h. During the year under review, the Ministry of Housing and Urban Affairs vide its letter no.A-42012(12)1/2017-M-UD(E-9031298) dated 25th January, 2018 has issued the Presidential Directive to implement the Pay Revision of Board level 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. Nos.W-02/0028/2017-DPE(WC)-GL- XIII/17 dated 3rd August, 2017 and W-02/0028/2017-DPE(WC)-GL-XIV/17 dated 4th August, 2017. Accordingly, pay scales of Board level and below Board level Executives and Non-Executives have been revised with effect from 1st January, 2017 as per guidelines issued by Department of Public Enterprises (DPE) and the total financial implication towards the same is ₹ 27.89 crore. The above Presidential Directive has been duly complied with. Further, except above, no other Presidential Directive has been issued by the Central Government during the last three years w.r.t. revision of Pay Scales.
- i. During the year, no expenditure of personal nature has been incurred on behalf of the Board of Directors of the Company and top management.
- j. During the year, no expenditure has been debited in the books of accounts, which are not for the purposes of business of the Company.
- k. During the year, personnel & administrative expenses constitute 7.41 % of total expenditure (previous year 6.77%) and 10.07% of financial expenditure (previous year 8.38%). The increase in expenditure were mainly due to increase in staff cost.
- l. The Audit report for the year 2017-18 has been reviewed by the Audit Committee as well as by the Board and the same has been replied by way of addendum.

9. Non-Mandatory/ Discretionary Requirements

Besides the mandatory requirements on Corporate Governance as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the status of compliance of non-mandatory/ discretionary requirements pertaining to Corporate Governance as specified in Part E of Schedule II is as under:

1.	The Board	:	The Company is headed by the Chairman & Managing Director appointed by the President of India in terms of Articles of Association of the Company.
2.	Shareholders Rights	:	The financial results are published in the newspapers and also hosted on websites of BSE and NSE and simultaneous on Company's website for information of the Shareholders. A management presentation is also hosted on the website of the Stock Exchanges/Company after declaration of Quarterly/Half Yearly/Annual Financial Results. Further, the price sensitive information 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 pertaining to the financial year 2017-18.
4.	Separate post of Chairperson and Chief Executive Officer	:	There is no separate post of Chairperson and Chief Executive Officer. HUDCO being a Government Company is headed by the Chairman & Managing Director.
5.	Reporting of Internal Auditor	:	HUDCO is having an Internal Audit Department headed by Executive Director (Internal Audit) reporting to Chairman & Managing Director directly. Head of the Internal Audit Department is invited in all the meetings of the Audit Committee. Internal Audit of Regional Offices/ various departments is conducted as per Annual Audit Programme approved by the Audit Committee through in house internal audit and/or outsource firm of Chartered Accountants. 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/-

Dr. M. Ravi Kanth
Chairman & Managing Director
 (DIN:01612905)

Place : New Delhi
 Date : 7th August, 2018